

03

Sustainability report

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ESG Performance

(2021 performance in brackets)

80 %

Customer satisfaction score¹⁾ (83 %)

0

Information security breaches²⁾ (0)

0

Reported corruption events (0)

93 %

Employees completed ESG and ethics training (N/A)

80/100

Employee engagement score (80/100)

9.9 %

Climate change GHG emissions reduction (2021 baseline)

8.7

Sustainalytics risk rating
Negligible risk (9.3)

- 1) Customer satisfaction rate based in customer surveys. In 2022 the survey has been implemented in 10 additional entities.
- 2) During 2022 an incident of suspicious defender antivirus exclusion took place and mechanisms in place alerted the team in charge. The incident was identified, analysed, and closed including mechanisms and recommendations made to avoid potential risks.

CEO Sustainability statement

In a year of extraordinary developments, B2Holding has maintained its industry-leading environmental, social and governance (ESG) performance.

Our primary focus when collecting debt is to provide professional services and reach a positive outcome for our customers. In 2022, B2Holding maintained a customer satisfaction score of 80 %. We have invested in training and development to support our teams, who work in demanding environments to consistently achieve excellent results. Over 90 % of our employees received some form of ethics and ESG training in 2022, and I am pleased to note that there were no reported cases of corruption or business conduct issues during the year.

On 5 January 2023 the EU Corporate Sustainability Reporting Directive (CSRD) entered into force. The directive modernises and strengthens the reporting rules for social and environmental information and B2Holding will be obliged to report on it from the financial year 2024. In preparation, B2Holding has strengthened its existing Environmental, Social and Governance (ESG) reporting to include both Global Reporting Initiative (GRI) and Sustainability Accounting Standards Board (SASB) disclosures. These are closely aligned with the forthcoming reporting requirements of the CSRD, including the concept of double materiality.

B2Holding is committed to developing an emission reduction target in line with the Science-Based Target initiative criteria. In 2022 we achieved a 9.9 % reduction in our scope 1 & 2 greenhouse gas (GHG) emissions (market-based calculation). Energy consumption plans and policies are being developed and implemented across the Group, with several business units also purchasing guarantees of origin (renewable energy) for their electricity consumption.

The Group dealt with three substantiated complaints concerning breaches of customer privacy in 2022, none of which resulted in GDPR or other sanctions. We responded to a single potential cybersecurity incident and mechanisms already in place prevented disruption or data loss. In all data privacy and cybersecurity events, the incidents are analysed and followed up to avoid future potential risks.

I am proud to work in a gender-diverse company, where women now account for 51 % of the senior management. We are committed to creating an equal opportunity workplace that fosters employee well-being. Two of our office sites received awards for being great places to work in 2022, which is valuable recognition for the positive culture being created by our people. You can read more about the awards and our how we support people in the social section of this report.

As we move into 2023 and beyond, B2Holding is building on a strong foundation of ESG initiatives. Our Sustainability risk rating of 8.7 indicates that we are a negligible risk and a top performer in our sector. We will continue to prioritise resources to manage our most material ESG impacts, and this report aims to provide a transparent presentation of our results to date.

I invite you to read our report and welcome your feedback.

Oslo, 27 April 2023

Erik J. Johnsen
Chief Executive Officer

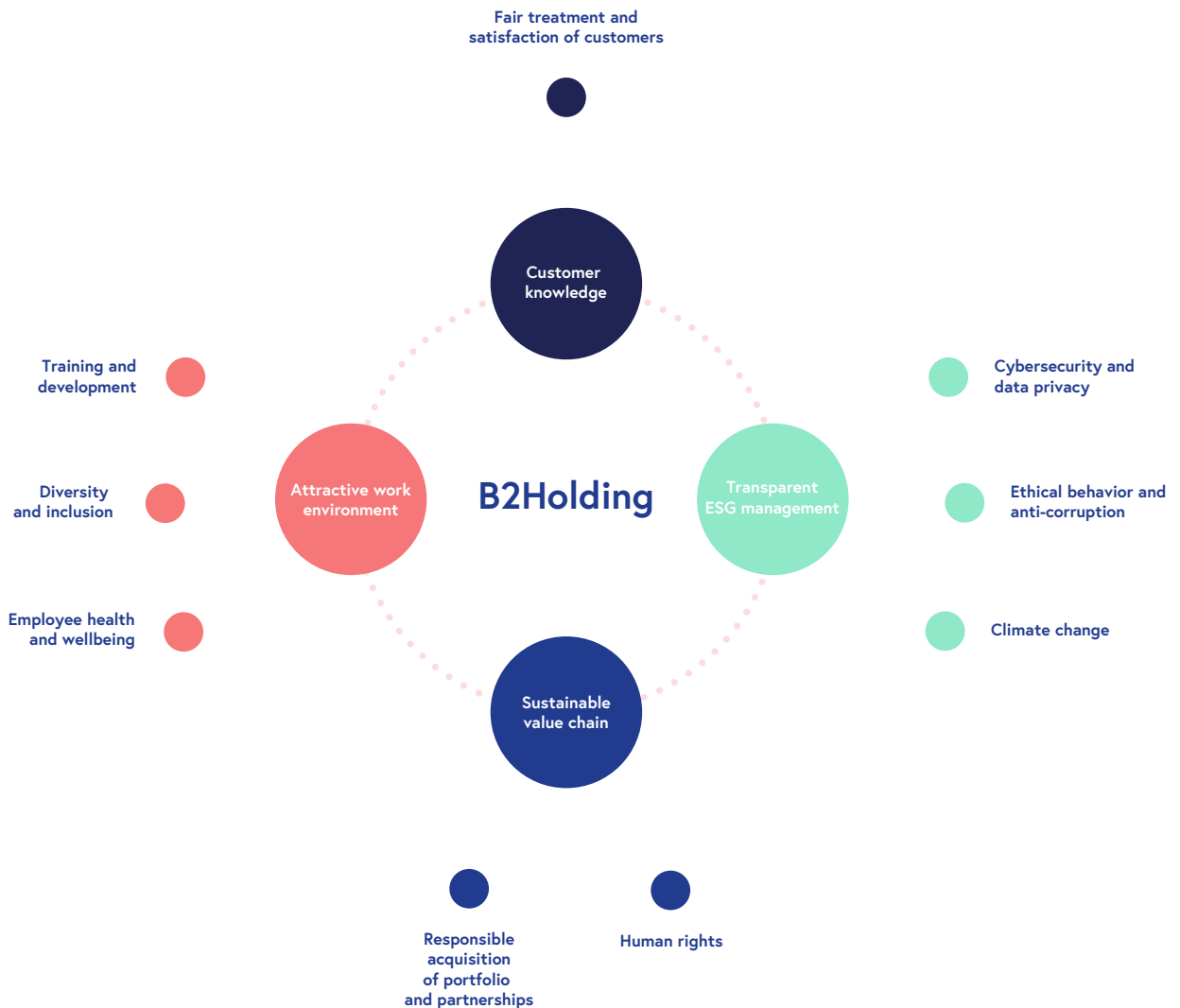
Sustainability in B2Holding

The sustainability strategy of B2Holding outlines how the company operates to achieve its sustainability objectives. The strategy focuses on four core pillars:

1. Customer knowledge
2. Sustainable value chain
3. Attractive work environment
4. Transparent ESG management

The sustainability strategy is implemented through its adoption in operations and the way the Group operates daily. To support the strategy, the Group’s Sustainability Policy sets out how B2Holding delivers on sustainability objectives and its expectations for employees and representatives.

B2Holding actively develops sustainability competence as the Group works to establish an internal sustainability culture. The Group sets clear targets and aims to empower its customers and partners to reach theirs.



ACCOUNTABLE ESG GOVERNANCE AND MANAGEMENT

The Chief Brand & Sustainability Officer is responsible for ESG within the Group. The Board has authorised the Corporate Sustainability Integration Committee (CSIC) to monitor and make decisions on ESG matters, escalating to the Board when necessary. The committee reports to the CEO and is chaired by the Chief Brand & Sustainability Officer. The committee includes members from the business lines, HR, risk, compliance, and finance functions. The CSIC is responsible for ensuring that the Group’s ESG strategy is anchored and implemented throughout the organisation. The Group entities have a local sustainability contact person to support and lead local ESG initiatives and harmonise with Group initiatives.

DOUBLE MATERIALITY ANALYSIS

In 2022, B2Holding updated its assessment of material ESG topics, taking into account both the significance of their impact and financial materiality – referred to as “double materiality”.

The review included an examination of the comprehensive impact materiality analysis conducted in 2021, a formal desktop review in 2022, consideration of the views of B2Holding’s stakeholders (as expressed through continuous dialogue), as well as expert and independent opinions. Topics which may be financially material for B2Holding have been adopted from the Sustainability Accounting Standard Board’s (SASB) Consumer Finance Standard, 2018.

The following topics are considered material for B2Holding:

- Fair treatment and satisfaction of customers
- Cybersecurity and data privacy
- Ethical behaviour and anti-corruption
- Training and development
- Responsible acquisition of portfolio and partnerships
- Human rights
- Diversity and inclusion
- Employee health and wellbeing
- Climate change



Material topic	SDG	Target	Performance 2022 (2021)
Governance			
Cybersecurity and data privacy		Zero data privacy or security breaches	0 breaches (0)
Ethical behaviour and anti-corruption		<ul style="list-style-type: none"> Zero corruption 100 % annual compliance training completed 	0 reported corruption incidents (0)
ESG integration in acquisitions and partnerships		ESG requirements applied in 100 % of portfolio acquisitions	84 % of acquisitions applied ESG criteria (74 %)
Social			
Training and development		100 % of employees receive ESG training	93 % of employees completed ESG and ethics e-learning (N/A)
Fair treatment and satisfaction of customers		Debtor satisfaction survey (baseline)	80 % satisfaction (83 %)
Diversity and inclusion	 	Increase diversity: Increase female representation in C-1 by 2 % in local entities	51 % females in senior management (46 %)
Human rights		Undertake Human Rights saliency (risk) assessment	Completed Human Rights saliency (risk) assessment
Employee health and wellbeing		Employee engagement at score between 80-100	Employee engagement Score 80/100
Environment			
Climate change		Reduce total GHG emissions in line with Science Based Target (SBTi)	9.9 % GHG emissions (scope 1 & 2) reduction, in line with SBTi

GOVERNANCE

Establishing high ethical standards helps to promote an ethical and responsible corporate culture. To gain the trust of the company's stakeholders, it is essential to manage and transparently disclose risks.

Ethical business practices

Bribery/corruption represents a tangible risk to B2Holding's operations due to the high number of financial transactions handled every day. The Group has an operating presence in certain countries and markets with increased exposure to financial crime.

B2Holding has a zero-tolerance policy towards bribery/corruption. This includes zero tolerance for the abuse of entrusted power, obtaining illegitimate personal benefits, or seeking private gain. Employees can neither offer any benefits (of any nature or form, including gifts and hospitality), which are in violation of applicable laws or ethical standards, nor accept any benefits that could compromise their judgment, decisions, or actions.

B2Holding's Code of Conduct and Anti-Bribery and -Corruption Policy apply to all employees across the Group, whilst B2Holding's Business Partner Code of Conduct states that B2Holding expects all its business partners to operate with comparable values.

The Anti-Bribery and -Corruption Policy defines what is meant by bribery/corruption, the related risks, the responsibilities of all employees in relation to the identification, prevention of, and management of bribery/corruption and the responsibilities and consequences when corruption is detected.

There were no confirmed incidents of corruption in 2022.

Whistleblowing

B2Holding operates a whistleblowing channel which allows all employees across the Group and external parties to file whistleblowing reports. The channel is serviced by an external provider, ensuring confidentiality, and allowing anonymous reporting. B2Holding encourages its employees to use the whistleblowing channel to report misconduct, violations, illegal activities, or other unethical behaviours which may be deemed to be a protected disclosure. B2Holding prohibits any form of retaliation against anyone filing a report in good faith. B2Holding meets the requirements set forth by the EU Whistleblowing Directive namely by establishing the whistleblowing channel and entrenching the protection of whistleblowers within the Group.

In 2022, there were two incidents reported as whistleblowing cases. Both cases were investigated and closed. In the first case, no further actions were taken as the allegations were not substantiated. In the second case, the investigation team made recommendations of mitigation actions to the Management and measures were taken.

The figures from 2020 to 2022 were obtained based on different sources and parameters, since B2Holding introduced the whistleblowing channel in the end of 2021 and improved the reporting system used across the Group in 2022. On this basis, the figures outlined hereunder do not allow a reliable trend analysis.

The figures for 2020 have been reviewed and adjusted according to the Compliance report for that year.

KPI	2022	2021	2020
Incidents reported as whistleblowing cases	2	10	10
Confirmed incidents of discrimination or harassment	0	1	1
Confirmed incidents of corruption	0	0	0

Data privacy and cybersecurity

In carrying out its operations, the Group may collect personal data when acquiring a customer's debt or when processing personal data on behalf of clients. B2Holding also processes the data of its current and future business partners to the extent required to provide the agreed services and cooperation.

B2Holding is committed to protecting personal data and respecting privacy. Every reasonable step is taken to ensure customer data is accurate, adequate, relevant, and limited to the purpose for which it is processed. The Group takes appropriate measures to inform data subjects about their personal data processing in a concise and transparent manner. Appropriate and suitable safeguards and technical measures are in place to protect personal data and safeguard customers' rights and freedom. Records of personal data are only kept for as long as is reasonably necessary for the purposes for which they are collected.

Protecting customer privacy and digital operations

B2Holding prioritises developing and implementing prevention plans to avoid cyberattacks and data breaches and to secure the company's information. Online services and digitisation are core to B2Holding's business model. The Group is committed to protecting its operations and customer privacy.

B2Holding's policies and prevention plans are regularly reviewed and updated to appropriately handle customer privacy and personal data processing issues. Cybersecurity and data privacy are governed through the following policy documents:

- GDPR Policy
- Personal Data Breach Management Policy
- Cookie Files Policy
- Risk Analysis Policy
- Information Security Policy

Data protection

B2Holding has implemented and enforced the General Data Protection Regulation (GDPR) requirements, including the local legislation applied in all countries where the Group has business operations. Appropriate and suitable safeguards, including technical measures, have been implemented to protect personal data and to safeguard the rights and freedoms of the data subjects.

B2Holding prioritises privacy and has restricted and controlled access to personally identifiable information. The overriding principle is that, in accordance with applicable regulations, B2Holding only processes personal data for which the B2Holding legal entity has legal grounds to do so and are necessary for its operations.

The Group and local entities have appointed Data Protection Officers who regularly monitor and ensure GDPR compliance. In 2022, the B2Holding legal entity's personal data management processes and policies were improved across the Group and its local subsidiaries.

All employees are trained regularly and at a minimum annually in GDPR and privacy rules and are expected to follow these established rules, including the reporting of any breaches to their respective Data Protection Officer. Mandatory training for all employees registered a 93 % completion rate in 2022.

During 2022, the Group has been working on implementing an Information Security Management System which strengthens GDPR data retention and compliance.

The Group dealt with three substantiated complaints concerning breaches of customer (debtor) privacy and losses of customer data in 2022.

No sanctions or formal recommendations have been imposed against any B2Holding legal entity by any European government authorities responsible for the application of and compliance with GDPR.

The GDPR indicators such as security incidents, data breaches, data protection complaints, and data subject rights demands are monitored. Additionally, all requests and complaints from the data subjects were executed in accordance with the requirements and deadlines set out in the GDPR.

Cybersecurity

B2Holding is committed to implementing an Information Security Management System (ISMS) as a key pillar to manage information security, including cybersecurity. ISMS refers to the set of policies, procedures, processes, and systems that manage information risks. The implementation of ISMS will involve a systematic approach to processes, technology, and people that will help B2Holding to protect and manage the organisation's information through risk management.

This will enable compliance with the GDPR and focus on protecting three key aspects of information:

- Confidentiality: ensuring that information is not available or disclosed to unauthorised people, entities, or processes
- Integrity: ensuring that information is complete and accurate, and protected from corruption
- Availability: ensuring that information is accessible and usable by authorised users

Although no breaches were reported over 2022, an incident of suspicious defender antivirus exclusion took place, and mechanisms already in place alerted the team in charge. The incident was analysed, identified, and closed, including mechanisms and recommendations made to avoid potential risks.

KPI	2022	2021	2020
Substantiated Information security breaches	0	0	0

Integrating ESG in acquisitions and partnerships

B2Holding has integrated ESG considerations into its responsible acquisition processes and decision-making regarding partnerships. B2Holding works with vendors or co-investors to acquire non-performing loans where the aim is to establish a mutual trust agreement without incurring unwanted risk.

B2Holding's acquisition of non-performing loans and third-party debt collection services have important ESG implications, including corruption, treatment of debtors, commercial strategies, certain reputational activities, anti-competitive practices, and legal sanctions.

The B2Holding Responsible Marketing and Sales Statement provides guidelines to manage marketing and sales activities in an ethical and responsible manner, ensuring that the Group do not partner with non-compliant partners.

B2Holding has developed a set of defined characteristics to screen out potential acquisitions that present high ESG risks.

KPI	2022	2021	2020
Portfolio acquisitions where ESG requirements has been applied	84 %	74 %	-

SOCIAL

B2Holding, as a debt solutions provider operating across multiple countries, recognises the potential social impacts its business activities could have on both its customers and employees. Therefore, fair treatment and satisfaction of customers lie the heart of the Group's social approach, which is enabled by a diverse, well-trained, and healthy workforce, operating within an attractive working environment.

Fair treatment and satisfaction of customers

At the core of B2Holding's business model is the fair treatment of customers (debtors). While customers retain responsibility for the debt they have incurred and any delays in payment, the consequences that they face should be proportionate and reasonable with respect to the size of the debt. It is B2Holding's responsibility to ensure that the debt collection process does not result in unfair outcomes. The Group engages with customers in vulnerable situations and has a responsible approach that treats them with empathy, respect, and dignity. These commitments guide B2Holding's behaviours throughout the debt collection process and are explicitly stated in its Code of Conduct and values.

Finding amicable solutions

B2Holding's primary objective is to find amicable solutions that lead to beneficial outcomes for all parties, including customer satisfaction. The Group considers the customer's current financial situation when initiating a debt collection process. B2Holding's services are designed to help the customers in addressing their indebtedness by developing a repayment plan that fits their financial situation. This approach enables the customer to regain full participation in the financial system within a reasonable time frame without any hindrances.

In 2022, 5.6 % of total customer claims were entirely repaid (debt-free) and the customers regained access to the standard financial system. Additionally, 24.5 % of the customers had a partial payment of their claims, demonstrating that they are repaying their defaulted debts in monthly instalments with solutions tailored to their financial needs.

Ensuring customer satisfaction and addressing complaints

B2Holding conducts monthly internal quality and auditing controls in 41 % of its entities (9 out of 22 entities). During these controls, calls and other interactions with customers are reviewed to assess how the debt collection processes is performed. In 2022, 85 % of the audited calls and actions complied with B2Holding's standards. Quality controls are valuable for training collection advisors when standards are not met.

CASE 1: CREATING A RESPONSIBLE AND SECURE COMPANY

In 2022, B2Holding introduced e-learning training modules for the Code of Conduct, specific GDPR requirements for the Group, and information security.

The training modules reflect the Group's goal to be perceived as a responsible and secure organisation by its stakeholders, including the market, customers, clients, vendors, and regulators. With an 88 % completion rate by all employees, the Group is on track to achieving that objective.

The Management is highly committed to supporting and embedding an ethical company culture.



"The trainings remind us of what B2Holding is trying to achieve in the market in terms of financial plans and commercial strategies. But they also put focus on how we do it – the ethical component – that is derived from the regulations and codes related data protection".

Adam Parfiniewicz, Group Head
of Unsecured Asset Management

B2Holding continued to introduce customer surveys to gather feedback on its services. By the end of 2022, 50 % of the Group's operations had implemented and conducted such surveys. Of the customers surveyed, an average of 80 % were satisfied with the services. This tool has now been implemented in all unsecured business units (100 % of targeted entities).

In 2022 complaints from customers concerning rights, disagreements, or non-conformance to standards represented only 0.015 % of the total number of collection cases during the reporting period, a total of 1,049 complaints. Complaints are addressed daily by following the collection guidelines in the respective entity. Complaints are followed up until fully resolved towards customers, and feedback is used to train collection agents.

KPI	2022	2021	2020
% of claims fully solved (debt free)	5.6 %	5.7 %	N/A
% of claims with partial payments	24.5 %	N/A	N/A
Quality and Auditing Controls ¹⁾	85 %	89 %	98 %
Customer satisfaction survey ²⁾	80 %	83 %	98 %

1) 41 % of all local entities in B2Holding have a quality department to ensure collection activities are performed in line with internal collection standards.

2) In 2021, 22 % of local entities had introduced customer surveys and during 2022 it has been implemented in 50 % of the entities.

Employee wellbeing

B2Holding believes that the health and wellbeing of its employees is crucial for providing high-quality services and attracting and retaining talent.

Engaging employees

To monitor and enhance employee wellbeing, the Group conducts an annual engagement survey across the organisation. The survey allows employees to anonymously express their opinions and measures engagement levels. The goal is to identify areas for improvement within the organisation, and managers use the results to discuss improvement areas with their teams and to develop action plans together with their team members. The survey is conducted on a yearly basis, and the most recent survey in 2022 recorded an engagement score of 80/100. The next survey will be conducted in 2023.

Health, safety, and wellness

The work carried out by B2Holding employees in call centres can be demanding. Contacting indebted customers, engaging with them, and negotiating a payment plan require perseverance, empathy, and excellent listening skills. B2Holding's Health and Safety Statement underscores the company's commitment to prioritising the wellbeing and health of its employees. This includes promoting a culture of health and safety among all employees, providing a safe working environment for employees and visitors, encouraging training on health and safety issues, and conducting systematic reviews to ensure that health and safety policies are appropriately implemented. Work-life balance initiatives, flexible working hours, and work-from-home policies are some of the measures employed to improve wellbeing in the workplace.

KPI	2022	2021	2020
Share of entities with a work-life balance measures in place	81 %	43 %	27 %
Professional Sick leave ratio ³⁾	0.006	0.03	5.30
Accident frequency rate	0.47	0.45	0.30
Employee satisfaction – employee engagement score	80/100	80/100	80/100
Turnover rate ⁴⁾	22 %	23 %	35 %
Voluntary turnover rate	17 %	16 %	13 %

3) Work related sickness and accidents in the workplace

4) The turnover rate is at a normal level for the industry but is nevertheless at a rate the Group aims to reduce. The turnover rate can partly be explained by the nature of call centres and part-time employees.

Diversity and inclusion

B2Holding recognises that a diverse workforce can offer a broader range of ideas and perspectives, which can drive innovation and improve performance. The Group strives for its workforce to reflect the wider societies in which it operates, believing that combining different competencies and perspectives leads to better quality of debt collection services for clients and customers.

B2Holding is committed to providing equal opportunities to all individuals, regardless of gender, ethnicity, or age. The company places particular emphasis on promoting gender diversity, particularly in senior management positions, and properly disclosing pay gaps. In 2021, the Group conducted a pay gap analysis that revealed an overall 6.6 % pay gap in favour of male employees. Targeted initiatives are being developed to address this gap.

KPI	2022	2021	2020
Share of women in management (C-0 and C level)	51 %	46 %	49 %
Share of women in the workforce	67 %	67 %	65 %
Number of nationalities in the workforce	41	45	42
Share of Business Units with diversity and inclusion policy in place	53 %	38 %	21 %

Training and development

B2Holding is committed to treating all its clients and customers with trust and respect, providing them with sound financial advice tailored to their individual situation. To achieve this, B2Holding invests significantly in developing employee competence through training and development.

Facilitating and enabling professional growth is important for providing meaningful development pathways for employees and retaining talent and knowledge within the organisation. In 2022, 100 % of employees participated in various trainings programmes using internal or external digital learning platforms, which each employee receiving an average of 15 hours of training. Throughout the year, all employees undertook mandatory training on whistleblowing, Code of Conduct and GDPR. Additionally, 93 % of all Group employees underwent ESG and ethics training.

KPI	2022	2021	2020
Business Units with talent programmes in place	26 %	19 %	10 %
Business Units with e-learning platform	100 %	100 %	27 %
Employees receiving e-learning training	98 %	100 %	32 %
Total training hours per employee	15	10	N/A

Human rights

B2Holding is committed to ensuring respect for the inherent dignity of people and their inalienable rights as a fundamental part of its corporate responsibility, and as an essential requirement for conducting its business activities in any country or social environment. For this reason, B2Holding is committed to the UN Guiding Principles on Business and Human Rights (UNGPs). The Group considers human rights to be those rights recognised by the International Bill of Rights and the Core Conventions of the International Labour Organisation.

B2Holding's commitment to human rights is defined in its Labour and Human Rights Statement. The statement covers the UN Global Compact's Ten Principles, the UNGPs' "Protect, Respect and Remedy Framework", and International Labour Organisation Conventions 87, 98 and 111. It is to be read alongside B2Holding's Sustainability Policy and outlines the labour and human rights recognised by for its employees, regardless of their role and the country in which they work, to its customers, and for the local communities in which the Group operates.

The Group is taking additional measures to ensure compliance with the new Norwegian Transparency Act, which came into force in July 2022. The act requires companies to carry out human rights due diligence in line with the OECD Guidelines for Multinational Enterprises. In addition, companies must report on the actions taken to mitigate adverse human rights impacts and their effectiveness, as well as respond to requests for information from the public.

As a first step to comply with the act, B2Holding has partnered with an external independent third party to identify its salient human rights issues. These are:

- Vulnerable people
- Privacy and data protection
- Stakeholder engagement
- Labour rights
- Access to remedy

B2Holding has initiated the process of conducting a gap analysis of its approach to human rights due diligence to identify potential areas for improvements.

CASE 2: CREATING ATTRACTIVE PLACES TO WORK

In 2022, two of our largest office locations, Finland, and Poland, were recognised for their exceptional workplaces. Representing nearly a third of all employees, these offices are prime examples of our commitment to create attractive workspaces.

OK Perintä Finland was certified as a Future Workplace in 2022, which acknowledges the company's workplace culture and leadership that prioritises employees' input. Ultimo Poland received the Friendly Workplace certificate in 2022, which is awarded to companies that support work-life balance, create a positive and healthy work environment, foster open relations with employees, and invest in their professional development and interests.



ULTIMO
Part of B2Holding



Future workplaces
certified workplace 2022

CASE 3: IMPROVING CUSTOMER SATISFACTION

When considering sustainability in B2Holding's business, one of the most critical topics is Fair Customer Treatment and Satisfaction. That is why establishing a debtor survey initiative was one of B2Holding's primary sustainability commitments for 2022.

The purpose of the survey is to:

- Get customers insights on the quality of the company's services and customers satisfaction
- Identify areas of improvement in B2Holding's daily work and training purposes

This tool was successfully implemented in all unsecured business units over 2022, and results have been published in this report.

The results are visualised in an easily accessible dashboard, allowing managers to quickly gain insights into what B2Holding is doing well and what might need some extra attention. With this implemented solution, we have gained valuable inputs on how to develop and improve the customer experience with the goal of becoming the best in class and helping as many customers as possible.



"Today, one year after the initiative started, we have a better understanding of the customer perspective and are better equipped to become a fully customer-oriented organisation."

María Haddad, Chief Brand and
Sustainability Officer

CASE 4: CORPORATE DEBT RESTRUCTURING SAVED 500 JOBS

B2Holding facilitated an innovative debt refinancing and restructuring process to turn around an automotive industry business and save 500 jobs.

Situation triggered by the financial crisis

At its peak, the debtor - a successful company - employed over 750 people and delivered strong financial results. However, the business was significantly impacted by the global financial crisis in 2008. Prudent financial management and restructuring was put in place in response, alongside significant recapitalisation from existing shareholders. While the company worked through this period, one of its four major consortium bank lenders withdrew its support and in 2017 the company faced imminent bankruptcy.

Innovative solutions to save the business and the jobs

B2Holding's servicing team was passionate about the business and believed in the people behind it. Through balancing the various stakeholders' interests and innovative financial reengineering, corporate restructuring solutions were developed. The measures salvaged parts of the business that had turnaround prospects, avoided insolvency and liquidation, and placed it in a stable position to attract investors.

Turnaround: From near bankruptcy to growth and profitability

B2Holding facilitated an arrangement between a new investor and the debtor's shareholders aimed at salvaging the business and financing its regrowth. By 2019 the stakes of the three supporting consortium banks were acquired and in December 2022 the fourth and final lender's stake was acquired. The company has gradually regained competitiveness, with annual sales of over EUR 150 million and EBITDA earnings close to 7 %.

The balanced workout facilitated by B2Holding saved approximately 500 full time positions and preserved over EUR 100 million in the value of the business, so that it could regain its economic status as a going concern.



"It was a challenging debt refinancing project. Seeing B2Holding's team in action and the outcome that was achieved was both satisfying and rewarding. We turned the business around and saved over 500 jobs".

George Christoforou, Group Head of
Secured Asset Management

ENVIRONMENT

The Environmental and Sustainable Procurement Statement outlines B2Holding's expectations for employees and business units to act sustainably and reduce the Group's environmental impact. It explains how the Group integrates environmental considerations into its procurement processes and sets out the strategic framework and model for the Group's environmental management initiatives.

Climate impacts

Climate accounting is undertaken for Group entities using the GHG protocol. In 2022, scope 1 emissions decreased 4 % to 409 tonnes of carbon dioxide equivalents (CO₂e), while scope 2 emissions decreased 15 % to 458 tonnes CO₂e on a location basis (13 % decrease to 599 tonnes CO₂e on a market basis). An accurate baseline for scope 3 emissions (including business travel, flights, and car allowance) of 347 tonnes CO₂e was established in 2022. Previous estimates of scope 3 emissions have now been disregarded.

As part of the Group's strategy to reduce GHG emissions, energy consumption plans or an energy policy is being developed and implemented in businesses across the Group. Additionally, business units in Norway and Sweden have also purchased guarantees of origin for their electricity consumption. B2Holding is committed to developing an emission reduction target in line with the Science-Based Target initiative criteria.

The scope 1 emissions calculation excluded entities in Estonia, Latvia and Norway, as these sites were not able to report complete data sets for 2022. For the scope 2 emissions calculation, entities in Czech Republic, Luxemburg, Norway and Slovenia were excluded on a similar basis. Total GHG emissions disclosed in this report represents 97 % of all Group employees and the Group is committed to gather and disclose 100 % of its GHG emissions data. All Group entities have been able to report data for the scope 3 emissions calculation, which has established a robust and useful baseline.

Scope	Definition	Tonnes of CO ₂ equivalents	
		2022	2021
1	All direct Greenhouse Gas (GHG) emissions from sources that are owned or controlled by the reporting entity.	409	428
2	Indirect GHG emissions from consumption of purchased electricity (location-based), district heating and cooling.	458	538
2	Indirect GHG emissions from consumption of purchased electricity (market-based), district heating and cooling.	599	691
3	Other indirect emissions, including business travel (flights) and car allowance.	347	

1) Calculations in the above table are based on the GHG protocol using emission factors from DEFRA, SSB, IEA and local district heating providers.

Climate risks

In January 2022, B2Holding conducted a climate risk review according to the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations. The review found that there are some associated indirect climate-related risks in the Group's secured debt portfolio, but these risks are considered low and are partly mitigated through its operations. The full TCFD disclosure is contained in Annex 3.

CASE 5: CREATING POSITIVE ENVIRONMENTAL OUTCOMES

B2Holding's entity in France, Veraltis Asset Management, moved into a new environmentally friendly building that offers a quality workspace for our teams in France. The building provides excellent thermal comfort by using bio-based materials for insulation, such as cellulose wadding and hemp, and high-quality glazing, as well as double-flow ventilation. It is well-positioned to take advantage of solar gain in winter, and alongside rainwater harvesting, the building will start producing its own energy once a solar system is installed in 2023.



"These new premises contribute to the ESG commitment of B2Holding towards reducing its environmental impact and improving working conditions."

Nicolas da Costa,
CEO Veraltis France

Sustainability report annexes

ANNEX 1: SASB CONSUMER FINANCE SUSTAINABILITY ACCOUNTING STANDARD (2018)

TOPIC	ACCOUNTING METRIC	DISCLOSURE	CODE
Customer Privacy	Number of account holders whose information is used for secondary purposes ¹⁾	0	FN-CF-220a.1
	Total amount of monetary losses as a result of legal proceedings associated with customer privacy ²⁾	0	FN-CF-220a.2
Data Security	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of account holders affected ³⁾	(1) 1 IT security incident. Handled, closed and recommendations in place. (2) 0 (3) 0	FN-CF-230a.1
	Card-related fraud losses from (1) card-not present fraud and (2) card-present and other fraud	N/A	FN-CF-230a.2
	Description of approach to identifying and addressing data security risks	N/A	FN-CF-230a.3
Selling Practices	Percentage of total remuneration for covered employees that is variable and linked to the amount of products and services sold ⁴⁾	N/A	FN-CF-270a.1
	Approval rate for (1) credit and (2) pre-paid products for applicants with FICO scores above and below 660 ⁵⁾	N/A	FN-CF-270a.2
	(1) Average fees from add-on products, (2) average APR, (3) average age of accounts, (4) average number of trade lines, and (5) average annual fees for pre-paid products, for customers with FICO scores above and below 660	N/A	FN-CF-270a.3
	(1) Number of complaints filed with the Consumer Financial Protection Bureau (CFPB), (2) percentage with monetary or nonmonetary relief, (3) percentage disputed by consumer, (4) percentage that resulted in investigation by the CFPB	1) 0 2) 0 3) 0 4) 0	FN-CF-270a.4
	Total amount of monetary losses as a result of legal proceedings associated with selling and servicing of products ⁶⁾	0	FN-CF-270a.5

During 2022, B2Holding managed over nine million NPL cases

ACTIVITY METRIC	DISCLOSURE	CODE
Number of unique consumers with an active (1) credit card account and (2) pre-paid debit card account ⁷⁾	N/A	FN-CF-000.A
Number of (1) credit card accounts and (2) pre-paid debit card accounts	N/A	FN-CF-000.B

- 1) Note to FN-CF-220a.1 – The entity shall describe its policies and procedures regarding the manner in which it discloses the use of customer data for third party use to customers, including the nature of its opt-in policy.
- 2) Note to FN-CF-220a.2 – The entity shall briefly describe the nature, context, and any corrective actions taken as a result of the monetary losses.
- 3) Note to FN-CF-230a.1 – Disclosure shall include a description of corrective actions implemented in response to data breaches.
- 4) Note to FN-CF-270a.1 – The entity shall describe remuneration policies for covered employees, including the link to products sold, the process for setting sale targets, and benefits/penalties associated with meeting/missing the targets.
- 5) Note to FN-CF-270a.2 – The entity shall discuss its strategy for minimising the number of past due and nonaccrual loans in its portfolio.
- 6) Note to FN-CF-270a.5 – The entity shall briefly describe the nature, context, and any corrective actions taken as a result of the monetary losses.
- 7) Note to FN-CF-000.A – For joint accounts, the entity shall include the number of customers whose personally identifiable information (PII) it collects.

ANNEX 2: GENERAL DISCLOSURES ON EMPLOYEES

G2, 2-7

Reporting period: 01.01.2022 – 31.12.2022. Figures in Headcount

COUNTRY	FEMALE		MALE		TOTAL	
	2022	2021	2022	2021	2022	2021
B2Holding ASA	11	10	16	17	27	27
Bosnia & Herzegovina	3	4	2	2	5	6
Bulgaria	133	139	59	66	192	205
Croatia	96	111	40	54	136	165
Cyprus	20	19	10	11	30	30
Czech Republic	5	1	1	1	6	2
Denmark	22	28	12	7	34	35
Estonia	15	18	5	5	20	23
Finland	110	109	45	38	155	147
France	72	62	32	26	104	88
Greece	72	76	54	62	126	138
Hungary	15	13	3	3	18	16
Italy	4	8	3	13	7	21
Latvia	58	67	32	34	90	101
Lithuania	31	35	6	4	37	39
Luxembourg	9	9	10	7	19	16
Montenegro	1	1	0	0	1	1
Norway	4	3	4	4	8	7
Poland	348	334	175	181	523	515
Romania	130	155	64	66	194	221
Serbia	5	5	4	4	9	9
Slovenia	6	15	3	3	9	18
Spain	196	240	86	89	282	329
Sweden	35	31	32	40	67	71
Total	1 401	1 493	698	737	2 099	2 230

ANNEX 3: TCFD STATEMENT

TCFD recommendation	Our progress in 2022
GOVERNANCE	
Describe the Board's oversight of climate-related risks and opportunities	The Board regularly reviews climate-related risks and opportunities as part of its overall responsibility for risk governance.
Describe management's role in assessing and managing climate-related risks and opportunities	Management regularly reviews climate-related risks and opportunities as part of its responsibility for enterprise risk management. Climate risks are included in the enterprise risk management system and will continue to be updated.
STRATEGY	
Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term	A climate risk review undertaken in 2022 identified a very low level of physical risk to buildings in the short term. Overall risk was deemed negligible.
Describe the impact of climate-related risks and opportunities on the organisation's business, strategy, and financial planning	Limited to none.
Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2 degree C or lower scenario	Strategy is constantly evolving in response to a wide range of issues and ability to adapt to predicted future scenarios.
RISK MANAGEMENT	
Describe the organisation's processes for identifying and assessing climate-related risks	Executive management meets to identify and assess climate-related risks
Describe the organisation's processes for managing climate-related risks	A range of approaches are used for managing climate-related risks, including monitoring, mitigation, and adaptation.
Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management	Risk management approach to climate-related risks has been updated and incorporated into board and management processes.
METRICS AND TARGETS	
Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk process	GHG emissions are measured in carbon dioxide equivalents. Other metrics are being developed for risk measurement.
Disclose Scope 1, Scope 2, and, if appropriate, Scope 3, greenhouse gas (GHG) emissions, and the related risks	See climate and emission reporting in the Environmental section of the ESG report.
Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets	GHG emission reduction targets are currently being set in alignment with the company's commitment to a Science Based Target.

ANNEX 4: GRI INDEX

DISCLOSURE	PAGE	LOCATION
2-1 Organizational details	3-5	b2holding.no/About , b2holding.no/Markets
2-2 Entities included in the organization's sustainability reporting	5	b2holding.no/About/Our-Markets
2-3 Reporting period, frequency and contact point	41	Annual reporting for the reporting period: 01.01.2022 to 31.12.2022. Published: April 2023. Contact point: María Haddad Sanchez de Cueto, mah@b2holding.no
2-4 Restatements of information	41	None
2-5 External assurance	41	None
2-6 Activities, value chain and other business relationships	3-5	b2holding.no/About
2-7 Employees	39	Sustainability report: Annex 2 Employees
2-8 Workers who are not employees	41	B2Holding had 88 workers (head count) who are not employees. These are temporary workers, mainly phone agents, from external recruitment agencies.
2-9 Governance structure and composition	53	Corporate governance report: b2holding.no/About/Board-of-Directors , b2holding.no/governance , b2holding.no/Investors/The-share/Management-shareholdings . There are no employees represented in the Board
2-10 Nomination and selection of the highest governance body	42-53	Corporate governance report: b2holding.no/About/Board-of-Directors , b2holding.no/governance
2-11 Chair of the highest governance body	45-53	The chair is not a senior executive in B2Holding. b2holding.no/About/Board-of-Directors
2-12 Role of the highest governance body in overseeing the management of impacts	28	Sustainability report: Accountable ESG Governance and management
2-13 Delegation of responsibility for managing impacts	28	Sustainability report: Accountable ESG Governance and management
2-14 Role of the highest governance body in sustainability reporting	41	The ESG strategic plan, materiality review and ESG strategy goals are presented to and approved by the Board.
2-15 Conflicts of interest	-	b2holding.no/About/Code-of-Conduct
2-16 Communication of critical concerns	-	b2holding.no/Governance
2-17 Collective knowledge of the highest governance body	-	b2holding.no/About/Board-of-Directors
2-18 Evaluation of the performance of the highest governance body	29-44	Sustainability report
2-19 Remuneration policies	51	Instructions for the Remuneration Committee (b2holding.no), b2holding.no/Investor-Relations/Corporate-governance/Remuneration-Policy
2-20 Process to determine remuneration	51	Instructions for the Remuneration Committee (b2holding.no), b2holding.no/Investor-Relations/Corporate-governance/Remuneration-Policy
2-21 Annual total compensation ratio	-	Average gross annual base pay of local entity CEOs is 3.96 times average gross annual base pay for B2Holding in total.
2-22 Statement on sustainable development strategy	26	Sustainability report: CEO statement
2-23 Policy commitments	43	Sustainability Report: Annex 5 B2Holding ESG Policies
2-24 Embedding policy commitments	43	Sustainability Report: Annex 5 B2Holding ESG Policies
2-25 Processes to remediate negative impacts	43	Sustainability Report: Annex 5 B2Holding ESG Policies. Policies include processes to remedy or mitigate negative impacts where applicable
2-26 Mechanisms for seeking advice and raising concerns	-	Sustainability report: ESG is integrated into the business model of B2Holding
2-27 Compliance with laws and regulations	-	B2Holding has not received any fines, nor sanctions of instances of non-compliance with laws and regulations in 2022.
2-28 Membership associations	44	Sustainability Report: Annex 6
2-29 Approach to stakeholder engagement	28	Sustainability report
2-30 Collective bargaining agreements	-	57 % of B2Holding's employees are covered by a collective bargaining agreement (CBA).

	DISCLOSURE	PAGE	LOCATION
GRI 3: Material Topics 2021	3-1 Process to determine material topics	28	Sustainability report: Double materiality assessed in 2022
	3-2 List of material topics	28	Sustainability report: Double materiality assessed in 2022
GRI 3: Material Topics 2021	3-3 Management of material topics	32	Sustainability report: Social: Fair treatment and satisfaction of customers
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	32	Sustainability report: Fair treatment and satisfaction of customers
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	32	Sustainability report: Ensuring customer satisfaction and addressing complaints
GRI 3: Material Topics 2021	3-3 Management of material topics	30-31	Sustainability report: Data Privacy and Cybersecurity
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	-	The company has received three substantiated complaints
GRI 3: Material Topics 2021	3-3 Management of material topics	27-28	Sustainability report: Transparent and effective management of ESG
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	30	Sustainability report: Ethical business practices are embedded at B2Holding - Whistleblowing
	205-2 Communication and training about anti-corruption policies and procedures	30	Sustainability report: Transparent and effective management of ESG 92 % have received the organisation's anti-corruption policies (Code of Conduct)
	205-3 Confirmed incidents of corruption and actions taken	30	Sustainability report: Transparent and effective management of ESG Zero incidents of corruption
GRI 3: Material Topics 2021	3-3 Management of material topics	33-36	Sustainability report: Attractive and sustainable work environment
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	34	Sustainability report: Training and development. On average 15 hrs/employee
	404-2 Programs for upgrading employee skills and transition assistance programs	34	Sustainability report: Training and development.
	404-3 Percentage of employees receiving regular performance and career development reviews	34	Sustainability report: Training and development 46 % of B2Holding's employees
GRI 3: Material Topics 2021	3-3 Management of material topics	31	Sustainability report: Responsible acquisitions of portfolios and partnerships
Custom	Significant investment agreements and contracts that include environmental clauses or that underwent environmental screening	31	4 %. Only real estate related contracts contain environmental clauses. Due to the nature of the business, where environmental issues (no industrial activity, etc) are unlikely to occur, B2Holding currently have a limited screening process for environmental clauses.
GRI 412: Human rights assessment 2016	412-3 Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	34	Sustainability report: Responsible acquisition of portfolios and partnerships. At least 42 % of significant investment agreements underwent or include human rights clauses. These are related to the Groups main activity as an NPL investor.
GRI 3: Material Topics 2021	3-3 Management of material topics	34-36	Sustainability report: Human Rights
GRI 412: Human rights assessment 2016	412-2 Employee training on human rights policies or procedures	34-36	93 % of all employees
GRI 3: Material Topics 2021	3-3 Management of material topics	33-34	Sustainability report: Diversity and inclusion
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	33-34	Sustainability report: Attractive and sustainable work environment The Board of Directors have three women and four men.
	405-2 Ratio of basic salary and remuneration of women to men	33-34	Sustainability report: Diversity and inclusion

	DISCLOSURE	PAGE	LOCATION
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	-	There where no reported incidents of discrimination in 2022
GRI 3: Material Topics 2021	3-3 Management of material topics	33-37	Sustainability report: Attractive and sustainable work environment
GRI 403: Occupational Health and Safety 2018	403-6 Promotion of worker health	33	50 % of the entities have some form of worker health promotion
	403-10 Work-related ill health	33	i) No fatalities reported as a result of work-related ill health; ii) Six cases recordable work-related ill health, mainly as "in itinere" accidents on the way to work
GRI 3: Material Topics 2021	3-3 Management of material topics	37	Sustainability report: Climate change
	305-1 Direct (Scope 1) GHG emissions	37	Sustainability report: Climate change
GRI 305: Emissions 2016	305-2 Energy indirect (Scope 2) GHG emissions	37	Sustainability report: Climate change
	TCFD	40	Sustainability report: Climate change

ANNEX 5: ESG POLICIES

B2Holding has policies that govern how the Group handles ESG issues. These policy commitments apply not only to all employees of the Group but to all business partners, including vendors, clients, suppliers, investors, and any other third party with whom B2Holding conducts business, where applicable. Copies of the policy documents are available upon request from the company:

- Sustainability Policy
- Environmental and Sustainable Procurement Statement
- Labour and Human Rights Statement
- Responsible marketing and sales Statement
- Supplier Diversity Statement
- Political and Religious involvement Statement
- Group Business Partner Code of Conduct
- Group Related Party Transaction Policy
- Occupational Health and Safety Statement
- Customer Fair Treatment Policy
- Code of Conduct
- Group Compliance Policy
- Group Whistleblowing Policy
- Group Anti-Corruption and Bribery Policy
- Group Anti-Money Laundering, Counter Terrorist Financing and Sanction Policy
- Group GDPR Policy
- Instructions for Handling Inside Information and rules for Primary Insiders
- Investment Approval Policy
- Group Transaction Team memo - Covid-19 and contractual impact
- Tax Policy
- Transfer Pricing Policy
- Information Security Policy

ANNEX 6: MEMBERSHIP IN ORGANISATIONS

	COUNTRY	ORGANISATION
1	Bosnia & Herzegovina	Asset Management and Collection Association of BiH
2	Bulgaria	Receivables Management Association
3	Cyprus	Association of credit Acquiring Companies
4		Danish Business Association
5	Denmark	TCM Group
6		Danish Debt Collection Association
7		Service industry employers' association Palta
8	Finland	Finnish Association of Collection Agencies
9		FIGEC
10	France	Confederation of Small and Medium-sized Enterprises
11	Greece	National collective agreement
12	Hungary	Hungarian association of debt managers and business information providers
13		The association of credit and collection professionals (ACA International)
14	Latvia - Creditreform	Debt collectors' association of Latvia
15		Latvian Chamber of Commerce and Industry (LCCI)
16		Creditreform International
17	Lithuania	Association of Lithuanian Credit Management Companies
18		Finanstilsynet (Financial authorities)
19	Norway	Virke Inkasso
20		B2B Arena
21		Næringslivsforeningen Ålesund
22	Poland	The Lewiatan Confederation
23		The Association of Financial Enterprises in Poland (ZPF)
24		Asociación Española de Compliance
25		Asociación Española de Empresas contra el Fraude
26	Spain	Asociación Nacional Entidades Gestión Cobro
27		Asociación Nacional Establecimientos Financieros de Crédito
28		Cámara de Comercio Hispano Noruega
29		Club de Gestión de Riesgos de España
30		Nova användarförening
31		Västsvenska Handelskammaren (The West Sweden Chamber of Commerce)
32	Sweden	Svenska kreditföreningen (The Swedish Credit Management Association)
33		Svensk Inkasso Medlemservice (Swedish Debt Collection Association)
34		Forum för dataskydd (Data Protection Forum)