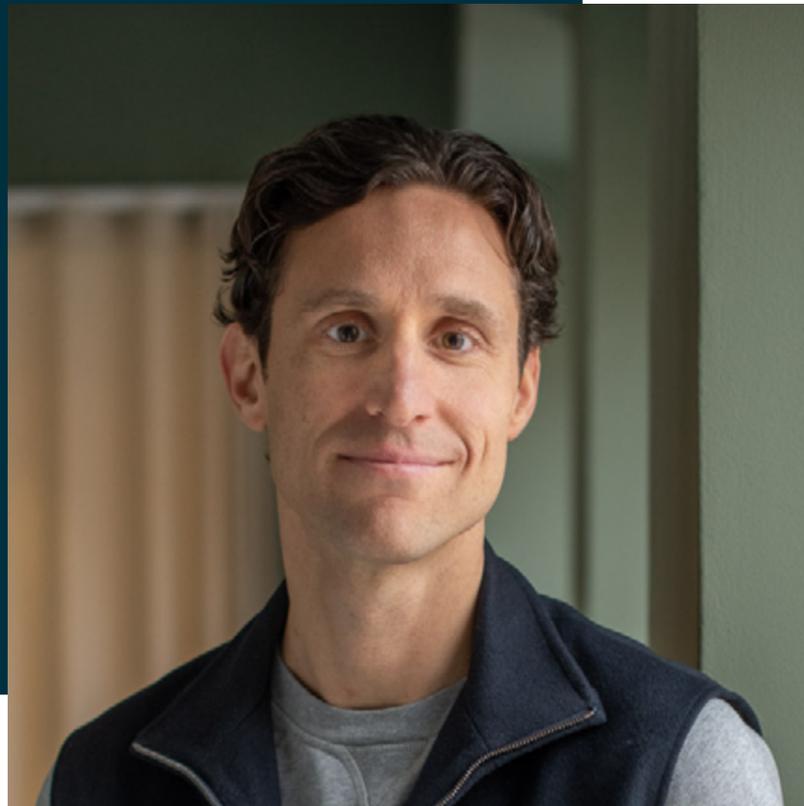


Sustainability Report

2020



“By innovating to create payment solutions that improve the consumer experience and deliver real value to our merchants, we play a part in the great technology change”



Word from the CEO

At Trustly, our sustainability efforts are meant both to ensure the long-term success of our business in a changing economic environment and to play an active role in shaping that future environment so it is happier and healthier for our society as a whole.

In 2020, we made great strides in our sustainability efforts. In the first half of the year, we conducted a comprehensive analysis of our risks and opportunities, including desktop research and stakeholder dialogues to help us understand key priorities and expectations. This helped us to prioritize our material sustainability aspects and develop a strategy to execute on.

Trustly's resulting sustainability strategy covers our environmental, social and governance responsibilities. While we are conscious of the ways in which we can minimize our environmental impact and provide safe working conditions for our employees, given the nature of our business, governance is the area on which our company focuses the most. Ensuring our payment products and services are used in compliance with the law to combat corruption, bribery, money laundering and terrorism financing is of the utmost importance to us.

Of course, there's no ignoring the fact that 2020 was a different year for all of us — businesses and individuals alike. With the outbreak of COVID-19, 2020 challenged all companies to assess and adapt. We shifted a lot of resources towards ensuring we could keep our employees happy and healthy, both physically and mentally. In turn, we learned many lessons about communication and leadership that we will carry forward with us in the years to come.

All the while, our business continued to grow at a high pace — with some parts naturally growing faster than others. We are also working on deepening the integration of our North American and European operations. These factors, in some instances, have made it difficult to obtain a comprehensive overview of our sustainability measures, but we are constantly working towards rectifying as many data gaps as possible.

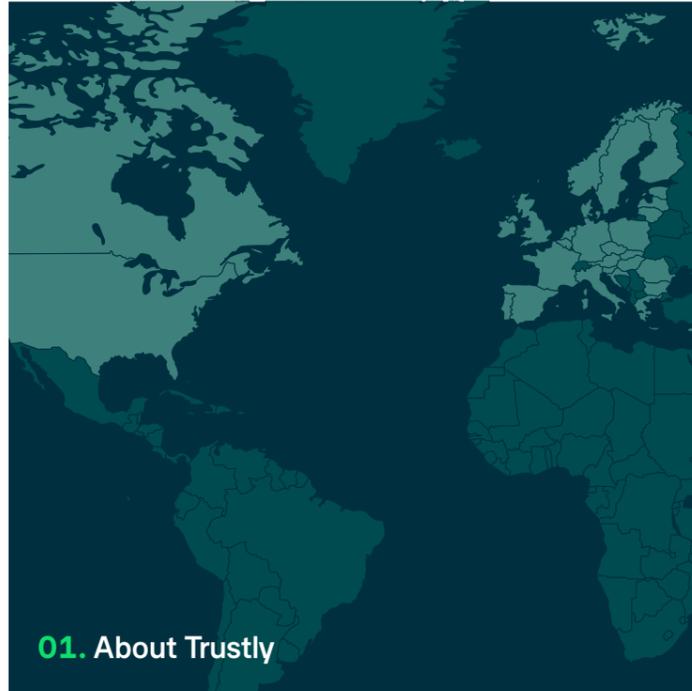
All in all, I'm proud of how far we've come in 2020, during a global pandemic, no less. By innovating to create payment solutions that improve the consumer experience and deliver real value to our merchants, we play a part in the great technology change that is reshaping the way consumers and businesses connect in a digitized world. We are convinced that our payment solutions, based on Open Banking, can contribute to a better society at large.

Oscar Berglund
Chief Executive Officer

Corporate governance

Trustly has integrated our sustainability efforts into our overall business strategy and operations. Our Corporate Sustainability Policy provides a framework for our approach and has been reviewed and approved by the Board of Directors.

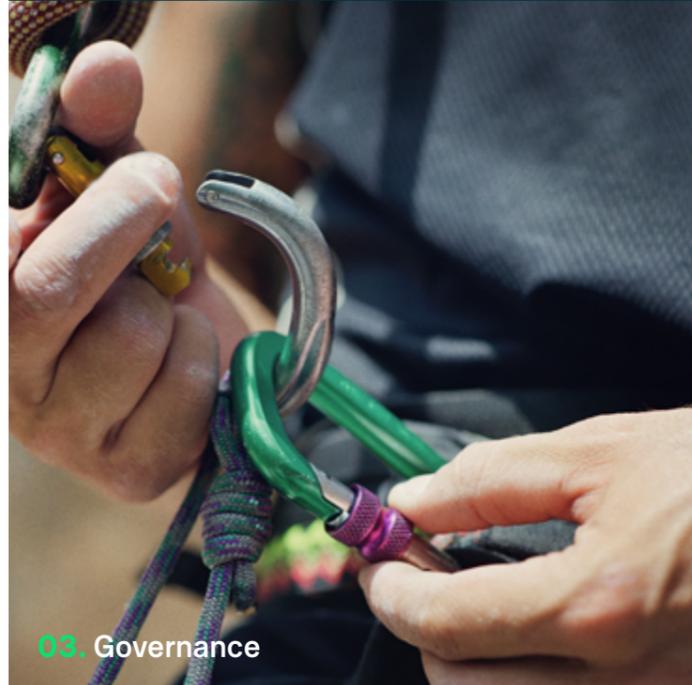
At Trustly, the main governance and supervisory body of our sustainability efforts and strategy is the Board of Directors. Senior management is responsible for the execution of the strategy and for ensuring that it is implemented throughout the organization. Our Chief Business Affairs and Legal Officer and Head of PR and Communications, together with managers in relevant departments, are responsible for making sure that our policies and standards are followed and that employees are aware of what is expected from them.



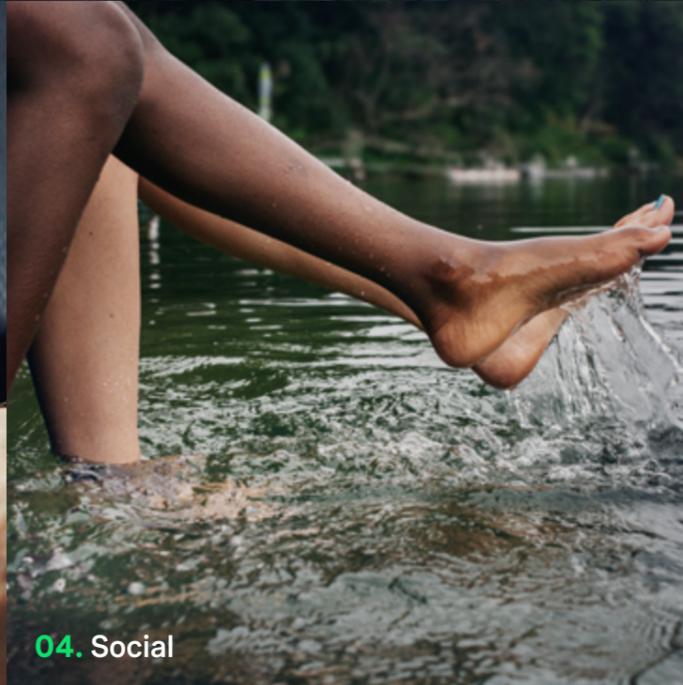
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About Trustly

A digital payments pioneer powering the new world of commerce



50+ Nationalities
10 Offices
510 Employees



Founded in 2008, Trustly is the leading global payments platform for account-to-account (A2A) transactions.

Our proprietary technology redefines the speed, simplicity and security of payments, linking the world's most prominent merchants with consumers directly from their online banking accounts. Trustly can handle the entire payment journey, which sets us apart from the competition and means that we can offer an attractive alternative to the traditional card schemes at a lower cost. We serve 8,100 merchants, connecting them with 525 million consumers and 6,300 banks in over 30 countries. In 2020, we processed over \$21 billion in transaction value in our global network.

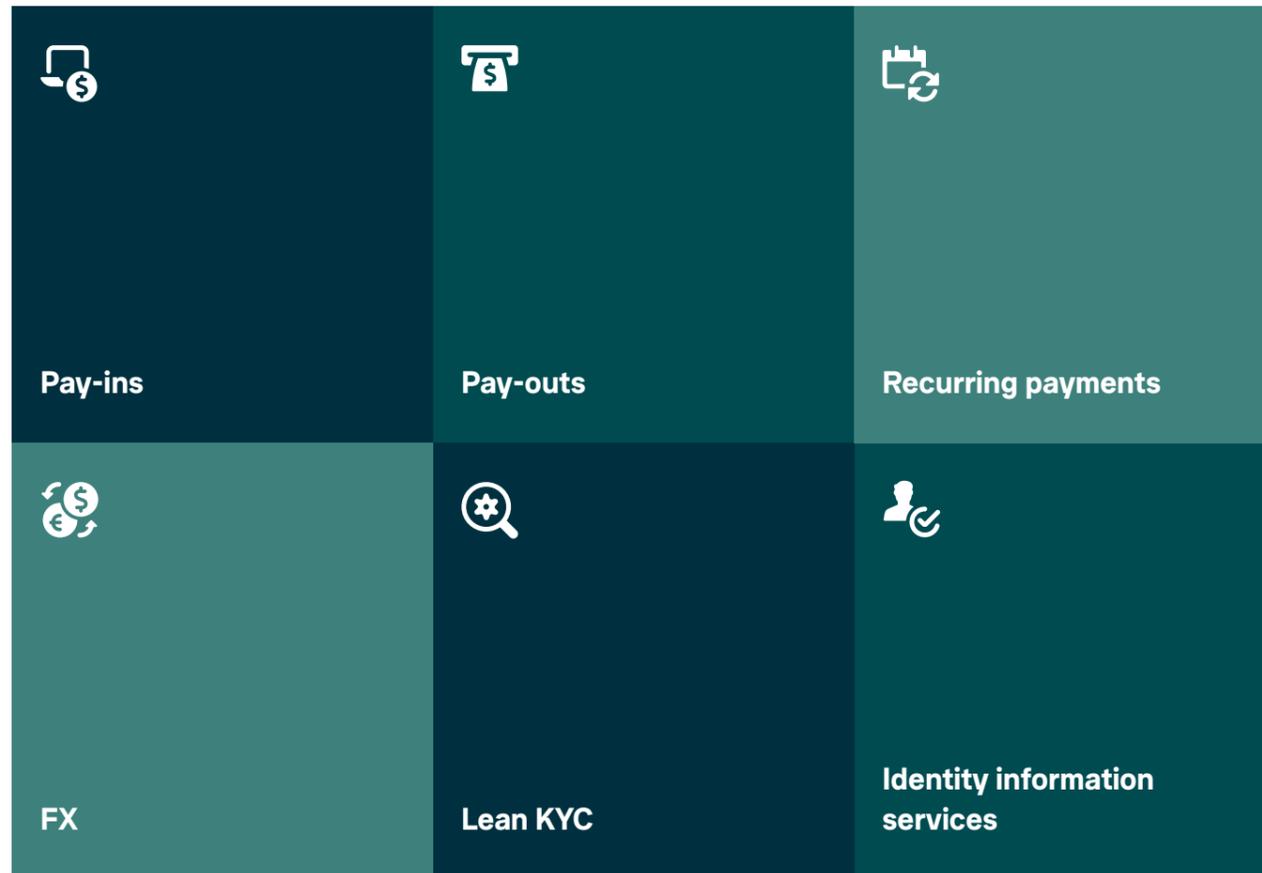
Trustly has more than 500 employees plus 100 consultants across ten global offices. We are a licensed Payment Institution under the second payment services directive (PSD2) and operate under the supervision of the Swedish Financial Supervisory Authority in Europe. In the US, we are state regulated as required to serve our target markets.

Our business model

Today's payment landscape is highly complex and fragmented, with many local payment schemes and several large global solutions characterized by high consumer friction and merchant fees. Our solution bypasses the traditional card-based payments value chain, which involves intermediaries such as issuer and acquirer processors, and instead provides merchants with lower fees and reduced transaction costs, sometimes up to 50% cheaper than cards. At the same time, we deliver enhanced transparency and a more convenient consumer experience, without any hidden fees.

When using Trustly, consumers pay with money already in their bank account, as opposed to taking on credit. As a pure debit payment method, Trustly is a sustainable way to pay that doesn't contribute to increased indebtedness in society.

Our core offering consists of pay-ins, pay-outs and recurring payments (in Sweden and the US). We also offer value-added services on top, such as identity information services, bank information services and other merchant services.



Our products are used by roughly 8,100 merchants in more than 30 countries across a broad variety of industries, including igaming, e-commerce, financial services and travel.

Sustainability at Trustly

Sustainability risks

As an international company present in diverse markets in a globalized world, we are acutely aware of the complex sustainability risk landscape that surrounds us. To better understand the sustainability risks that are most pressing for Trustly, we conducted a sustainability risk analysis throughout our value chain, taking into account both global macro risks from the Global Risk Report 2019 and sustainability risks especially relevant to our sector, covering a total of 104 external risks and 38 internal risks. Each risk was assessed on impact and the likelihood of the risk occurring.

Key risks

The analysis showed that the risks most material to Trustly are closely related to our business, such as cyber-attacks, loss of consumer data and instability on global financial markets. Bearing in mind our digital business and that our supply chain is different from that of a manufacturing company or the like, it is nevertheless important to understand it from a risk perspective. Risks related to climate change, collapse of natural systems and the depletion of resources like sand and minerals used in the production of electronic components and technological infrastructure are telling examples of how no societal or financial sector is exempt from sustainability risks.

Climate risks impact on financial market actors

As the world moves to either fulfil the commitments under the Paris

Agreement or fail to do so, we must consider a future where the costs of emitting greenhouse gases are increasing or extreme weather causing flooding at the site of a data center, interrupting Trustly's delivery to merchants, partners and customers. The financial sector is quickly becoming more involved in the issue of climate change, acknowledging the profound impact climate change has on the economy, our society and the worth of investments. In the upcoming year, we will address principal adverse impacts, investigate what climate risks will mean to us in the decades to come.

This is a work in progress and we are still investigating how most appropriately and efficiently mitigate these risks, knowing that some risks may be way beyond our direct control, albeit no less important to understand and monitor. 2020 and the Covid-19 pandemic has really reminded us of how fragile our interconnected global economy can be at times.

Materiality analysis

Building on the risk analysis, we also conducted our first materiality analysis in order to identify the sustainability areas most material to Trustly, on which we have based the development of our sustainability strategy. Acknowledging the complexity of sustainability, we contracted an external sustainability consultancy firm that helped us facilitate the materiality analysis, including stakeholder dialogues and an impact analysis applying the dual materiality perspective. As a fast-growing company, we will update



our materiality analysis in the years to come in order to ensure that it continues to be relevant to our stakeholders and aligned with our business strategy. We are looking forward to engaging more stakeholders in our stakeholder dialogues regarding sustainability, such as employees, investors, customers and users. The key sustainability topics raised during the stakeholder dialogues can be seen in Figure 1.

Not surprisingly, the dominant focus was on topics highly relevant to actors in the tech and finance sector, ranging from personal data integrity and cyber security to the importance of working proactively with AML, CTF and anti-corruption, as well as limiting the contribution to climate change and understanding climate risks.

To support a successful and sustainable development of Trustly's business, both internal and external stakeholder engagement in addition to the stakeholder dialogues for the materiality analysis is a high priority. We have continuous dialogues throughout the year with our most

important stakeholders, namely merchants, banks, regulators, investors and employees.

Dual materiality perspective

Impact was assessed applying the dual materiality perspective, meaning that we assessed the impact that Trustly has on the sustainability topics, and how Trustly as a business is impacted by the sustainability topics, which allows us to apply a forward-thinking lens to the sustainability topics most material to us. The material sustainability areas were discussed during a management workshop, ensuring alignment with the overall business strategy and priorities. The materiality analysis resulted in 15 material sustainability areas, as presented in the materiality pyramid (Figure 2). If we were to fall behind or fail to work proactively with any of these areas, it could lead to an array of consequences for Trustly. We could lose attractiveness as an employer if we did not work for gender equality, diversity and inclusion, and a failure to ensure cyber security, personal data integrity and proactive AML and CTF processes could lead to both legal, financial and reputational consequences. In this

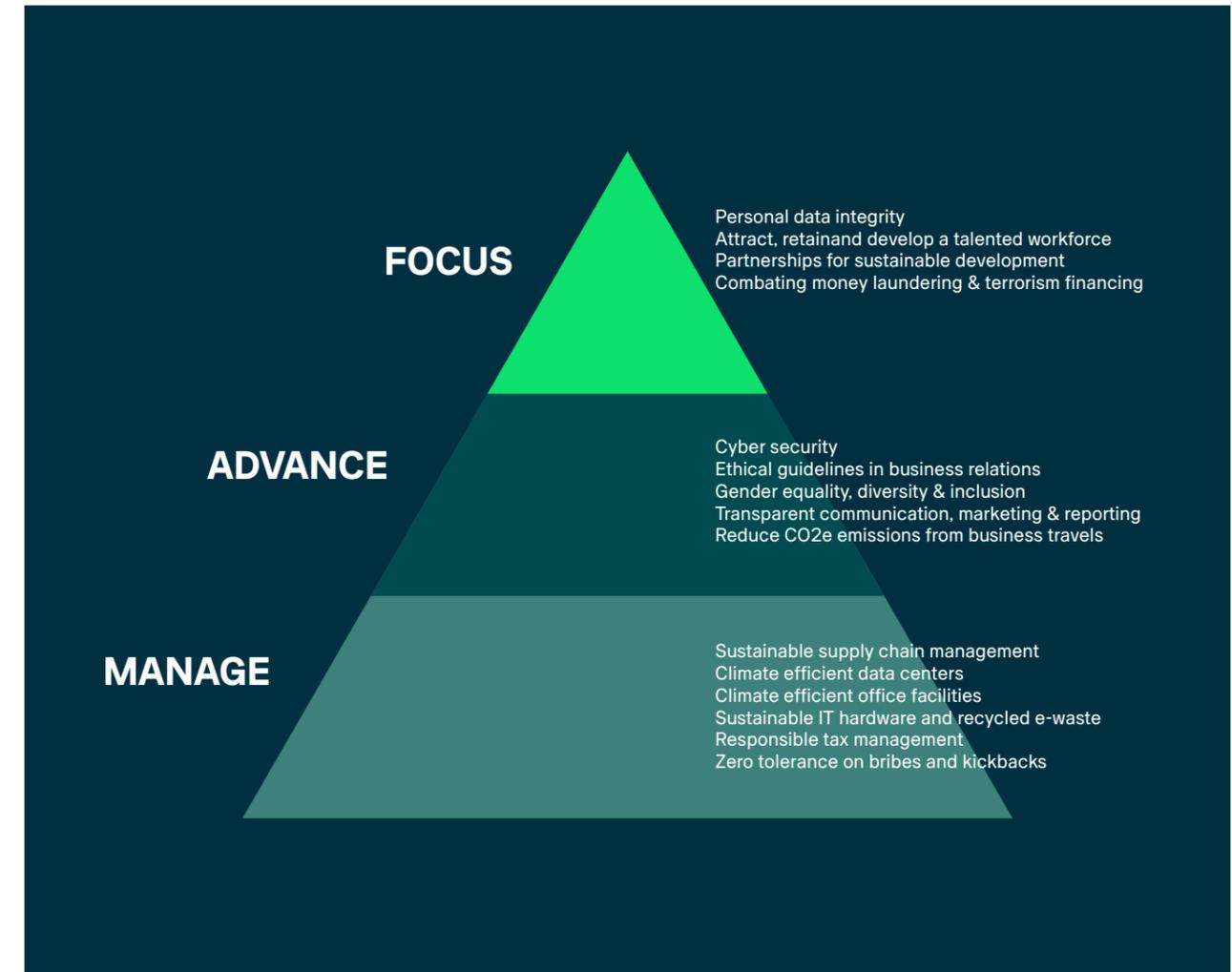


Figure 2

Figure 1

Key sustainability topics		
Stakeholder group	Form of engagement	Key sustainability topics raised (in no order of prioritization)
Executive management	Survey	Cyber security Ethical business conduct Attract and retain a talented workforce AML, CTF, KYC Personal data integrity Climate change Diversity and equality Anti-corruption
Partners	Desktop analysis	Diversity and equality AML, CTF, KYC Anti-corruption Transparency Ethical business conduct Responsible gambling Sustainable supply chain management

report, we present how we are working with these topics and what we have in store for the future.

The materiality analysis has given us a good understanding of what sustainability means for Trustly, and the foundation on which we have built our sustainability strategy. It focuses on the key governance aspects related to the field where we operate – we sit at the online intersection of tech and finance, surrounded by the people who make up what is Trustly, and the natural resources needed to propel the business forward.

The strategy development was finalized late 2020 and we will start implementation during 2021, through internal communication, trainings and

follow-up on goals and targets. Our aim is to ensure that Trustly works proactively with sustainability, assuming the role of a responsible finance and tech actor, future-proofing our business from pressing sustainability risks.

Transparent communication, marketing and reporting is a building block of our sustainability strategy and it is our ambition to take considerable strides with regards to sustainability reporting during 2021, defining and implementing a framework for collecting detailed data from all of our operations, in order to publish an even more comprehensive sustainability report in the upcoming year. In this year's sustainability report, we hope to shed some light on how we are working thus far.



Governance

3

Securing our business

Regulatory status

Trustly operates in a highly regulated landscape: In the US, we are state regulated where required to serve our target markets; and in Sweden, we are a licensed payment service provider supervised by the Swedish Financial Supervisory Authority (Finansinspektionen).

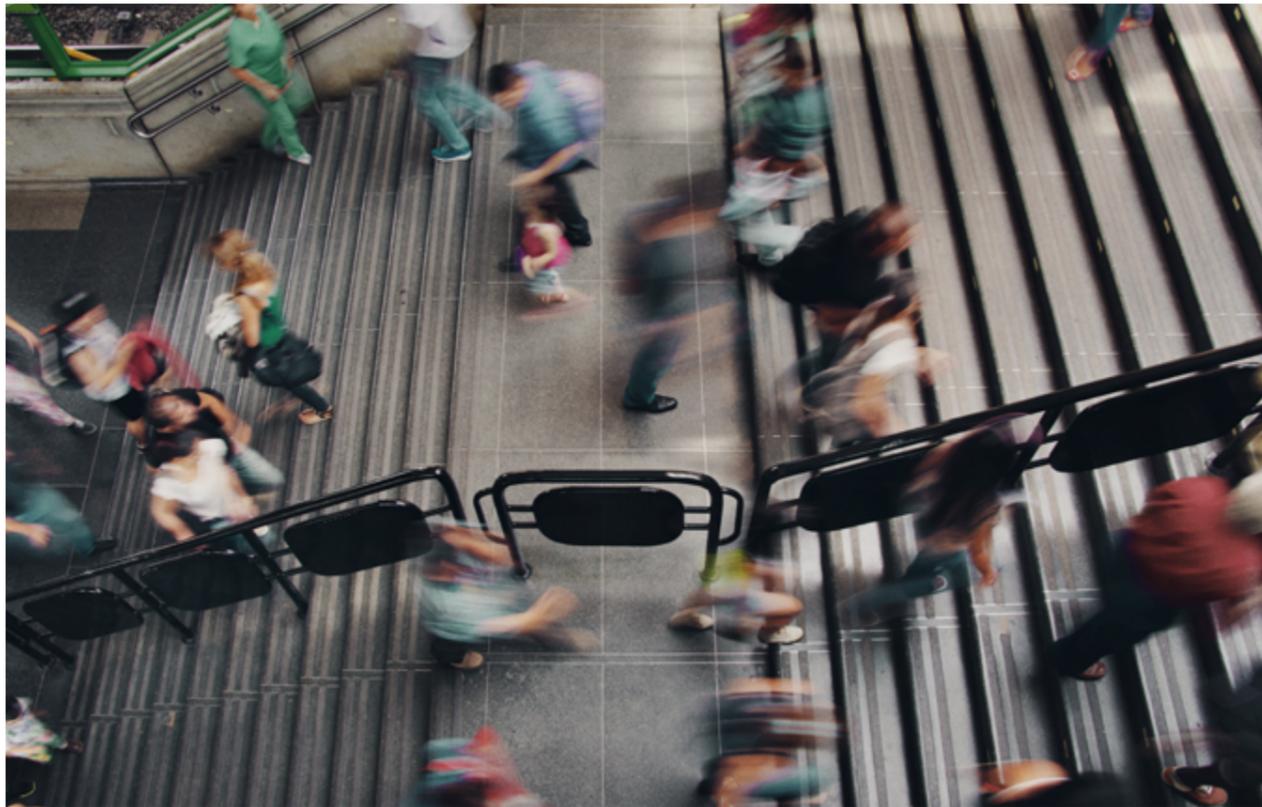
Anti-money laundering and counter-terrorism financing legislations are core legislative pieces of our operations. Being a licensed payment service provider, Trustly is legally bound to be compliant with such legislation. Compliance is achieved by a solid framework for anti-money laundering ("AML") and counter terrorism financing ("CTF"), an AML/CTF Risk assessment, which is approved by the Trustly Board of Directors, and including our AML and CTF Policy.

Being an international player acting on a global market, one of the core areas within our governance work is naturally related to assessments around AML, CTF, data security, compliance and risk.

Code of Conduct

The Trustly Code of Conduct is the guiding light for all employees, contractors, representatives, board members of Trustly AB and our subsidiaries, in all countries where we operate. Our Code of Conduct is inspired by international declarations and conventions, such as the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention Against Corruption. The Code of Conduct covers anti-corruption and ethics; labor standards and human rights; environment; and compliance, enforcement and reporting of violations. Under the Code of Conduct are specific policies such as the Anti-Bribery and Anti-Corruption Policy, the HR Policy and Travel Policy, to name a few.

It is the personal responsibility of every employee, manager, executive officer, and member of the Board of Directors to understand and comply with the Code. In 2021, we plan to introduce a mandatory training in the Code of Conduct for all employees.



Responsibility for monitoring of the Code, including to annually produce a Code of Conduct Compliance Report, lies with a centralized function in Trustly Group AB or, in some cases, locally appointed functions in certain group companies. These reports are discussed in cooperation between the responsible functions in Trustly Group AB and each other company with its own monitoring function, and are thereafter submitted to the management body of Trustly AB.

Personal data integrity

For Trustly, maintaining a high standard for security and data privacy is crucial. In a world that becomes more and more digitized, new possibilities for innovation arise, but at the same time, the risk of sensitive information ending up in the wrong hands is greater than ever. Trustly is dependent on customers and consumers feeling safe when using our payment service and that is why Trustly dedicates a lot of time and effort to security aspects throughout the whole supply chain. The Information Security Policy guides our employees in their daily work, which is part of the wider Information Security Management Framework.

Information security

Not only is it of utmost importance that the products we offer provide a high level of security, but a key factor in the context is also that our employees are aware of the risks connected to information security.

In Europe, we base our security work around an Information Security Management Framework aligned with the ISO 27001:2013 standard, and in the US we attest via the SOC 2 attestation. The framework includes an annual training in information security, which focuses on specific risk areas that we have identified within Trustly.

To ensure that we continue to keep up with the high pace of security developments, Trustly has a dedicated Chief Information Security Officer, responsible for ensuring that our level of information security matches our risk appetite in Europe. By engaging employees from different functions within the company, as well as recruiting new talents within information security, we continuously enhance and strengthen our security team.

The technical standards of our systems are reviewed annually through an external audit that is conducted by an independent third party. The audit consists of: technical assessments (e.g. penetration testing), documentation review (e.g. policy and standards) and social engineering assessment (e.g. phishing and vishing exercises).

Data privacy and protection

At Trustly, we value the privacy of both our customers and consumers. Making sure that the personal data that we process is handled in compliance with applicable data protection laws and regulations, such as the General Data Protection Regulation ("GDPR") in Europe, is highly prioritized throughout the whole organization. To us, it is obvious that questions around data privacy and security cannot be isolated to one or two functions alone, but need to be organized cross-functionally. This means that all Trustly functions, to some extent, deal with questions around data protection.

In order to give our employees the tools needed to assess and make decisions connected to data privacy, all new employees based in Europe take part in a mandatory GDPR training. Depending on which function the new employee belongs to, further internal education sessions may be provided.

Trustly has not identified any material cases of leaks, thefts, or losses of customer data during 2020, or received any complaints in relation thereto.

80%

Data privacy

Target: All Trustly employees shall undergo information security awareness, risk management and data privacy training on an annual basis.
Outcome 2020: In 2020, 80% (427/533) of employees had information security awareness and data privacy training.

To ensure visibility into processes as well as for knowledge sharing purposes, Trustly has a dedicated cross-functional committee that evaluates all new IT solutions that the company intends to procure. In addition to our appointed Data Protection Officer, we also have supporting legal expertise who primarily work with matters related to data privacy in general, and especially the GDPR.

We believe in the importance of transparency and have therefore put in a lot of work in both internal and external privacy policies. In accordance with GDPR, we ensure that it is always possible for both employees and consumers to know if and how their data is being processed and what security measures we have in place in order to ▶

protect this data. An important part of this transparency work is conducted by our Support function. Our Support is available 24/7, ready to answer and solve any potential customer issues or questions as fast as possible.

Cyber security

For Trustly, it is absolutely critical that we are protected against external threats such as cyber attacks, a growing problem in a digitized world. It is about protecting our partners, customers and end users as well as protecting our business and the trust we have built within society, ensuring that our operations are not interrupted by malicious spyware or the like. During 2020, we experienced no data breaches.

Crime prevention - AML and CTF

To prevent Trustly's business and products from being used for money laundering and/or financing of terrorism, Trustly's Board has adopted an AML/CTF Programme, which applies to all parts of Trustly, including subsidiaries and agents. In accordance with this programme, several routines and measures are in place in order to detect, prevent and mitigate the risk for money laundering and terrorist financing. We have four full-time employees working to ensure compliance with the programme, which is built around a three line of defense policy and which applies in relation to all regulatory obligations.

First line of defense

▶ The first line of defense is conducted by our dedicated AML function and includes extensive customer due diligence, including "know your customer" (KYC) checks, screening of politically exposed persons, sanction screening, customer risk classifications and prohibited jurisdictions as well as lines of businesses.

▶ All transactions flowing through Trustly's processing system are subject to continuous monitoring and suspected transactions are investigated and potentially reported to the Swedish financial intelligence unit.

Second line of defense

▶ The second line consists of our compliance function and risk function. In order to ensure regulatory compliance, the Risk and Compliance functions are both independent from the daily business activities. The Compliance function conducts quarterly AML/CFT controls to ensure that internal procedures are followed and reports the outcome of the controls directly to the Trustly Board of Directors.

Third line of defense

▶ The third line of defense is our internal audits, which are conducted on an annual basis. The scope of the audits varies but always includes audits around AML and CTF compliance. The audits are performed by renowned audit firms, certified internal auditors, who are members of the Institute for Internal Auditors Sweden.

Internal risk awareness

In addition to the three lines of defense mentioned above, our employees constitute a highly valued asset when it comes to crime prevention. In order to prevent and more easily detect potentially suspicious transactional behavior, all employees are educated within the areas of compliance and risk during their time of onboarding. The education is followed-up by an annual and mandatory AML and CTF training, in order for employees to be aware of risks connected to their daily work. Above this, employees who are performing work tasks that are deemed

extra relevant to preventing money laundering and/or terrorism financing also undergo a more comprehensive mandatory training within the area.

Trustly has a dedicated whistleblowing team, to which employees can report suspected breaches of anti-money laundering and terrorism financing regulations, by using an anonymous whistleblowing tool.

Trustly reported no cases through the whistleblowing system in 2020

Bribes and kickbacks

We work hard to prevent Trustly and its employees from being used to promote bribery or corruption. All employees are expected to adhere to Trustly's Anti-Bribery and Anti-Corruption Policy, which for example regulates external representation and benefits. In order to be able to adhere to the content of the policy, an annual and mandatory anti-bribery and anti-corruption training is required for all employees.

81%

Anti-bribery

Target: All Trustly employees shall undergo anti-bribery and anti-corruption training on an annual basis.

Outcome 2020: In 2020, 81% (410/507) of employees had anti-bribery training.

Responsible tax management

As a financial actor in the global tech sphere, our business has taken us to four continents, 30 countries and counting. We are committed to paying the correct taxes in each of the markets where we are present. Our Group Tax department handles any questions regarding taxes and national tax legislation in different markets, and the CFO must approve any changes to the tax structure. Our employees are guided by the Trustly Finance Policy. For information on the taxes paid, please refer to the Trustly Annual Report 2020.

Partnerships for sustainable development

We strive to work with our existing partners in ways that will contribute to a more sustainable world. As gaming operators represent a portion of our merchant base and we recognize that their services can trigger an unhealthy addiction in some players, we work together with operators and the respective regulatory authorities to help ensure that their players play responsibly. We have continuous interactions with local regulators, gaming authorities and legal counsels, and we invest in third-party services providing country-by-country monitoring of gaming and payments regulations. We endorse the movement towards a more harmonized and clearly defined regulated market to the benefit of citizens and industry actors alike.

We believe that through working in partnership with our merchants, we can contribute to positive changes. We will continue to explore ways to do that and promote sustainable initiatives like financial inclusion, as having access to financial services, such as online bank accounts, has been linked to stronger and more sustainable economic growth and development.

Ethical guidelines in business relations

At Trustly, we work with merchants and partners in ways that adhere to legal requirements and ethical standards. For example, when it comes to working with igaming merchants, we have a clear policy in place that we only partner with EU/EEA- and US-licensed igaming merchants. Trustly's gaming merchants go through three layers of control: supervising authority, their banks and Trustly. In addition to that, there are structures in place that enable us to make further exclusions, for example, The Swedish Gambling Authority's list of prohibited operators.

Board of Directors

The Board of Directors is the highest governing body at Trustly. As stated in the Rules of procedure for the Board of Directors, the Rules provide instructions for the board in addition to what follows from requirements imposed in laws and regulations, such as the Swedish Corporate Governance Code. Certain provisions of the Code are included in the Rules in order to facilitate their application, however not the specific requirements concerning independence set out in the Code.

The Rules state that a Board member shall notify the Board as soon as possible of a circumstance that may incur a changed assessment of the Board member's independence in relation to Trustly, our management or our major shareholders. Furthermore, the Rules include certain requirements on independence of the committee members:

- Remuneration committee: The Chairman of the Board may chair the Remuneration Committee. The other members of the Remuneration Committee are to be independent of the Company's executive management.
- Audit Committee: The members of the Audit Committee may not be employees of the Company. In addition, the majority of the Audit Committee's members are to be independent in relation to the Company and its executive management, and at least one of the members who is independent in relation to the Company and its executive management is also to be independent in relation to the Company's major shareholders. At least one member of the Audit Committee must have accounting or auditing qualification.
- Global Risk Committee: The Chairman of the Board may chair the GRC. The other members of the GRC are to be independent of the Company's executive management.

Board members

Board member	Independence of the company/management	Independence of the major shareholders (>10%)
Johan Tjärnberg	Yes	No
Fredrik Näslund	Yes	No
Måns Alfvén	Yes	No
Daniel Berglund	Yes	No
Carl Wilson*	No	Yes
Cecilia Qvist	Yes	Yes
Liliana Solomon	Yes	Yes

*As of February, 2021, Carl Wilson has stepped down from the Board.





Social

4

Our people

At Trustly, we consider our people our most valuable asset. Having the best people results in high-performing teams that deliver the innovative products that are reshaping the payments landscape. We expect our employees to follow high standards of business ethics in order to ensure we comply with global and local regulations.

Everyone at Trustly has the right to be safe at work and we are committed to constantly improving and developing our workplaces. Our employees should manage a reasonable workload, and work in a workplace that is free from work hazards be they physical or psychological. Our Risk Officer has conducted a risk assessment of our physical offices, and in 2020, we began an additional safety review of all offices, which will continue through 2021. At our Swedish HQ, we have a safety representative, and we are working to streamline our systematic for safe workplace in all countries of operation. Our HR Policy applies to all Trustly employees and sets out the foundation for occupational health and safety related to the work environment.

We believe that diversity drives innovation and results in products that are more inclusive. That's why we're proud that our workforce is made up of more than 50 different nationalities.

Equality and diversity

At Trustly, we follow these basic principles for equal treatment, as laid out in our Gender Equality and Diversity Policy:

- We offer equal pay for equal work. There should be no unfounded differences in pay between men and women or for any other reason, such as ethnicity, religion etc.
- We offer equal terms of employment and working conditions for men and women.
- We have zero tolerance regarding psychological harassment or harassment on the grounds of one's gender or other reasons such as ethnicity, religion etc.
- We have zero tolerance for sexual harassment.



We strive to achieve a healthy gender balance throughout the company not only because it's fair, but also because it encourages inclusivity, helps to attract and retain employees, and is linked to better overall financial performance. While we aren't perfect, we're always working to improve. Below shows the breakdown of different demographics among our employees at the end of 2020.

Employees by management type

	Male		Female	
	2020 (#)	2020 (%)	2020 (#)	2020 (%)
All employees	341	67%	169	33%
All managers	67	61%	43	39%
All executive management	5	84%	1	16%
All board members	5	71%	2	29%

Employees by region

	Male		Female	
	2020 (#)	2020 (%)	2020 (#)	2020 (%)
Sweden	196	64%	110	36%
Brazil	58	85%	10	15%
Malta	41	54%	35	46%
US	22	69%	10	31%
UK	13	86%	2	13%
Germany	4	80%	1	20%
Finland	4	100%	0	0%
Spain	1	50%	1	50%
Belgium	1	100%	0	0%
Switzerland	1	100%	0	0%

Employees by age group*

All employees	# (%)
<30 years	148 (29%)
30-50 years	343 (68%)
>50 years	17 (3%)

All managers	# (%)
<30 years	5 (5%)
30-50 years	95 (86%)
>50 years	10 (9%)

*Two employees are not included in the breakdown due to lack of availability of data. This will be addressed in the next report.

Employees by employment contract type

All employees	#
Permanent	501
Temporary	9
Consultants	123

33%

Diversity and inclusion
 Target: To increase female representation among employees at Trustly.
 Outcome 2020: In 2020, the share of female employees at Trustly was 33%, compared to 34% in 2019.

Attraction, retention and development

Attracting, retaining and developing a resilient and ingenious workforce is essential for Trustly to continue building its payment products. While these activities looked drastically different in 2020 in light of COVID-19, moving to video interviews, performance reviews and educational trainings, we nonetheless managed to hire 205 full-time employees and lower our turnover rate to 13%, down from 18% in 2019. Below shows the breakdown of different demographics among our new hires and leavers at the end of 2020.

New hires and employee turnover

	New employee hires (rate %)		Employee turnover (rate %)	
	2020 (#)	2020 (%)	2020 (#)	2020 (%)
Total number		205		77
Male	147	72%	58	75%
Female	58	28%	19	25%
≤29	68	33%	20	26%
30-39	89	43%	37	48%
40-49	38	18%	17	22%
50≥	9	4%	3	4%
Sweden	106	51%	40	52%
Brazil	48	23%	6	8%
Malta	25	12%	15	20%
US	24	12%	5	7%
UK	3	1%	9	12%
Germany	0	0%	1	1%
Finland	0	0%	1	1%
Spain	0	0%	0	0%
Belgium	0	0%	0	0%
Switzerland	0	0%	0	0%

Consultant new hires by region

Region	# (%)
Total	116
Sweden	77 (66%)
Malta	0 (0%)
Brazil	0 (0%)
Portugal	37 (32%)
US	1 (1%)
UK	0 (0%)
Germany	0 (0%)
Finland	0 (0%)
Spain	0 (0%)
Switzerland	0 (0%)
Belgium	0 (0%)
Australia	1 (1%)

Employee engagement is crucial in ensuring that our employees and leaders feel motivated and have pathways for development. As such, in 2020 we developed a thorough Learning & Development Ecosystem that structures how we nurture and grow our talent at Trustly. This evolving Ecosystem includes not only our onboarding program and our bi-annual performance reviews, but also an Educational Academy, a Business Functional Academy, and a Leadership & Management Academy to help employees and managers upskill in their careers.

To measure employee satisfaction related to these measures, Trustly conducts an annual Employee Survey, in collaboration with Brilliant. Trustly is proud to have scored above Brilliant's top 25 benchmark, with an Employee Net Promoter Score (eNPS) of 43. Trustly scored particularly high on areas related to leadership, including feeling respected and supported by managers, and having clear expectations and feedback from managers.

Respect for human rights

We do not compromise when it comes to worker safety or human rights. We are responsible for taking care of every person participating in the conduct of our business. Those whose work contributes to our business success, whether or not employed by Trustly, are not deprived of their human rights or subjected to mental or bodily harm in their labor. We understand that our business may have an impact on human rights issues, in particular in relation to people's working and living conditions. We comply with all relevant international covenants and conventions, as well as all applicable laws on worker safety and working conditions. Our Group Code of Conduct and HR Policy and Employee Handbook sets out further information and guidance on how we protect human rights and maintain an ethical and positive working environment.

43

Employee engagement

Target: To maintain an eNPS score above the top 25 benchmark for Trustly.
Outcome 2020: In 2020, our eNPS score for Trustly, which measures the company's employer brand, was 43 -- 2 points above the top 25 benchmark.



Environment

5

Our impact on the world

As an online payment method, Trustly's business model is digital by nature and has a relatively lower environmental impact than tech companies that produce hardware, for example. We do not have a separate Environmental Policy but our Corporate Sustainability Policy covers the environmental issues that we have identified as material to Trustly and guides our daily operations and commitment to reducing our negative environmental impact. As our business grows, we are closely evaluating the eventual need of a separate policy, but for now we feel confident that our Corporate Sustainability Policy stipulates how we should operate with regards to environmental concerns.

Climate and energy

Climate change is one of the biggest threats the world is facing today. At Trustly, we are committed to mitigating the climate impact that we have. For us, it is about managing climate efficient offices, favoring climate efficient data centers and cutting out unnecessary business travels and reducing the CO2 emissions.

Climate efficient offices

Even though Trustly as a digital company does not have a large direct impact and contribution to climate change, we are determined to constantly work to improve the energy efficiency of our offices, and reduce the emissions of greenhouse gases caused by our day to day business.

Energy consumption within the organization, Total consumption (MWh)

Electricity	195
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The data represents the electricity consumption of our offices in Sweden, Germany and Brazil. The remaining countries have not been included due to unavailability of data, which we will work to address in 2021. For more information please see "About this report".

Since the early signs of a COVID-19 outbreak, our Human Resources and Office Management teams have been monitoring the situation closely. In accordance with the World Health Organization and local government regulations, we've encouraged all employees to work from home since March 2020.

While the vast majority did indeed work from home during the course of the year, we also kept offices safely open to the extent possible for those employees who have difficulties working productively from home, whether due to distractions, loneliness or other challenges. As a result of many employees working from home, the energy consumption in our offices was lower than average.

The transition to a more flexible work-from-home situation has caused us to re-envision what the future of work will look like at Trustly. As such, we've established a trial Working From Home Policy unrelated to COVID-19 developments and based on employee feedback, which will continue to allow employees to work from home as much as they want, with approval from their manager. Such a policy helps employees to lower costs, CO2 emissions and time spent related to commuting, while also providing more flexibility to enhance a better work/life balance.

Climate efficient data centers

As a tech company, our main environmental impact is indirect, caused by the energy consumption of the data centers that store our servers. Reliable and secure data centers are essential to the operations of our business. The data centers are hosted by two providers, Global Connect and Equinix, located in Sweden in the Stockholm area, and powered using 100% renewable energy.

Energy consumption outside of the organization, Total consumption (MWh)

Data centers	175
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The data represents our data centers in Sweden, all are powered by 100% hydropower. The PuE of the data centers are 1.3, 1.6 and 2.0.

Business travel

Trustly is a global company, with operations spanning four continents and multiple time zones. In-person interaction is often vital for building and maintaining our business relationships, whether they're with partners, customers, or teammates. We are determined to reduce the CO2 emissions from business travels, whilst maintaining the connectivity of our business. In 2021, we will introduce a sustainable Travel Policy, which will stipulate the rules and procedures in place in order to guide and prioritize which travels should be materialized.

Naturally, our business travel reduced drastically in 2020 due to global COVID-19 travel restrictions. On March 11, 2020, Trustly suspended all business travel, with the exception of business-critical travel approved by the Management Team, for the safety of all our employees and their families. In response, we got creative about how to conduct engaging meetings, conferences, workshops, webinars and even social events. Our Annual Global Conference was held digitally, for example, and our office holiday parties were deconstructed into virtual team events, including a gingerbread house-building competition. As a consequence, our CO2 emissions per employee related to business travel dropped to 101.2 kg. The events of 2020 taught us that most of our meetings and events can be effectively held digitally, and we plan to take that learning with us as travel

becomes safe in 2021 and beyond. Therefore we will reopen international travel to our employees when it is safe to do so, favoring more sustainable modes of transport, while always promoting a digital solution first.

Emissions of greenhouse gases	
Scope	CO2e metric tons
Direct emissions - Scope 1	0
Energy indirect emissions - Scope 2 (electricity)	13
Other energy indirect Scope 3 (business travel)	52
Total	65

The scope 2 emissions have been calculated using AIB 2019 emission factors for Sweden and Germany, and Climate Transparency for Brazil 2017 (see about this report). Scope 3 emissions have been calculated. Scope 3 emissions from business travel have been provided by the supplier.

Supply chain management

Like any other company, we are connected to a global supply chain, even though we are not a manufacturer or distributor of goods and products. From the services that we procure, such as the storage of our servers, to the IT hardware that we use in our offices, we rely on the quality, efficiency and sustainability of other actors.

During the 2020 materiality analysis, we identified this as a material topic and we have already taken some steps to advance the area. We hired a Purchasing Manager, who in 2021 and onwards, will establish a more formal set of ESG requirements that our suppliers must meet prior to being onboarded or integrated by Trustly. This will address the fact that we do not have a formal partner or Supplier Code of Conduct in place. However, we expect third parties such as our merchants and partners and suppliers to conduct business in a way that is consistent with the values we outline in our Code of Conduct. We will also assess how we can create the foundation for systematic supply chain management, including how to most effectively follow up with suppliers to ensure requirements are met.

In 2020, we also implemented a Purchasing Policy, which is owned by the Purchasing Manager and ensures Trustly complies with applicable laws and regulations and that Trustly's values and desired ways of conducting business are communicated and followed throughout the entire organization.

Sustainable IT hardware and recycled e-waste

As a tech company, we naturally use a lot of hardware, from laptops and smartphones to computer monitors and keyboards. Our IT department strives to prolong the lifespan of our technology with regular software updates and hardware maintenance, but when it's time for a piece of hardware to be retired, we have programs to let employees buy devices at a discount price. We also donate hardware to IT for Children, a non-profit organization that provides children in Ghana with access to computers for IT education.

External initiatives

Trustly wants to engage with society and inspire positive change within the communities where our employees and partners live and work.

EU Black Wallet project

Trustly is a proud participant of the EU Black Wallet Project, an EU-funded project led by the Swedish and Finnish Police to prevent, detect and investigate terrorist financing and money laundering through the participation of the private fintech sector. The Black Wallet project is based on cooperation between the law enforcement authorities and the private fintech sector. Trustly provides market insight for the project related to the flow of funds, transaction monitoring and KYC processes.

Feeding frontline workers

We're lucky that the vast majority of us have been able to work from home throughout the pandemic, but we realize not everyone is so fortunate. We're grateful for the health care professionals who put their lives on the line to treat our loved ones fighting COVID-19. To help them power through their long shifts, we've donated hundreds of meals to health care staff in countries where we have offices, such as Malta, Sweden and the UK.

BOOST walking challenge

Trustly engaged employees in a walking challenge, with a goal of walking enough steps to "climb" Mount Everest over the course of a month. In addition to keeping employees active and bolstering teamwork, we walked 41,705,845 steps, corresponding to 31,279 kilometers and 0.78 laps around the world. For every participant that "summitted" Mount Everest, Trustly made a donation to the Wildhood Foundation, totalling 25,000 SEK.

'Tis the season for donations

For the 2020 holiday season, in lieu of sending the usual gift baskets to our valued partners, we decided instead to give to those most in need. Each of our partners was emailed a holiday card, where they could choose between donating to the Red Cross, Doctors Without Borders, and IT for Children. Trustly then made a donation on their behalf to each charity, totalling 68,000 SEK.

About this report

This is Trustly AB's, organization number 556754-8655, statutory sustainability report covering the financial year of 2020 (2020.01.01 to 2020.12.31). This sustainability report is rendered as a separate report added to the management report of the annual report in accordance with the Swedish Annual Accounts Act (årsredovisningslagen). The employee data has been extracted from our payroll and HR systems and all numbers are given in FTE. The energy consumption data covers electricity from our offices in Sweden, Germany and Brazil. In 2021, we will ensure that we will gain full information on energy consumption from all countries of operation, collaborating with landlords and energy suppliers to refine the invoices. In the US, we moved to a new office in the middle of the year and due to the pandemic, the new office did not come in use until the end of 2020. Greenhouse gas emissions have been calculated in accordance with the standards in the GHG Protocol, using emission factors from AIB 2019 and Climate Transparency 2017.

The report has been reviewed by Ernst & Young, the company's auditor.

Questions regarding this report can be addressed to press@trustly.com.



About Trustly

Founded in 2008, Trustly is a global leader in online banking payments. Our digital account-to-account platform redefines the speed, simplicity and security of payments, linking some of the world's most prominent merchants with consumers directly from their online banking accounts. Trustly can handle the entire payment journey, setting us apart from the competition and enabling us to offer an attractive alternative to the traditional card networks at a lower cost. Today we serve 8,000 merchants, connecting them with 525 million consumers and 6,300 banks in over 30 countries; and in 2020 we processed over \$21 billion in transaction volume in our global network.

Trustly has 500 employees across Europe, North America and Latin America. We are a licensed Payment Institution under the second payment services directive (PSD2) and operate under the supervision of the Swedish Financial Supervisory Authority in Europe. In the US, we are state regulated as required to serve our target markets. Read more at www.trustly.com.

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