

MOGO FINANCE GROUP

NON-FINANCIAL STATEMENTS

2020

The logo for Mogo Finance, featuring the word "mogo" in a bold, lowercase sans-serif font with a white arc above the 'o', followed by the word "finance" in a smaller, lowercase sans-serif font.





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Non-financial Statements

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Sustainability Approach

OUR BUSINESS MODEL AND BUSINESS SEGMENTS

Mogo Finance Group is international and fast-growing Financial Technology company with vast reach across the globe. Operating in 3 continents, Group's companies recognize the niche underserved by conventional lenders and provide financial inclusion by disruptively changing used car and consumer financing industry.

Founded in 2012 in Latvia, the Group revolutionized the way people purchased used cars. Having expanded to all the Baltics within a year of launch, the Group continued expansion in the following years, serving a total of 14 active markets as of end of 2020. Mogo Finance Group has disrupted the used vehicle market as well as the way people's social mobility can be elevated through the access to convenient and responsible lending.

Mogo Finance Group main car financing products are financial lease, where the Mogo services are used by customers to acquire vehicles, and leaseback financing, where the customer sells and leases back to Mogo the vehicle that it owns. The Group's consumer finance business entities offer flexible financial products from credit line to instalment loan with focus to provide accessibility to substantial amount of money in most convenient way with affordable rates.

Innovative financial solutions, transparency provided by presence in international capital markets and talented team of more than 1 400 people brings in life strong and ambitious mission, thus making Mogo Finance Group one of the top fastest growing companies in industry.

Entering the post-pandemic landscape, the main objectives of the Group for 2021 will be to consistently and profitably grow within the current markets and current product base. Also, with a rationalized geographical dispersion it is expected the Group will have a lower exposure to non-EUR currency fluctuations.

OUR PRIORITIES

As a financial institution with operations and clients around the world, Mogo Finance Group promotes sustainable business practices and helps clients capitalize on opportunities that achieve positive environmental and social impacts.

“Our health, our economic success and our environment are inextricably linked, therefore, despite the current challenges, we must sustain our efforts to drive positive social and environmental impact around the world” Modestas Sudnius, CEO of Mogo Finance

Economic

Strengthening financial self-sufficiency and economic opportunities in underserved communities. Financial success for our customers and our business starts with the success of local communities. We provide economic opportunities in underserved communities by empowering individuals and small businesses with the products, services, knowledge, and tools needed to achieve financial self-sufficiency, income mobility, and ultimately, improved well-being and quality of life.

Societal

A sound understanding of the role of a responsible corporate citizen of the global business community. To contribute to the building of prosperous and sustainable society, we plan and support social activities in the communities where the Group's companies operate. We encourage and support voluntary activities of our employees.

Our business model provides an equal approach and treatment to all social levels in society. Also, we bring to developing societies Western values of equality and fair social treatment.

Environmental

Our products and services – vehicle financing solutions – make particular environmental footprint, which we recognize and strive to focus more deeply to offset it by compensating climate friendly activities like – zero paper policy in our HQ offices, water saving initiatives in office premises. Also, we are making public commitment of prioritizing neutralizing our environmental footprint activities in forthcoming years by implementing structured sustainability strategy.

OUR APPROACH

Mogo Finance Group's priority is to measure our non-financial performance according to internationally known metrics which is well respected and known in the global investors' community. Therefore, Mogo Finance Group in 2021 starts non-financial reporting practice in the framework of Environmental, Social, and Governance [hereinafter – ESG] reporting. ESG stands for information disclosure and data transparency for environmental, social, and corporate governance aspects, thus ensuring that the key stakeholders have the relevant information that is needed to make informed decisions about the company's ability to create value in the short, medium, and longer term.

We at Mogo Finance see the ESG data as a significant performance signal to all our main stakeholders as well as to society in general, therefore, to navigate a smooth transition to a regular and strategically-guided non-financial reporting process, we have set up a special task force in charge of Mogo Finance's Sustainability performance.

In several sustainability criteria Mogo Finance Group is a trendsetter, by introducing Western European values and incentives in developing countries, thus elevating lives of vulnerable and diverse communities. Though we have a sound understanding of environmental footprint left by our products and services, which are compensated with wide scope of activities, but needs to be treated in more structured way to reach goals that contribute to the global climate neutrality.

OUR ROADMAP IN NON-FINANCIAL REPORTING 2021



ALIGNMENT WITH UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

To demonstrate our corporate adherence to the ethical standards of the industry and the national and international frameworks on corporate sustainability and sustainable development, we have chosen to make our sustainability commitments and align our practices with the United Nations Sustainable Development Goals.



HOW MOGO FINANCE GROUP CONTRIBUTES TO THE SUSTAINABLE DEVELOPMENT GOALS



Target 5.5.

Ensure women’s full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life.

In the Equality, non-discrimination, and inclusion section you can find more on the Mogo Finance Group Inclusion and Diversity Policy and the initiatives to foster gender equality, decrease gender pay gap and empower women professionally for equal opportunities across the Group’s companies. Thus, we contribute to the UN SDG number 5, in particular target 5.5.



Target 12.66.

Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle.

By starting the non-financial reporting practice as part of our annual reporting, we not only let all our stakeholders know about our initiatives and goals, but also encourage our stakeholders and partners to do the same, thus contributing to the UN SDG number 12, in particular target 12.66



Target 9.3.

Increase the access of small-scale industrial and other enterprises, in particular in developing countries, to financial services, including affordable credit, and their integration into value chains and markets.

By operating a business model which provides access to finance in two directions, vehicle finance and consumer lending, Mogo Finance Group enables financial inclusion across diverse communities around the world. By granting affordable funds in the vehicle financing business sector, we see productive lending as a rapidly growing niche, which, at the same time, is making a disruptive impact onto people’s lives, especially in developing countries. For example, by recognizing a specific niche underserved by traditional lenders, Mogo Finance is providing vehicle financing in the largest economy in East Africa – the Republic of Kenya, which has a reputation of the most stable, democratic, and business-friendly market in the region. Kenya also has a vibrant and growing transportation sector with approximately 30 thousand vehicles being registered per month. Financial technology operations executed in Kenya are referred to as “productive lending”, which is implemented through business-linked loans to self-employed customers. Most of the clients Mogo Kenya serve are self-employed or small business owners. Typical clients include entrepreneurs that are willing to take out a working capital loan against their vehicle as a collateral or drivers in taxi and ride hailing businesses. Thus, Mogo fills the funding gap and contributes to the empowerment of local entrepreneurs and promotes financial inclusion throughout the region. Thus, we find our companies contributing to the UN SDG number 9, target 9.3.



Target 17.16.

Enhance the global partnership for sustainable development complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technologies and financial resources to support the achievement of sustainable development goals in all countries, particularly developing countries.

Also, by running business operations in 14 countries across three continents, we do both—implement socially responsible business practice in all the regions we are represented and spread the knowledge and best practice across these regions by participating in industry events, such as conferences, masterclasses, webinars, training sessions, and the like. Also, we are an active member of the industry associations in order to raise awareness of the industry and financial inclusion. Thus, we see our contribution to the UN SDG number 17, in particular target 17.16.

Ethics and Anti-Corruption

ANTI-BRIBERY AND CORRUPTION POLICY

Mogo Finance Group is committed to comply with all applicable Anti-Bribery and Corruption laws and regulations in the jurisdictions in which it operates and has zero tolerance towards bribery and corruption as these are perceived as unethical and unacceptable activities inconsistent with Mogo Finance Group's core values.

We strive for transparency, trust, and integrity. This approach applies to all our business entities and markets where we operate as well as our client and business relations, serving as a guide in our daily work with all stakeholders.

Our Anti-Bribery and Corruption policy defines bribery as offering, promising, giving, agreeing, accepting, or soliciting of an advantage as an incentive for an action which is illegal, unethical or a breach of trust in exchange for a benefit of any kind. The benefit can take many forms such as money, loans, fees, lavish gifts, rewards, or other advantages [taxes, services, donations, favours made to a relative, friend or favoured cause]. However, corruption in our Anti-Bribery and Corruption policy is defined as any unlawful or improper behaviour that seeks to gain an advantage through illegitimate means. Bribery, abuse of power, extortion, fraud, deception, collusion, cartels, embezzlement, and money laundering are all forms of corruption, which we have zero tolerance against and try to fight with all legitimate means possible.

The aforementioned Anti-Bribery and Corruption policy is the source of information and guidance for our employees and is applicable to all employees within the Group, who have the obligation to follow these guidelines accordingly. The purpose of this policy is to clarify the responsibilities of Mogo Finance Group, its management and employees and emphasize our zero-tolerance position on bribery and corruption. The core principles set in this policy are:

- » our employees or third parties representing any of the Mogo Finance Group's entities shall not offer, promise, give, request, accept or receive bribes or other unfair advantage to facilitate our business. Provision, giving promise or offering any benefit to a person who exercises public authority, is strictly prohibited.
- » our employees are prohibited from offering, giving, accepting, requesting, or agreeing to receive gifts, events, trips, and other arrangements unless such activities comply with the allowed limits and if they are open, moderate and match clear business objectives and are appropriate for the nature of the business relationship.
- » our activities to strengthen and establish client and partner relationships shall be made in good faith and in compliance with requirements set by Mogo Finance Group.
- » we support contributions to the communities in which we operate and permit reasonable donations to charities and sponsorships. Sponsoring and donations to charities shall be performed in an open and transparent manner.
- » we do not give donations to political parties, politicians, or political campaigns – Mogo Finance Group is politically neutral.
- » in addition to this policy, we use centralized accounting and other systems to increase transparency on payment transactions. Over the recent years we have reduced the number of payments in cash to minimum and strictly follow dual control principle for digital payment transactions above a certain threshold.

Our employees have an obligation to fulfil their duties in an honest and ethical manner, to earn and safeguard client's and business partner's trust. Our employees have committed to comply with internal rules and procedures, which specify the obligation to conduct themselves in an ethical, polite, and respectful manner towards other team members, clients, and partners. We select our team carefully and for certain senior positions we perform an in-depth background check to exclude any possibility of criminal or corruptive elements. We have a zero tolerance policy for any illegal activities or unethical behavior towards other employees, clients, business partners and the community.

ANTI-MONEY LAUNDERING AND SANCTIONS COMPLIANCE

The challenges in the fight against money laundering are vast, and potential threats exist in every corner of the world, therefore as a responsible participant of the financial services sector we work very hard to stay ahead of increasingly sophisticated criminals that seek to exploit the global financial system. We fully cooperate with regulators and law enforcement agencies alike in order to identify any illegal funds we may have received from our clients, investors and/or cooperation partners.

Our Anti-Money Laundering [AML] policies are focused on protecting our business and clients from the risks of money laundering, terrorist financing, breach of sanctions or other illegal activities. These policies are tailor made to the various jurisdictions we operate and take into account not only the specific local legal requirements but also product nuances, our group AML practices and international recommendations and guidelines, thus ensuring the highest level of AML compliance reasonably possible.

Our AML policy is aimed at preventing the risks of money laundering, terrorism financing, proliferation financing and compliance with the requirements of applicable sanctions laws and regulations. Given that Mogo Finance Group entities are located in multiple jurisdictions, we adapt the AML policy to adhere to the specific local requirements on a regular basis.

To ensure full compliance with the AML legal requirements, we review and amend our AML practices at least once every 18 months according to globally consistent policies and standards. Along with our internal know-your-client [KYC] investigative practices, we use information technology services which enhance the compliance and provide faster and more efficient AML checks. This allows us to perform the required client due diligence and KYC checks, monitor and screen transactions and report any suspicious transactions or infringements on sanctions, as well as enables us to effectively evaluate the potential risks associated with each client relationship and ensure that we adhere to the globally consistent policies and standards.

Our Group AML teams include several qualified and trained AML specialists. The team works close with various internal departments and committees, including legal and compliance department and client support, to achieve our AML-related goals and adhere to the international and local legal requirements.

WHISTLEBLOWING PROCESS

The challenges in the fight against money laundering are vast, and potential threats exist in every corner of the world, therefore as a responsible participant of the financial services sector we work very hard to stay ahead of increasingly sophisticated criminals that seek to exploit the global financial system. We fully cooperate with regulators and law enforcement agencies alike in order to identify any illegal funds we may have receive from our clients, investors and/or cooperation partners.

Our management structure is designed to ensure effective management of the team and transparency. It is designed to encourage team members to have mutual trust and respect and to be able to report any misconducts. We facilitate direct relationship among employees and all levels of the management team, so everyone would feel comfortable to communicate and escalate any issues through multiple avenues. We strongly believe that every employee working at Mogo Finance Group should feel safe and be assured that their rights and applicable laws are strictly followed. In the event of inappropriate treatment, employees always have the right and possibility to submit a complaint or suggestion to the respective manager or our HR department.

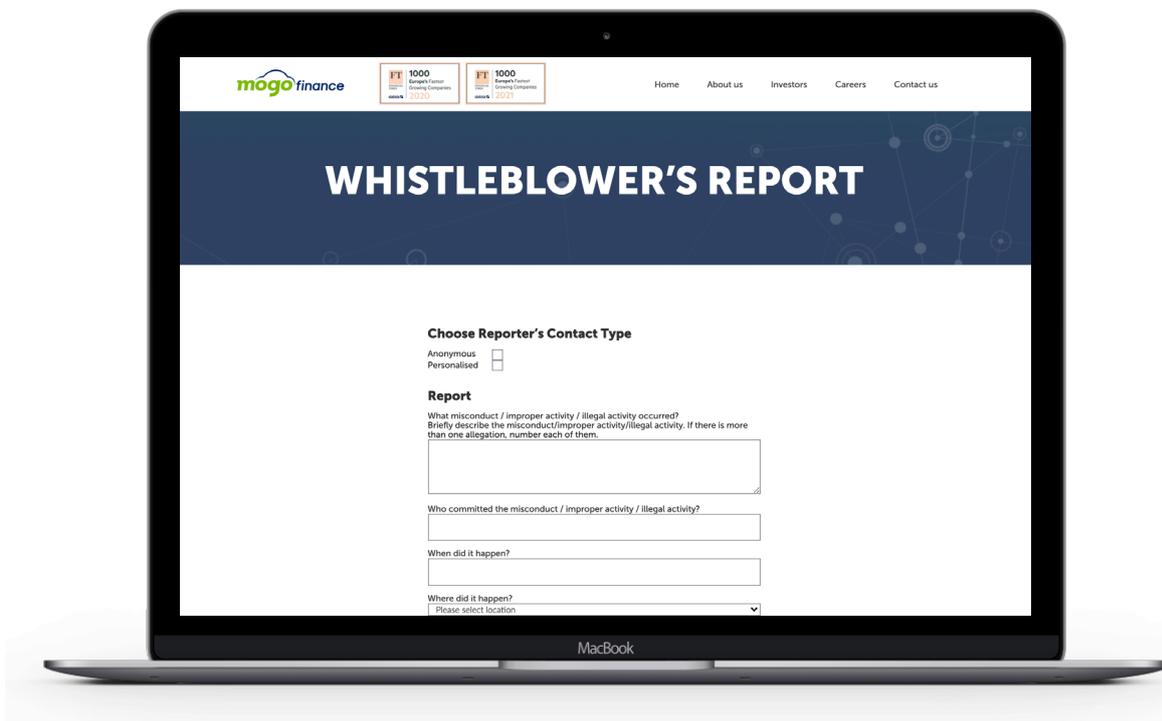
To facilitate the reporting of potential or suspected misconduct, improper activity, illegal activity within or in relation to Mogo Finance Group, including activity related with Anti-Bribery and Corruption, we have implemented a Whistleblowing reporting solution using a secured webform. This anonymous form is available for all our employees to report concerns related to misconduct, improper and/or illegal activity within or in relation to Mogo Finance Group. This solution allows to share concerns regarding violations of the Group's policies, local laws, regulations, fraud, and corruption without fear of negative consequences or retributions.



WHISTLEBLOWING IN 2020

In the Group`s annual internal survey, our employees describe the whistleblowing system as a clear and useful tool; we also provide regular information on internal trainings on the usage of the system, which allows us to be sure that employees know how to use it. In 2020, we received three internal whistleblowing reports, which all were related to matters that did not need interference from the outside, therefore, were resolved internally.

Picture of Mogo Finance Group Whistleblowing system report



INSIDER TRADING AND INFORMATION BARRIERS POLICY

The Mogo Finance Group's Policy on Preventing Insider Trading, as well as the laws of many countries in which we operate, prohibit trading in securities [in our case debt securities or bonds] while in possession of material non-public information regarding the issuer.

According to this policy, all our employees must not engage or attempt to engage in insider trading or circumvent that obligation by any means, which includes:

- » improperly disclosing inside information or recommending a third party to trade or cancel or amend an order while in possession of inside information [tipping off]; or
- » using such a recommendation as referred to above where the employee knows or ought to know that it is based on inside information.

Furthermore, we advocate to our employees the general principle that in case of any doubt, the employees should treat non-public information as inside information and consult with the management prior to engaging in any transaction. This approach effectively ensures that employees do not enter into transactions that amount to or create the appearance of market manipulation.

In order to enhance compliance with insider trading prevention policies, we use information technology services that maintain an up-to-date list of persons who have access to insider [price sensitive] information and regularly inform these persons about their duties and obligations under this Policy on Preventing Insider Trading.

In addition to the above, we request all our employees to adhere to certain information barriers to protect insider [price sensitive] information. This includes:

- » prevention of confidential information from being shared with individuals who are not authorized to know such information;
- » restricting access to potentially material non-public information to those persons who do not necessarily need to see it in order to perform their employment duties;
- » addressing actual or potential conflicts of interest among business activities.

Failure to comply with this Policy may lead to Company-imposed sanctions, including dismissal for cause, whether or not the failure to comply with this Policy results in an actual violation of the law.

CHILD AND FORCED LABOUR STATEMENT

Mogo Finance Group firmly stands against human rights violations, including child and forced labour. We do not employ children and do not cooperate or engage with any suppliers or service providers who do not adhere to these principles. We believe any employee should be able to freely negotiate and accept terms and conditions of the employment relations and should not be coerced or forced to accept unfair or discriminatory terms. We educate our employees on ethical behavior and respect, child and forced labor topic is one of significant topics on these educational sessions.

HUMAN RIGHTS STATEMENT

Mogo Finance Group in its activities respects the Constitution of the Republic of Latvia, the European Convention for the Protection of Human Rights and Fundamental Freedoms Convention, the European Social Charter and other national and international regulatory enactments on fundamental human rights that are in force in the Republic of Latvia and European Union.

Responsible Lending

The Mogo Finance Group companies always operate under direct supervision and in full compliance with the local regulatory institutions [Financial Services Supervisory authorities, Central Banks, Consumer Right Protection authorities and/or Ministries of Finance]. Mogo Finance Group encourages responsible lending, and it is our priority to ensure that our services and lending decisions are transparent and clear. We follow our internal standards of Responsible Lending and fair treatment to our clients. These standards are based on the following key principles:



INTEGRITY

We obey the law. Undisputable compliance is our key priority. We adhere to the highest ethical standards when working with our customers.

AVAILABILITY

Our decisions are made based on in-house scoring models and data driven metrics` pool. Our products and services are available to customer from diverse communities around the globe. Everyone has an opportunity to use our services pursuant to the conditions specified in the contract between a Mogo Finance Group entity and the client. We are prone to look for personalized solutions and provide financial inclusion to the communities that are underserved by traditional lenders.

CARE

Caring of our customers means open communication as well as tailor-made solutions. Innovative and technology based internal processes allow us to analyse and assess all the possible risks associated with every client.

We care for our customers` payment discipline but are ready to offer deferred payment options and find the most propiate solutions in situations when our customers experience difficulties.

We take proper care for our customers` data by ensuring compliance with the GDPR and data privacy policies across all the Group companies.

TRANSPARENCY

We make sure all of the relevant information, including fees, key terms and conditions, legal documentation, and advertising is clear, understandable and accessible to each of our clients.

BASIC COMMITMENTS

1. We always act in an honest and responsible manner pursuant to the principles set forth to promote responsible borrowing, to evaluate a client's financial situation and their ability to fulfil their obligations throughout the term of the contract.
2. Before concluding an agreement, we explain the nature of the deal in detail, disclosing all the key terms and conditions of our cooperation.
3. Before approving the loan, we check whether the loan, if approved, corresponds to the client's stated material conditions.
4. Before concluding an agreement, we assess the suitability of the proposed solution to the client's needs and financial situation.
- 4.1. We provide the client with the information needed to compare different offers and make an informed decision.
- 4.2. We provide the client with clear and unambiguous information on the total cost arising from the agreement, the rules and procedures for making contractual payments, and the consequences that will arise if they fail to comply with the terms of the concluded contract.
- 4.3. We inform the client about their vested rights and the normative acts that enable them to withdraw from the agreement.
- 4.4. We always provide the client with the necessary clarifications about the terms and conditions of the agreement and other information that they legally need to receive [including the details of your payments].
5. We guarantee that the loan agreement includes all the information and provisions of the normative acts, and that it is prepared in a simple and understandable language.
6. We inform the client how they may contact us during the term of the loan agreement, and we also tell them how we will get in touch [by phone, email, SMS or online]. At the client's request, we always promptly notify the client in advance about the maturity or any changes in the terms and conditions of the signed agreement.
7. We ensure that the loan agreement and its term and conditions are in full compliance with the local requirements and regulations [regarding the APR, fees, termination, and other terms and conditions applied].

VERIFICATION OF THE CUSTOMER BEFORE LOAN ISSUANCE

We pay particular attention to the customer verification process before the disbursement of funds. We make sure that we comply with the local regulations [and other binding regulations] and the high standards of international lending practices.

1. To assess the customer's creditworthiness and protect them from undertaking undue financial obligations, we assess their solvency pursuant to the laws, but also by using our own risk assessment models.
2. We always consult the credit bureau and do not provide funds to customers with seriously delinquent loans and bad credit history. We follow regulatory guidelines, where available, or proprietary models to set up tolerance thresholds.
3. We strictly follow requests from our customers or their relatives not to lend money to them. Upon reception and verification of such information, we enter it in the system to be used in the verification process.
4. We never discriminate customers on the grounds of age, gender, religion, political preferences, or the like. This means that we do not reject a loan based solely on these characteristics without any data driven historical evidence.

DEBT COLLECTION PRACTICES

Our debt collections practices are compliant with all local regulations [and other binding regulations] and are fair:

- » we do not make calls in the hours/on days which are forbidden by law.
- » we do not impose unfair penalties and never charge in penalties more than allowed by law.
- » we do not cooperate with external firms with a reputation of abusive behaviour with customer or those that are known for charging unfair fees
- » we maintain full transparency in our communication with customers so they are always aware of the next steps and what they entail.
- » we always explore ways to reach amicable agreement rather than proceed to the harsh measures, such as car repossession [in car business], transfer to court, or debt sale.
- » we offer amendments to schedules if the customer is not able to repay according to the original schedule agreed upon.

When the Covid-19 pandemic hit the globe, many of our customers were faced with difficulty repaying their loans. Others suspended payments because of uncertainty.

- » we introduced several repayment reliefs: payment postponement, reduced monthly payment. In some cases, we granted payment postponement free of charge.
- » we followed all moratoriums and regulator's guidelines related to the financial burden relief in the following countries: Lithuania, Romania, Moldova, Georgia, Armenia, Bulgaria, Albania, Bosnia Herzegovina, North Macedonia, Kazakhstan.
- » in such countries as Latvia, Belarus, Poland, Estonia, Uzbekistan, Kenya, Uganda, where no official moratorium or guidelines by the responsible regulator were imposed, we proactively applied the same policy as elsewhere, i.e., reduced payment or postponed payment upon a customer's request.

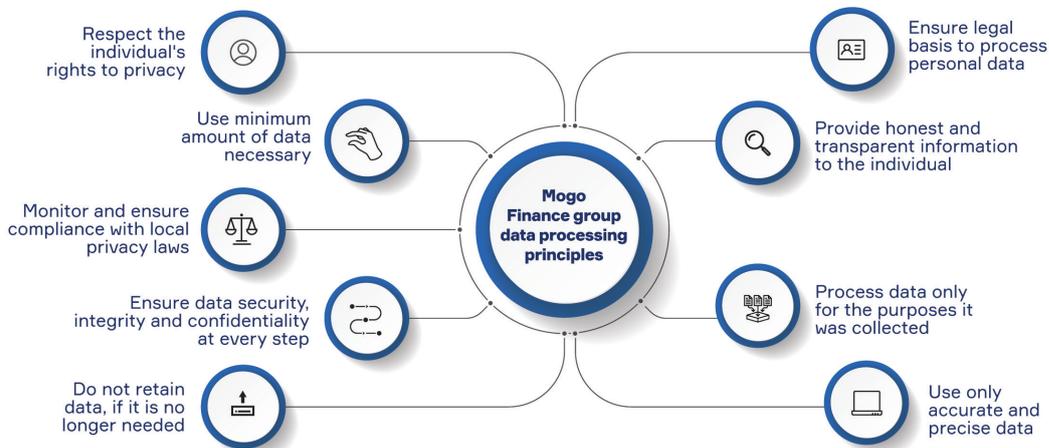
Data Privacy

Mogo Finance Group protects its customers', employees' and partners' privacy and ensure compliance with the applicable data protection laws and regulations. As business entities of Mogo Finance Group enter new markets and our customer base grows, the work on data privacy is ongoing. Globally, more than 200 000 customers, more than 1 400 employees, and 2 000 partners have entrusted us with their personal data.



Our goal is to ensure that this information is processed securely and in accordance with applicable laws and regulations. To achieve this, we have set goals and internal requirements, which we follow when dealing with persona data.

MOGO FINANCE GROUP DATA PROCESSING PRINCIPLES



As we operate in different markets and jurisdictions, we are subject to different requirements for personal data protection. At entities located in the European Union, Mogo Finance Group has carried out multiple privacy-related external audits, reviewed its procedures, and adopted documentation to address GDPR requirements and improve data protection standards. Mogo Finance Group strives to achieve a unified approach across the Group and provide a high level for technical and organisational security measures. All Mogo Finance Group business entities have adopted the same general privacy framework, which is complemented by additional local requirements. We continuously review existing procedures and educate our employees on applicable laws and regulations in relation to privacy, data protection, and other relevant matters. In addition to this, starting from the end of 2020, we use OneTrust, a group-wide privacy management system, to monitor and verify a common approach for different data protection aspects and compliance requirements.



Due Diligence Process

Due diligences is an essential part of business expansion and is being carried out in order to identify, prevent and mitigate any potential adverse impacts on successful growth of The Mogo Finance Group. Therefore, prior to entering a new market, The Mogo Finance Group performs due diligence procedures, covering as a minimum following area:

- » Assessment of business conditions necessary for entering the market;
- » Key legal regulations to be applied to The Mogo Finance Group products;
- » Tax regulation;
- » Local currency risks.

The period of time dedicated to researching and carrying out detailed analyses of the target market, contributes to form a sound management's decision on entering into new market and the best possible strategy for entrance.

Before starting any cooperation, The Mogo Finance Group selects its potential cooperation partners in a careful and balanced way, on the basis of company standarts recognised in commercial practices, which include ethical business practices and principles for observation of any regulatory enactments.

Equality, Non-Discrimination, and Inclusion

Respectful workplaces do not just happen, they are built through the values we hold and the way we treat each other every day.

Mogo Finance Group strives for an organization that is diverse, fair, and inclusive. We acknowledge that our services and business are enhanced when they reflect the diversity of our people and ensure that our workplaces are safe and inclusive for all employees.

Mogo Finance Group has made a commitment to create and maintain the work environment that is open, inclusive, and free from discrimination and harassments throughout our business. No one, internal employees or external candidates, should feel discriminated or harassed in the process of recruitment, promotion, or employment.

Mogo Finance Group recruits, promotes, and employs people based on their individual merits and skills, and encourages and supports equal opportunity. There is a zero tolerance against discrimination and harassment in all work-related activities and interpersonal relationships at work.

THE POLICY IS BASED ON THREE FUNDAMENTAL PRINCIPLES:

- » equality as the number one consideration. All humans are born equal. Therefore, equal treatment of all individuals regardless of ethnicity, cultural background, sex, gender identity, sexual orientation, religion, disability, age, or any other factor are our overriding priority.
- » zero tolerance against discrimination, harassment, sexual harassment, and victimization.
- » respect for individuals' differences in ethnicity, sex, gender identity, sexual orientation, culture, religion, and other factors.

APPLICABILITY OF THE POLICY

The Policy applies to the Mogo Finance Group's management, employees, agency workers, contractors, business partners and suppliers. The Policy shall be read and understood on a regular basis to ensure full compliance and respect throughout Mogo Finance Group.

The Policy applies in relation to all work-related activities including but not limited to recruitment and selection, conditions and benefits, training and promotion, task allocation, shifts, hours, leave arrangements, workload, equipment, as well as to interpersonal relationships at work related situations such as travels, events, parties, and after-work gatherings.

GRIEVANCE CHANNELS

Mogo Finance Group's employees should report harassment and discrimination incidents directly to their site HR or to global HR, rather than reporting via the Mogo Finance Group Whistleblowing Tool. Note that the Whistleblowing Tool is primarily to be used for ethical misconduct such as bribery, corruption, senior management abusing their power, or breaches of legal compliance.

However, the Mogo Finance Group Whistleblowing Tool can be used as a reporting tool if (i) the incident concerns persons in leading positions and (ii) it concerns serious cases of discrimination or harassment.

Our approach

To ensure equal treatment of all individuals regardless of ethnicity, cultural background, sex, gender identity, sexual orientation, religion, disability, age, or any other factor we perform various activities.

We recruit diverse workers. We are operating in 14 countries and our staff is diverse, not only in terms of national diversity, but also within each country we are operating. For example, in Kenya, the country with the currently highest number of employees we employ 300+ people from 20+ different tribes, multiple races, nationalities and religions. We have employed more than 40% of our staff outside Nairobi in 25 different cities and towns across Kenya. We provide opportunities for fresh graduates to join the labour market straight out of university. In 2020, we have employed 60+ interns most confirmed or expected to be confirmed as full-time employees.

Initial candidate blind screening. Blind screenings are application screens that are based on applicable experience and skills only. This should allow the candidate some time to discuss their unique assets in an interview. In most of our countries we use structured interview process, it gives all candidates the same chance at the job.

For all new hires we ensure onboarding and necessary training, to make sure that our novices feel welcomed, and that they are a valued new member of the team. Onboarding is carried out at the local companies in the first days / weeks of employment. Once per quarter we organize a wider onboarding event, previously known internally as “Mogo Wash” for all newcomers with the involvement of the company’s management/board.

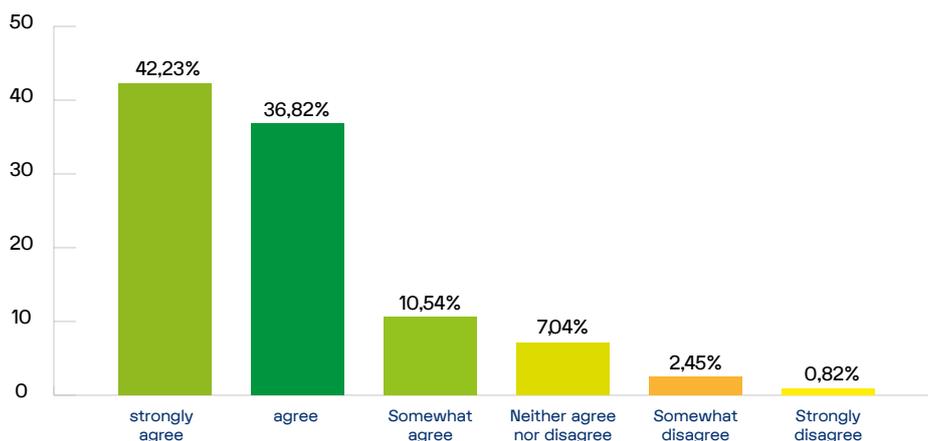
We promote different type of activities to build better and more cohesive teams with diversity and inclusion in mind. Starting from practical business trips to our countries and from our countries to our HQ, where employees have a chance to learn about new cultures, different viewpoints, and other lifestyles, continuing with educational workshops for all employees, as well with some informal teambuilding actives.

We encourage the management to embrace diversity and inclusion, as mentioned earlier, diversity and inclusion occurs from the top down. We have regular company meetings to keep everyone up to date with topicalities, and feel the pulse of the company. It lets employees feel that they are an important part of the company.

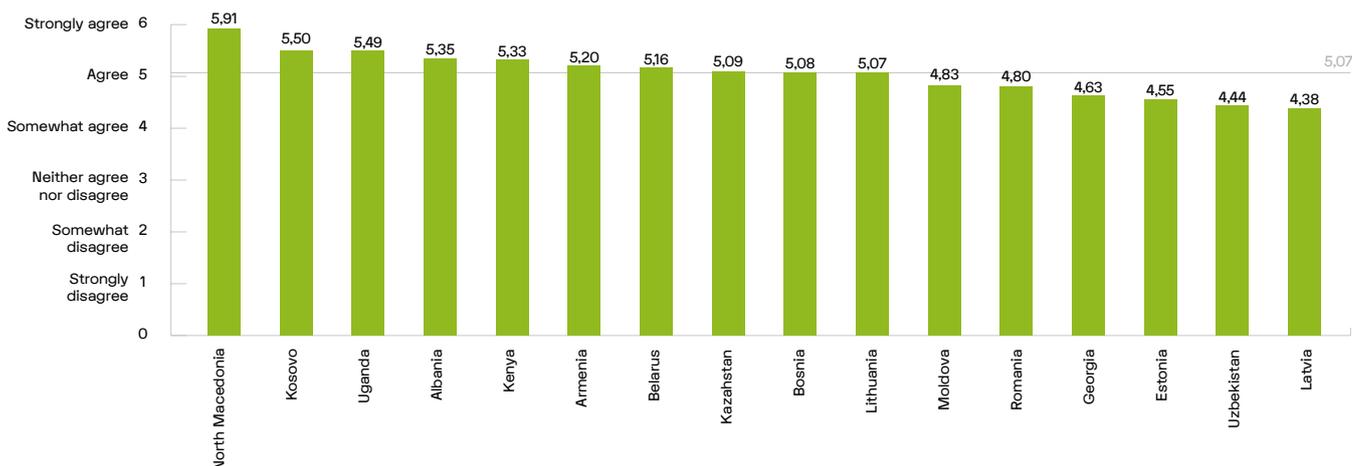
Where and as much as possible, we give employees the freedom to work remotely and have flexitime.

Once per year, we conduct employee survey where we ask our employees to answer the following question: “I feel Mogo values Diversity [e.g. age, gender, ethnicity, language, education, ideas and perspectives]”. The average rating among all our countries was 5.07 points out of 6.

I FEEL MOGO VALUES
[E.G. AGE, GENDER, ETHNICITY, LANGUAGE, EDUCATION, IDEAS AND PERSPECTIVES]



AVG BY COUNTRY: I FEEL MOGO VALUES DIVERSITY
[E.G. AGE, GENDER, ETHNICITY, LANGUAGE, EDUCATION, IDEAS AND PERSPECTIVES]



Zero tolerance against discrimination, harassment, sexual harassment, and victimization.

Mogo Finance Group has a zero-tolerance approach to bullying, harassment, and victimization and to this end is committed to providing a workplace free from discrimination, harassment, bullying and victimization and to providing a safe, productive, and positive work environment for all employees. This commitment is based on the need to work together to prevent and eliminate discrimination, harassment, and bullying.

Respect for individual differences in ethnicity, sex, gender identity, sexual orientation, culture, religion, and other factors. Mogo Finance Group operates in 14 countries, our employees represent more than 20 different nationalities. We employ people of different ages, both by offering internship opportunities to students and by employing experienced specialists. The gender distribution is very balanced at all levels of employment. We believe that diversity in the composition of employees helps to spot opportunities much better and use them for the development of the company.

Equality in Figures for 2020

The gender pay ratio measures the remunerative scope and impact of the gender pay gap within the company. The ratio reflects median male compensation to median female compensation. The gender pay gap reflects ongoing discrimination and inequalities in the labour market, which, in practice, mainly affect women. In 2019, women’s gross hourly earnings were on average 14.1% lower than those of men in the EU*. Latvia, where Mogo Finance Group has its HQ, had the second highest gender pay gap in the EU with 21.2%. Across the Mogo Finance Group total job positions’ pool, we have an average gender pay gap of 21%, yet, when comparing entry and mid-level positions, the gap is only 9%, and at the senior and executive level, the gender pay gap is only 7%.

GENDER PAY GAP

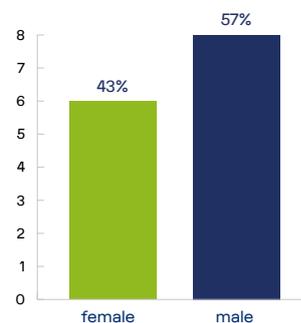
Mogo Finance Group	all female employee median salary / all male employee median salary	79%
	all entry and mid-level female employees / all entry and mid-level male employees	91%
	all senior [c-level] and executive level female employees / all senior [c-level] and executive level male employees	93%

Gender diversity reflects the percentage of full-time female employees. This ratio can indicate risks related to workplace inequality. At Mogo Finance Group, we see a very balanced gender ratio—its 55% women across all the positions vs. 45% men. The ratio is even better across entry and mid-level positions, while across senior and executive positions there is a healthy balance of 45% female to 55% male employees. Constant attention is needed to sustain the balance and enable women’s full and effective hiring, engagement, and leadership.

GENDER DIVERSITY

Gender diversity	Male	Female
Total	55%	45%
Entry and mid-level positions	56%	44%
Senior [c-level] and executive positions	45%	55%

BOARD DIVERSITY [C-level]

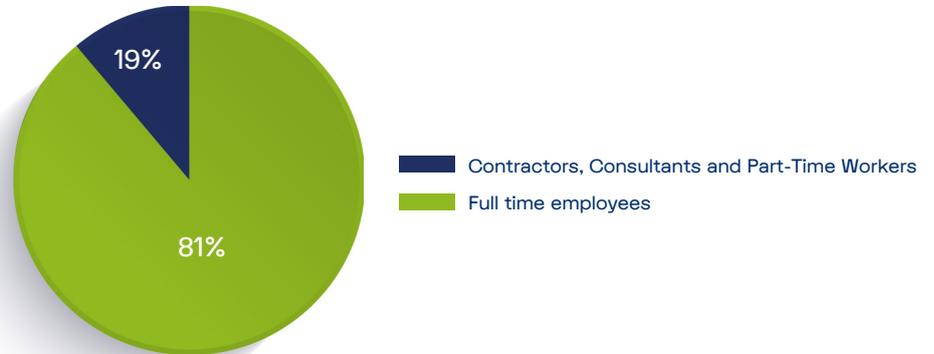


Board diversity reflects the percentage of total board seats occupied by women compared to men, as well as the percentage of committee chairs occupied by women as compared to men. As at Mogo Finance Group all business management-related and decision-making processes are implemented through the regional hubs’ senior [C-level] managers, then for Mogo Finance Group it is crucial to provide and take care of gender diversity exactly at this management level.

When measuring senior [C-level] positions, we considered following job positions: Chief Executive Officer, Chief Financial Officer, Chief Operational Officer, Chief Risk Officer, Chief Human Resources Officer. At this company management level, the gender diversity ratio stands at 43%, meaning that 6 out of the total of 14 management seats are occupied by women.

* EUROSTAT Gender pay gap statistics, 2019 https://ec.europa.eu/eurostat/statistics-explained/index.php/Gender_pay_gap_statistics

Contractors, Consultants and Part-Time Worker Ratio offers an indication and the level of benefits the company offers and shows the percentage of full-time positions compared to part-time, contracting or temporary workers. With 81% of the workforce on full-time contracts, Mogo Finance Group contributes to social stability and job security.



COMMITMENTS 2021:

- » Equality as the number one consideration. All humans are born equal. Therefore, equal treatment of all individuals regardless of ethnicity, cultural background, sex, gender identity, sexual orientation, religion, disability, age, or any other factor is our overriding priority.
- » Zero tolerance against discrimination, harassment, sexual harassment, and victimization.
- » Respect for individuals' differences in ethnicity, sex, gender identity, sexual orientation, culture, religion, and other factors.
- » To measure diversity and inclusion initiatives, introduce global diversity and inclusion index metrics as the main approach.

Global Health and Safety

Health, safety, and working conditions are of great importance in the workplaces across all companies of Mogo Finance Group. At Mogo Finance, we aspire to create an occupational injury- and occupational illness-free workplace in all countries where we operate.

We expect all geographies and lines of business to continuously review, monitor, and improve our health and safety performance by complying with the local legal requirements, implementing our Global Policy and Standards, reducing risk, and working towards Health and Safety goals across all operations. When implementing any business decisions, the impact on the health and safety of those affected must be considered. We strive to prevent injuries and causes for ill-health, and if they occur, promptly report and investigate them.

We aim to ensure that all staff and those who work for Mogo Finance Group foster an attitude of good grace and cooperation to achieve high standards of health and safety.

HEALTH AND SAFETY COMMITMENTS:

- » achieve and maintain good standards in our health and safety performance by making the health and safety of our employees our top priority;
- » proactively prevent potential safety risks and hazards by implementing and monitoring/measuring various activities and procedures;
- » provide appropriate and sufficient information, instruction, and training to ensure that our staff are well-informed, trained and equipped and their health, well-being, and safety safeguarded.
- » lead by example, with the Mogo Finance Group leaders demonstrating awareness and responsibility, making sure that all policies, procedures, and rules related to employee safety and health, and compliance is consistently communicated and followed.

OUR APPROACH

Health and safety of our employees is our top priority. All employees are regularly instructed on general work safety and fire alarms. At the new employee on-boarding and annually, we give our employees information, instructions, and trainings so that they can work safely and take steps to protect themselves from hazards. In addition, with certain regularity, everyone is required to perform a compulsory health check. The Mogo Finance Group employees are provided with annual health insurance, which gives an opportunity to use a wide range of health services when needed. Healthy and active lifestyle is promoted and supported on a daily basis. Our employees have access to the office gym; in some country's gym membership is covered by the company.

Healthy lifestyle, sport activities, and employee well-being became especially significant during 2020, when we faced the global coronavirus pandemic. By making the health and well-being of our employees our top priority, and to provide safe working conditions, we put in place large-scale remote work models, which were implemented across many offices around the world.

By implementing and monitoring/measuring various activities and procedures, proactively prevent potential safety risks and hazards. In accordance with the legislation, work environment risks are assessed, employees are instructed and receive health and safety trainings through labour protection management system, provided from the competent authority FN Serviss.

During 2020, when we faced the global coronavirus pandemic, we put in place large-scale remote work models, which were implemented across many offices around the world .

As these changes significantly affected the daily lives of our employees, we conducted measurements/surveys. The purpose of those

surveys was to detect and implement the necessary improvements to ensure employee well-being while working from home.

As a result of this survey, we conducted various activities, such as “Mogo Summer Challenge” to encourage active lifestyle among employees. We invited our employees to be active, “collect” minutes of any type of activity, like walking, jogging, cycling, swimming, an the like, and compete for the “Most active employee” title. We organised “Water cooler meetings” to facilitate informal communication between employees or more frequent “All hands meetings” to inform and answer our employees’ questions.

When our people returned to the office premises, we updated them on such safety measures as wearing face masks or sanitising hands. We also redesigned our office to meet the requirements of a safe workplace by introducing a two-meter distance between individual working stations.

By providing appropriate and extensive information, instruction, and training, we ensured that our staff are well informed, trained and equipped and their health, well-being, and safety safeguarded. In 2019, to ensure favourable working conditions and productive environment for the staff, Mogo Finance Group redesigned its HQ to become a “smart office”, with ergonomic work environment and facilities friendly to people with disabilities.

In addition to the safety instructions and trainings required by law, we also provide our employees with various types of informative trainings and activities to improve their well-being and health. For example, September was declared the “Month of Health”, with fitness coach lectures on fit and active lifestyle, healthy snacks and fruit at employee disposal, lectures on ergonomics at the workplace and a computer glasses testing session.

Leading by example, the Mogo Finance Group leaders demonstrate awareness and responsibility, making sure that all policies, procedures, and rules related to employee safety and health, and compliance are consistently communicated and followed. The company management practice safe behaviours and make safety part of the daily conversations with employees.

The company’s “All hands meetings” were started with information on the preventive actions taken to ensure employee health and safety. Employees also have an opportunity to ask questions openly or anonymously, through a Q&A application, and address any type of safety questions and issues.

The extent of activities introduced and carried out varied slightly from country to country. We strived to mitigate the negative effects of the global spread of COVID-19 by providing the maximum possible protection for our employees.

Mogo Finance Group ensures that both physical and emotional work environment promotes productivity, and that each employee can realise their professional potential.

COMMITMENTS 2021:

- » to sustain the health and safety of our employees is our top priority.
- » to create and implement guidelines for labour protection for all Mogo Finance Group entities.
- » to continue to measure various activities and procedures to prevent any potential safety risks and hazards and implement where needed.
- » to make sure the Mogo Finance Group employees are well informed, trained and equipped.
- » to make sure that the Company leadership is involved and ensures that all policies, procedures, and rules related to employee safety and health, and compliance is consistently communicated and followed.

Environmental Footprint

GhG EMISSIONS & INTENSITY

One of the Mogo Finance Group’s business directions is vehicle finance, which means that through the products we provide, we leave a certain environmental footprint. In total, 36 723 vehicle loans were issued in 2020, of which almost 30% were loans for purchasing motorcycles, which is the most used type of vehicle in the African countries where the Group operates under the Mogo brand. Also, it is worth mentioning that the fuel consumption of an average motorcycle is 1l/70km [165 MPG], making it one of the most efficient and environmentally friendly means of transport.

The EU regulations set the environmental targets that recognize vehicles as climate friendly with greenhouse gas emission amount for vehicle with average 95 grams CO₂/km .

30% of vehicles [motorcycles] financed by the Mogo Finance Group companies in 2020 produced the GhG in the amount of 37.5g CO₂/km, that is more than twice below the EU average emissions target.



In 2020, eco-friendly cars constituted a minor share of the total number of vehicles financed by the Mogo Finance Group companies—1.3% electric/hybrid cars and 0.6% of cars that are manufactured in 2020.

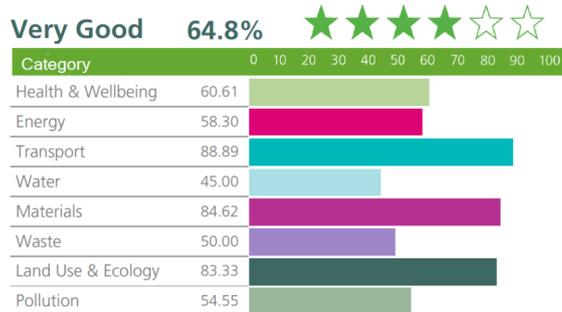
To encourage society and the Group’s customers to look for more climate neutral vehicles, we are working to set up better conditions for buying “green vehicles” like electric cars, motorcycles, hybrid vehicles. For example, already in 2020, a Mogo Finance Group’s business entity in Kenya was supporting electric motorcycle [Stima Boda] entrance into the Kenyan market, offering special terms for riders upgrading to electric bikes.

ENERGY USAGE & INTENSITY

The Mogo Finance Group Headquarters are located in Riga, Latvia, in Skanstes City, a brand-new multifunctional business district, which is currently the only BREEAM In-Use certified office complex in Latvia. Modern offices, developed infrastructure, and sustainability were among the top reasons why Mogo Finance Group chose Skanstes City.

In 2020, the Mogo Finance Group office was certified as an energy efficient workplace, receiving the BREEAM In-Use assessment “Very Good”, an upgrade of our sustainability metrics from “Good”. Also, there were significant investments made into modernising the ventilation systems and making technical upgrades, improving the building’s public spaces, accessibility, and cycling infrastructure. After renovation, it become one of the most modern and sustainable office buildings in Riga in its class.

Asset Performance:
Very Good



WATER USAGE

To provide employees at the Mogo Finance Group HQ with fresh and clean drinking water and reduce plastic waste, we equipped our office with water dispensers, which allows us to both save water and reduce plastic waste to tackle climate change. By using an average of 1.94 m³/m² of water in 2020 on all Mogo Finance Group’s premises, we keep water usage in check across all our international offices. By daily using water dispensers at our HQ in Riga, Latvia, we saved 255 thousand 0.5l plastic water bottles in 2020, thus contributing to the reduction of plastic waste.