



Statement on the risk assessments after the Transparency Act, PRA Group Norge AS 2024

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Table of Contents

VERSION HISTORY	3
What this statement is about.....	4
General information on PRA Group Norge AS	4
Risk and potential negative consequence for rights that are protected by the Act	4
Measures that have been implemented or that PRA Group Norge AS plans to implement in accordance with the Act	5

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What this statement is about

This is a statement published on behalf of PRA Group Norway AS.

Last year the Transparency Act entered into force in Norway. The purpose of the Act is to ensure that human rights and decent working conditions are respected in companies' operations and supply chains. The act applies to PRA Group Norge AS.

This statement is based on section 5 of the Transparency Act. The section states that the businesses must publish a statement and make account for the due diligence assessments the company has made due to the requirements of the Act.

General information on PRA Group Norge AS

PRA Group is a group that buy and collect nonperforming loans.

PRA Group Norge AS's (herby PRA Group NO) purpose is debt collection. PRA Group Norge AS conducts debt collection activities with a license from Finanstilsynet (the Norwegian FSA). The company mainly work with debt portfolios that are acquired from banks and financial institutions. Towards the debtors, PRA Group NO works with debtors to find solutions that help each debtor regain control of their finances.

For the understanding of PRA Group, it is worth to mention that AK Nordic AB, a company in PRA Group, has a branch, AK Nordic NUF, allowing cross-border operations from Sweden to Norway. Through AK Nordic AB this branch holds a license as a bank in Norway cf. the Financial Institutions Act (in nw. Finansforetaksloven) § 3-2 cf. § 2-7. AK Nordic AB is the owner of the receivables, and PRA Group Norge AS is performing the collection of the receivables.

PRA Group Norge AS's office is in Oslo and the company is Norwegian. In other words, the company is under supervision of the Norwegian FSA and is subject to Norwegian legislation.

The work with anchoring the responsibility after the Transparency Act within the company is being performed through meetings and internal education on this subject. The Transparency Act has been anchored into the operations of PRA Group Norge AS through a board resolution in which the board has committed to ensure that PRA Group Norge AS will follow the requirements of the Transparency Act. Appropriate policies have been put in place in the areas of care of employees, working environment as well as in respect of PRA Group Norge AS's interactions with external contract parties.

PRA Group NO's main business scope is debt collection. Different areas of the operation, like HR and IT services, are outsourced to PRA Group Europe AS. PRA Group Europe AS is also a Norwegian company that is obliged to follow the Norwegian Working Environment act. Both PRA Group NO and PRA Group Europe AS have channels and routines for whistle blowing (in nw. varslingskanaler) in accordance with this law.

In accordance with the Transparency Act, it is relevant to specify that PRA Group Norge AS does not produce any products or buy any products direct from vendors outside of EEA.

Risk and potential negative consequence for rights that are protected by the Act

Cf. The transparency Act section 5 letter b this statement is going to give information based on the risk assessments the company have done in accordance with the Act.

PRA has adopted a systematic approach to identify risks. The methodology used for this research is a combination of desk-based research both inside the company and outside the company, discussions internally with relevant stakeholders and assessments within PRA.

Following this assessment our view is that the risk for actual and potential negative consequences for human rights and decent working conditions is low. The geographical area of the operations can be seen as a risk-lowering factor.

Some areas of PRA Group Norge AS's operations have been outsourced to other companies within PRA Group, PRA Group NO has a good knowledge and visibility in the operations of these contract parties. The companies within the group are managed by the same framework and policies. This reduces the risk for negative consequences cf. human rights and workers' conditions.

Other vendors outside of PRA Group that the mentioned companies collaborate with are mainly situated in the Nordics.

A risk factor that is identified is outsourcing. Outsourcing can lead to tasks being performed further away from the people within the business who are responsible for the human- or workers' rights in the supplier chain. One thing is having the overview and controlling the company one might be part of. It might be harder to have the same insight to companies that are used externally. PRA is aware of this risk, and we are continuing to assess the suppliers we use to make sure that they do not contribute in a negative way to human or workers' rights. This is continuous work.

In accordance with the act, it is relevant to specify that PRA Group Norge AS do not produce any products or buy any products direct from vendors outside of EEA.

Measures that have been implemented or that PRA Group Norge AS plans to implement in accordance with the Act

The following measures have been taken to prevent and limit the risk for actual and potential negative consequences for human rights and decent working conditions:

- The company itself is subject to the Norwegian Working Environment Act and various internal policies that make sure the workers' rights are ensured in a good way.
- PRA Group NO is subject to Norwegian law, industry standards and is under supervisory of the Norwegian FSA.
- Given that the company holds a collection license there the company frequently reports on to the Norwegian FSA.
- Desk-based research of companies that are used for outsourcing services.
- PRA Group NO has a limited purpose and do not interact with a large number of vendors.