

# Sustainability at Lendo Group

Summary of the Annual Sustainability report 2022



# Transparency is the key to shape a better future

I think most of us would agree that we must leave future generations a better tool box for making smarter and more conscious decisions to protect our community and the planet. Research, new technology and innovation constantly provide new tools to put in this box, but we also need to change our mindset. This is why being a responsible market leader who works to provide transparency, prevent over-indebtedness and enable a safe and developing working environment for our employees has never been more important for Lendo Group.

By combining forces and working together on solving problems we can achieve powerful results. These past years have challenged many businesses, including Lendo, to accept that the future outlook is uncertain and that challenges can be a possibility for new business opportunities. We must try to develop better sustainable methods for the sake of our employees, stakeholders and future generations. Lendo embraces the urge to have a sustainable long term mindset in our daily business, it is part of our DNA.

Another key element of the Lendo DNA is transparency. It is our very purpose to provide transparency to the market for loans. We do so with the aim to empower people to make smart and informed financial choices. Transparency and empowerment are key elements in driving sustainable growth for our business.

In 2020, we started to accelerate our sustainability focus, setting even higher ambitions for Lendo for the coming years. This report for 2022 is a product of this journey, where we are moving forward together for a better future. We hope that this report will provide transparency to our efforts of acting responsibly within our industry.

[Roar Bjærum](#)  
CEO of Lendo Group



# Key Beliefs

*What we believe in Lendo*

- Responsible lending is key
- We believe in doing good
- A digital world needs transparency



# Sustainability at Lendo today - summary



*A well-shaped sustainability strategy & sustainability report*



*Culture that promotes diversity, inclusion and belonging*



*Knowledge sharing organisation encouraging employee engagement*



*Shape & develop the category to compete more transparently by promoting digitalisation & responsible lending*

## 15+

*Sustainability community*

## 15+

*Ongoing initiatives*



*The Lendo ESG strategy responds to foremost three UN goals.*

# Content

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# 1. Defining Sustainability

## Defining Sustainability at Lendo

Making positive contributions to the environment and the community are fundamental pillars of our future value creation. Sustainability is deeply rooted in the company DNA and has been since the start in 2007. Lendo's purpose is to empower people to make smart financial decisions that actually make a difference in their lives. The business model itself has a positive impact on society. Providing a digital marketplace enables banks and lenders to compete on equal terms which in the end benefits users. Our service brings transparency to the market for loans and users can find offers to reduce their financial costs.

However, Lendo's sustainability agenda goes beyond this. Defining our societal and environmental impact and understanding our stakeholder's priorities forms the basis of our sustainability scope and priorities. Our point of departure is a materiality analysis based on an impact assessment and stakeholder dialogue conducted during 2020. In 2021 the company started measuring progress, and in 2022 we have continued to proactively work to achieve our yearly targets and strategy which is the subject of this report. Sustainability is a broad subject and can include various definitions and measures.

This report highlights how Lendo affects the community through different efforts and prioritization within the subject. Each aspect is presented with our long term ambitions, what we have achieved so far and some suggested targets for the following years.

## **Lendo sustainability mission**

Empower people to make informed financial decisions for a sustainable future



## 2. Materiality analysis

In 2020 we did our very first materiality analysis. We identified a list of 16 sustainability aspects covering all our material sustainability areas. It was based on previously identified aspects and a risk and opportunity analysis of Lendo's value chain. Our most important stakeholders were identified by mapping stakeholders based on interest in and influence on our business. The identified stakeholders were; users, lending partners, employees, regulators, media and owners. Through a combination of surveys and analysis we invited employees and users to prioritize the identified sustainability aspects. For some stakeholder groups we performed a desktop analysis to identify their priorities.

Employees and users were also given the opportunity to add aspects to the list of aspects important to them. An impact assessment was conducted on the identified sustainability aspects, based on their relevance to Lendo and on the economic, environmental and societal impacts of our operations. By combining the results from our stakeholder surveys and analysis with the impact assessment we could further prioritize and select our material aspects. The result was presented, discussed and validated in a management workshop. The material topics identified through the materiality analysis were prioritized according to three levels of importance: hygiene aspects (level 3), focus aspects (level 2) and our lead aspect (level 1).



# Lendo's value chain





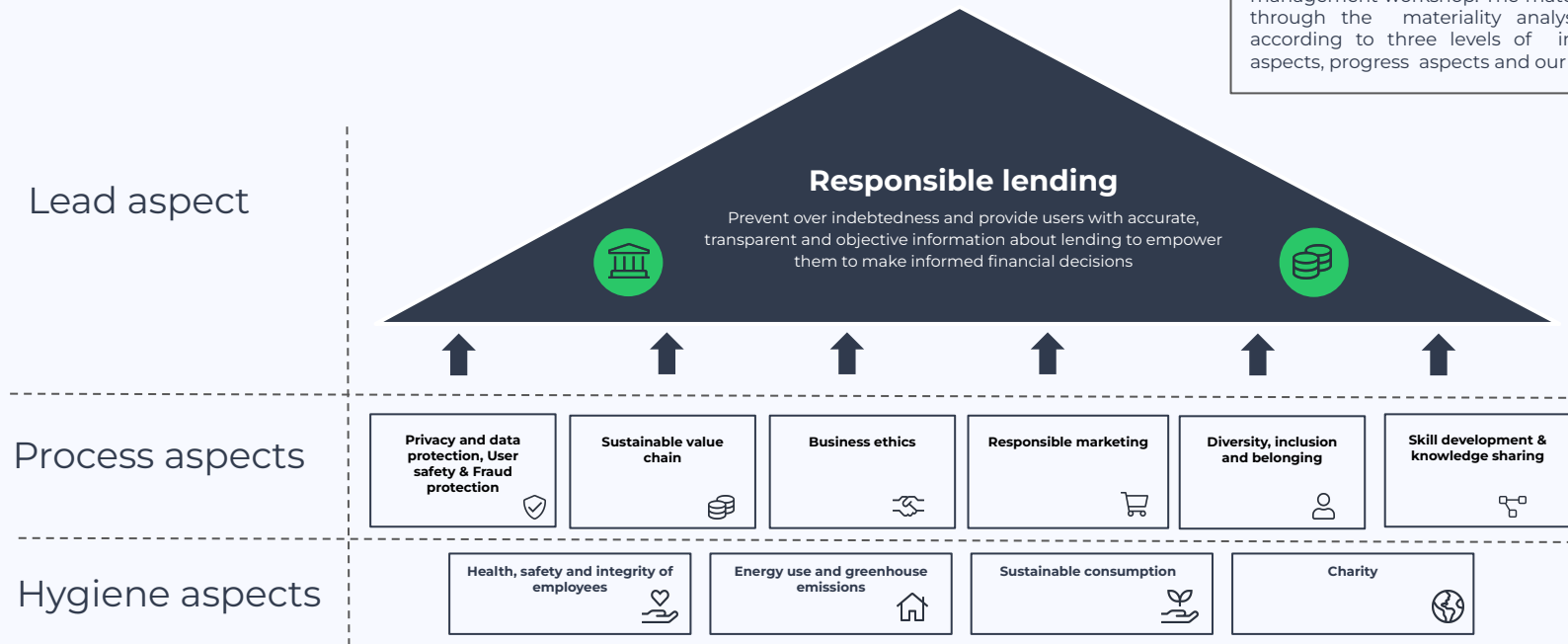
# 3. Stakeholder engagement

Who did we engage with	How did we engage with them	Ranking from the stakeholder perspective
Users	Web survey	Users perspective is missing due to lack of feedback from users
Lending Partners	Interviews	Responsible lending, Attractive Employer Sustainable investments and lending
Employees	Web survey	Empowering people to make informed financial choices Responsible lending Business ethics
Regulators	Desktop Analysis	Responsible lending Empowering people to make informed financial choices Sustainable investments and lending
Media	Desktop Analysis	Responsible lending Responsible marketing Sustainable investments and lending
Owners, Schibsted	Interviews	Empowering people to make informed financial choices Privacy and protection of user data Diversity and Equality Responsible marketing User Safety and Fraud Protection

Through a combination of surveys and analysis we invited employees and users to prioritize the identified sustainability aspects. For some stakeholder groups we performed a desktop analysis to identify their priorities.

# 4. Materiality aspects

By combining the results from our stakeholder surveys and analysis with the impact assessment we could further prioritize and select our material aspects. The result was presented, discussed and validated in a management workshop. The material topics identified through the materiality analysis were prioritized according to three levels of importance: hygiene aspects, progress aspects and our lead aspect.



# 5. Risk assessment

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Constantly mitigating risks in our daily operations is key to a successful business. Our risks are annually reviewed by the responsible management teams. The main sustainability risks are presented below.

1

## Cyber threats

External cyber-attacks, misuse of our services and threats against our internal IT security may cause incidents such as loss of personal data, fraud, loss of sensitive business data, and inaccessible or unreliable services. Incidents like these may cause reputational loss, litigation and serious leakage of sensitive personal data, potentially threatening the privacy of users.

3

## Fraud

Fraud involving stealing money and identity theft is rapidly increasing each year, harming innocent people. The loan business attracts many fraudsters due to the fact that a majority of financial providers use digital identification and a digital service only. The fraudsters are using the Lendo brand, amongst many other brands, to deceive victims and to conduct financial fraud. This may cause operational and reputational loss.

# 6. Lead aspect - Responsible lending

*As a leading marketplace for loans focused towards changing the lending practices for the better, it is natural to focus on responsible lending as mentioned above. By this, Lendo means acting as a responsible market leader by preventing over-indebtedness and ensuring that our services maintains fair and transparent so that users can make informed decisions. This is done by focusing on four areas of responsible lending.*

## Collaborations



Leader of the consumer credit group in SFA

Member of the business consumer credit group in SFA

Initiated with Bank norwegian a consumer credit group with lenders and competitors in Norway

Event with Bank Norwegian at the Norwegian Politician week

## Transparency & empowerment



Media report on consumers lending habits

Debate article on responsible practices

Communication campaign  
#talkaboutdebt

"Lending school" and articles to empower uses online

## Product development & customization



PFM feature to repay debt in Norway

PFM feature to get better overview of debt in Norway

Continued to develop PFM app for financial overview and credit scoring in Sweden

## Knowledge sharing



Integrated with Lendo Group OKR process

Internal workshops and seminars to educate employees

Ethical Code of Conduct (CR teams)

KPI communicated regularly to all employees

Monthly staff meetings to report on progress

# 7. Progress aspect - Diversity, Inclusion and belonging

Lendo has decided to focus on diversity and inclusion as one key area within its sustainability strategy. It is committed to promote diversity, inclusion and belonging, competence development, knowledge sharing, and to provide a safe and healthy work environment that supports work-life balance and employees' integrity.

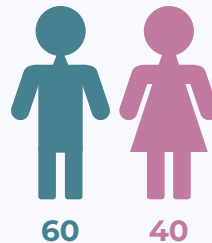
A first step is to assess where Lendo stands in this journey. The objective for 2022 was also to continue to identify key areas and aspects within diversity, inclusion and belonging important to our employees. This way we can design an effective strategy to reach our ambition as we develop in this area.

Lendo aims to have a diverse and inclusive workforce and has high ambitions to become a front-runner on diversity, inclusion and belonging. It is business critical to have a high awareness of diversity, inclusion and belonging (DIB) within a company to utilize the unique strengths, perspectives, opinions, and ideas to improve critical thinking and problem solving and to maintain the market leading position. And if this is not achieved it could also have a negative impact on the culture and employees well being as well as on the business results.

Diversity is not only about gender and ethnicity, but about our different ways of seeing the world and our workplace. Diversity also requires us to be conscious about how to build an even more inclusive culture. As DIB can encompass many different aspects and focus areas, we have started off in 2022 to define targets related to gender representation at various levels and equal pay.

## Equal pay index

100 in Sweden  
101.6 in Norway



Gender ratio men and women

# 7. Sustainability governance



## 1. Lendo Group Managers as aspect owners

We aim to incorporate responsibility for sustainability into our core business. For each sustainability aspect identified, a member of the Lendo Group Management team is assigned responsibility for defining scope, ambitions and targets. Also implementing, communicating and evaluating performance according to the defined ambitions and targets are a part of the yearly sustainability evaluation process.

## 2. Sustainability manager

The sustainability manager has overall responsibility for guiding the organization and communicating our sustainability ambitions and targets, both internally and externally. The sustainability manager reports monthly to the COO of Lendo Group.

## 3. Sustainability community

Lendo has initiated an internal program to boost implementation of sustainability throughout the organization. In 2021, 13 employees were appointed as a part of the Lendo Sustainability community driving local market sustainability projects and also supporting aspect and action plan owners.



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