

Communication on Progress 2022

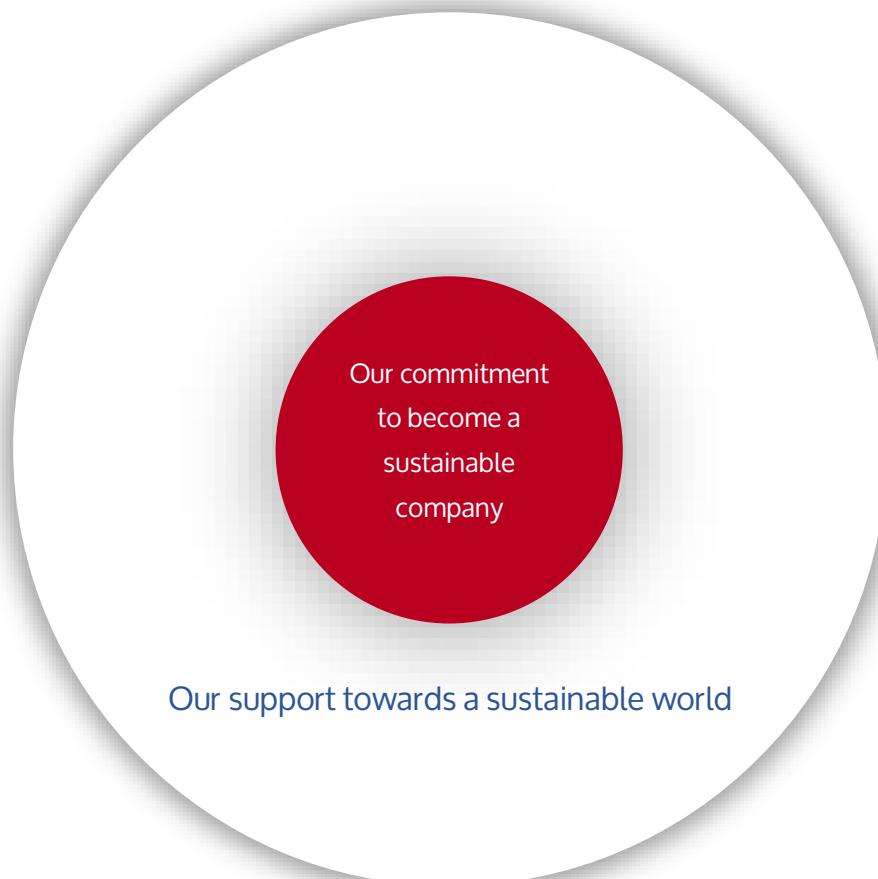
United Nations Global Compact



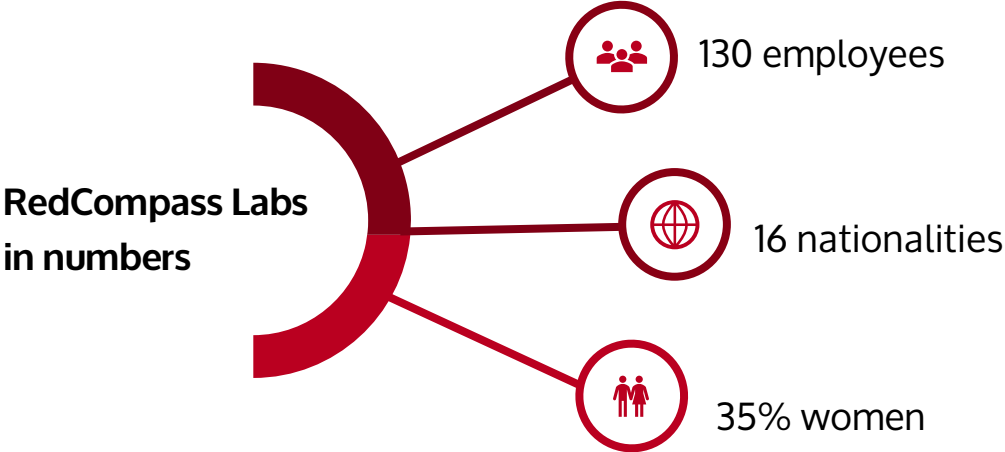
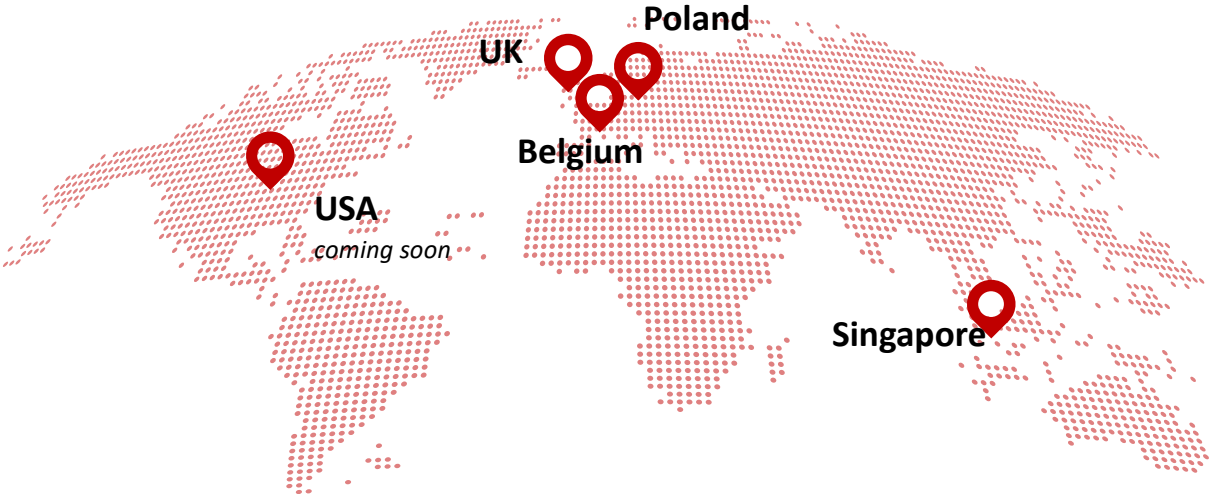
Table of Contents

- 1. RedCompass Labs..... 3
- 2. Statement of continued support by Tom Hewson, Chief Executive Officer 4
- 3. Our Actions on the Areas of the Global Compact..... 5
 - 3.1 Human Rights..... 5
 - 3.1.1 Targets and aspirations..... 5
 - 3.2 Labour 6
 - 3.2.1 Targets and aspirations..... 6
 - 3.3 Environment..... 7
 - 3.3.1 Targets and aspirations..... 8
 - 3.4 Anti-Corruption 8
 - 3.4.1 Targets and aspirations..... 8
- 4. Our Commitment to the Sustainable Development Goals 9

This Communication on Progress refers to the period **29th September 2021 to 28th September 2022**, and it reflects our commitment towards becoming a sustainable company and how we adhere to the Ten Principles of the United Nations Global Compact, as well as our actions to support the Sustainable Development Goals, contributing to a more sustainable world.



1. RedCompass Labs



2. Statement of continued support by Tom Hewson, Chief Executive Officer

I am pleased to confirm that RedCompass Labs reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

In this annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture, and daily operations.



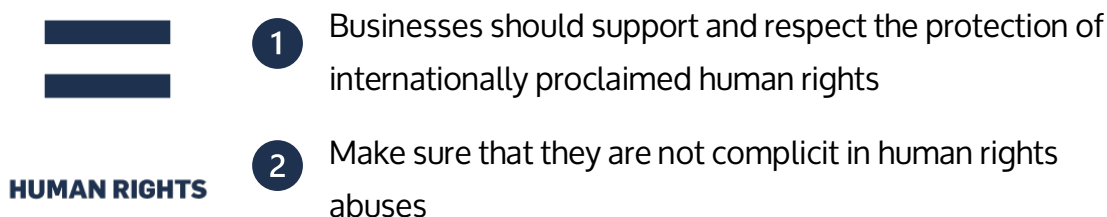
Tom Hewson

Tom Hewson, CEO RedCompass Labs

3. Our Actions on the Areas of the Global Compact

Our engagement with the United Nations Global Compact started in September 2021, and therefore, during this first year, RedCompass Labs has focused on evaluating our current policies and defining the path towards a more sustainable company in the years to come.

3.1 Human Rights



RedCompass Labs is a company that takes pride in its people, and this means we keep investing in the well-being, development, and personal growth of everyone in our organisation at all levels.

We are highly focused through our academies on giving younger employees the opportunity to walk their first steps in the financial industry and gaining and applying new skills as they go. There is an established career development structure to enable, and support continued learning across all levels within the organisation.

Our different backgrounds, histories, nationalities, faith groups, skin colours, physical abilities, ways of thinking, sexual orientations or genders are what makes us stronger. And therefore, we celebrate diversity and promote inclusion in the workplace through a strict code of conduct and specific initiatives that enable us to enrich our team day by day. We work with experts from the National Autistic Society and hold neurodiversity coaching and workshops across our company. The aim of these is to create an environment where neural diversity can become our superpower.

To keep improving, we are engaging with the United Nations Global Compact programme for Gender Equality. Gender equality goes further than the numbers and spreads across all levels of the organisation across all functions and we strive to keep providing equal opportunity and voice to all.

3.1.1 Targets and aspirations

For the coming months, our focus will lie on the completion of the Target Gender Equality programme, especially regarding the selection of the benchmarks to focus upon and operationalising the decisions taken to achieve those goals.

Our commitment to human rights is carefully monitored through our policies, HR procedures, Remuneration Committee and Board meetings. There are no incidents, violations or legal cases pending. Employees performance is managed and monitored through formal review and documentation at completion of probation, regular 1:1 meetings with Career Development Managers and through the mid-year and annual Objective Setting and Appraisal processes.

3.2 Labour



- 3 Businesses should uphold freedom of association & effective recognition of the right to collective bargaining
- 4 The elimination of all forms of forced and compulsory labour
- 5 The effective abolition of child labour
- 6 Eliminate discrimination in respect of employment and occupation

We have an Employee Handbook and a suite of HR policies that cover all the aspects of employment. These policies are regularly reviewed and updated to ensure their applicability and relevance. In this period, we have created a new policy that enables request of remote work (work from anywhere) for all, for a maximum period of 6 weeks throughout the year, to facilitate flexibility for all our employees.

We have also revisited our employee handbook and Diversity and Inclusion policies to ensure they remain relevant and adapted to the locational growth and new recruitment strategies our company is investing in. Furthermore, we conducted an Employee Survey in September 2022, the results of which will be analysed to recognise further areas of focus and /or development to ensure we provide a supportive and happy workplace.

3.2.1 Targets and aspirations

Although RedCompass Labs already is committed to promoting an equal and fair environment for all, we have initiated the Target Gender Equality programme and are committing to initiate the implementation of the Women Empowerment Principles in the coming months.

Furthermore, based on the results of the annual employee survey, RedCompass Labs will set benchmarks towards the next year as well as initiatives to continue to promote well-being at work.

3.3 Environment



- 7 Businesses should support a precautionary approach to environmental challenges
- 8 Undertake initiatives to promote greater environmental responsibility
- 9 Encourage the development and diffusion of environmentally friendly technologies

Considering the nature of RedCompass Labs products and services, the focus of our initial climate impact assessment is on corporate travel and cloud computing. For this assessment and for addressing our carbon footprint, RedCompass Labs is aiming to reduce our carbon emissions and set the first steps towards a net-zero future in the next year.

Transport

We have initiated our calculation of the current carbon footprint for corporate travel to ensure carbon compensation is systematically done. Our preference for carbon offset partner goes to companies that are addressing climate impact but are also working closely with local communities to actively support the Sustainable Development Goals, particularly in terms of SDG 1 (No Poverty), SDG 2 (No hunger), SDG 4 (Quality Education) and SDG 8 (Good jobs and Economic Growth).

Furthermore, any company vehicles are either fully electric or hybrid, to reduce GHG emissions.

Cloud Computing

Cloud computing is a basis for our technology-enabled services. Nevertheless, we are very conscious of its contribution to climate change and therefore, we have initiated the analysis of our consumption, reducing server use whenever possible and as well aiming to offset our related carbon emissions as soon as the preferred partner is selected.

Offices

RedCompass Labs' offices are in coworking office spaces in different countries, giving us the flexibility to adapt the reserved office spaces according to our needs and contribute to a sharing economy. Our office space suppliers are committed to reduce waste, invest in renewable energies, and contribute to a more sustainable work environment.

3.3.1 Targets and aspirations

By end of 2022, an overview of the carbon emissions for travel and cloud computing must be completed.

RedCompass Labs is committed to compensate its carbon emissions related to travel and cloud computing of this year. In the coming year, RedCompass Labs will monitor its travel and cloud computing emissions and identify key climate issues and opportunities towards net zero.

3.4 Anti-Corruption



ANTI-CORRUPTION

10

Businesses should work against all forms of corruption, including extortion and bribery

Following our UNGC engagement, we have drafted an Anti-Bribery and Corruption Policy to be reviewed by the Board. Once that is approved, it will be communicated to all employees, and all must agree to it.

3.4.1 Targets and aspirations

Operationalising the new Anti-Bribery and Corruption Policy. All employees, regardless of role or responsibility, must have read and agreed to it by the next financial year. Ensure that, in case incidents of non-compliance are identified, the relevant measures are carried to investigate, and the appropriate actions, disciplinary or non-disciplinary, are taken.

4. Our Commitment to the Sustainable Development Goals

RedCompass Labs’ mission statement clearly refers to our commitment to contributing to a better world.

We exist to help OPEN the doors of finance TO ALL and to PROTECT those who enter.

We believe that fair, safe and innovative banking services enable society to prosper. And that this prosperity is a key driver of peace and stability throughout our world.


When the unbanked and underbanked are excluded from banking services, not only is this unjust, but is damaging for society as a whole and threatens us all.

We will help our clients deliver profitable, secure, end-to-end, digital payment services for the WHOLE planet - the banked and unbanked; the prosperous and the aspirational.

We will use our payments experience, knowledge and access to data, to develop Financial Crime technology that PROTECTS society, the vulnerable and STOPS all people from being bought, sold and exploited...NOW!

We will build a company on these values of innovation, fairness, and the desire to solve the big problems.

We exist to make this world a better place for all and believe that these current plans are just the next step not the destination.



1.1 1.2

Internal Commitment

- Provide well-paid work for all employees

Our Products and Services

- Provide professional services to support financial institutions in their projects related to financial inclusion



4.3 **4.4**
4.5

Internal Commitment

- Provide all employees training opportunities throughout their careers, to continuously develop their skills
- In-house training of young professionals in financial services and financial technology in our Academy
- Continued sharing of industry knowledge through informal drop-in sessions and written articles
- Neural diversity programme, ensuring that employees with autism spectrum are welcome in RedCompass Labs

Our Products and Services

- Provide training to our customers' employees on new technologies and regulations to allow for a continuous reskilling of their teams



5.1 **5.2**
5.3 **5.4**
5.5

Internal Commitment

- Ensure a fair and diverse company without any type of gender discrimination during recruitment, assignment, appraisal, or promotion processes

Our Products and Services

- With our RedFlag Accelerator products and services, we support financial institutions in the fight against human trafficking, modern slavery, and sexual exploitation, including that of children, by providing them the means to search for traces of these crimes in financial flows



8.2 8.3
8.5 8.7
8.10

Internal Commitment

- Provide well-paid, purposeful work for all employees independently of their age, gender, religion, or sexual orientation
- Invest in innovation and technology and people to build products and services that that enable our clients to move rapidly and safely towards the future

Our Products and Services

- Professional services supporting financial institutions in their projects related to financial inclusion
- With our RedFlag Accelerator products and services, we support financial institutions in the fight against human trafficking, modern slavery, and sexual exploitation, including that of children, by providing them the means to search for traces of these crimes in financial flows



16.2

Our Products and Services

- With our RedFlag Accelerator products and services, we support financial institutions in the fight against human trafficking, modern slavery, and sexual exploitation, including that of children, by providing them the means to search for traces of these crimes in financial flows