

Environmental and Social Governance Agenda

Letshego Ghana Savings & Loans PLC is a fully licensed technology and impact-driven finance institution that offers financial solutions to businesses and individuals. Letshego supports businesses with potential developmental impact, and the capability to generate considerable multiplier effects such as job creation, import substitution and poverty alleviation which would have significant positive effects on the socio-economic condition of Ghanaians.

We aspire to be Ghana's primary savings and loans institution, promoting transformational growth and sustainability in the financial sector. E&S Risk Management Policy outlines the business' overall approach and parameters for providing responsible, sustainable financing to promote sustainable development aligned with the Sustainable Development Goals.

Since we are committed to accelerating the structural transformation of the Ghanaian economy and job creation by unlocking capital for its target market, we have established an environmental and social management system (ESMS) to identify, manage and monitor E&S risks arising from its activities. Hence, the business shall endeavor to engage in constructive dialogue with relevant stakeholders to build the relationship necessary for successful management of E&S risks and impacts.

This is intended to harness the effectiveness and efficiency of integrating the environmental and social management system in credit processes, procurement and facility management, risk management, product development and the strategy of Letshego Ghana Savings & Loans PLC.

Environmental and Social Governance ESG

Letshego Ghana Savings & Loans PLC is committed to incorporate environmental and social risk assessments into their overall risk management frameworks. This includes adopting sustainable lending practices, considering E&S factors in due diligence, and implementing measures to mitigate potential risks. This not only helps in risk reduction but also aligns with the growing focus on responsible and sustainable finance.

Letshego Ghana PLC is committed to operating in an environmentally and socially sound manner by pursuing the integration of sustainable development in its financial and non-financial activities and by seeking to address the E&S risks of its financing and lending activities. Specifically, the business is committed to the following:

(a) Promoting sustainable development in all its transactions and client relationships, integrate E&S risk management into its end-to-end credit appraisal and monitoring process thus striving to mitigate negative E&S risks and impacts where needed.

- (b) Ensuring compliance with leading international standards while taking cognizance of specific local requirements on E&S risk management in all sectors in which its resources are to be committed.
- (c) Preparing and implementing all loans under relevant E&S national laws/ regulations and ensuring the effective management of E&S risks in the business's portfolio by appropriately categorizing transactions based on their potential E&S impacts.
- (d) Comply and adhere to all national and internationally recognized labor and working condition practices
- (e) Establishing an environmental and social management system (ESMS) and ensuring structural management of E&S risks and impacts of its portfolio, operations, and financing opportunities.
- (f) Applying this E&S Policy and E&S risk management procedures to all its client transactions consistently and objectively.
- (g) Ensuring that there are periodic trainings, appropriate internal capacity, and resources to handle E&S issues which will be supplemented by external expertise as the need arises.
- (h) Communicating regularly to its stakeholders on E&S efforts within the portfolio, periodically monitoring the E&S risks of its portfolio and reporting on the same annually.

COMMUNICATIONS, DISCLOSURE AND REPORTING

Letshego Ghana Savings & Loans PLC believes transparency and accountability are essential for fulfilling its development mandate of empowering MSMEs and local corporates in emerging markets to access finance and build resilience. The business adopts a Communications Policy, outlining the scope and type of information it makes available to the public. Besides disclosing its annual reports, press releases, and corporate and policy-related disclosures, the company will also reveal relevant information about its financing.

This Policy will be communicated internally across all levels of the institution.

Letshego Ghana Savings & Loans PLC also maintain a process for external communication to address public inquiries and concerns related to E&S matters. The company has committed to reporting its ESRM activities under the GSBPs obligations and the requirements of other investors.