

# 2023 Environmental, Social & Governance Report

Working Together to Make  
a Positive Impact



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# About Encore Capital Group

Encore Capital Group (Encore) is a global specialty finance company with 7,400 colleagues committed to delivering on our Mission to create pathways to economic freedom by partnering with consumers as they repay their debt obligations. We provide debt recovery solutions and other services for consumers across a broad range of financial assets. Through our subsidiaries around the globe, Encore purchases portfolios of consumer receivables from major banks, credit unions and utility providers.

We are a market leader in portfolio purchasing and recovery in the United States through Midland Credit Management (MCM). We are also one of the largest credit management service providers in Europe and the United Kingdom through Cabot Credit Management (Cabot) and its subsidiaries and affiliates.

Our colleagues around the world take great pride in supporting consumers as they work to restore their financial health. As the first company of its kind to operate with a Consumer Bill of Rights, we strive to uphold the highest standards in customer service and regulatory compliance.

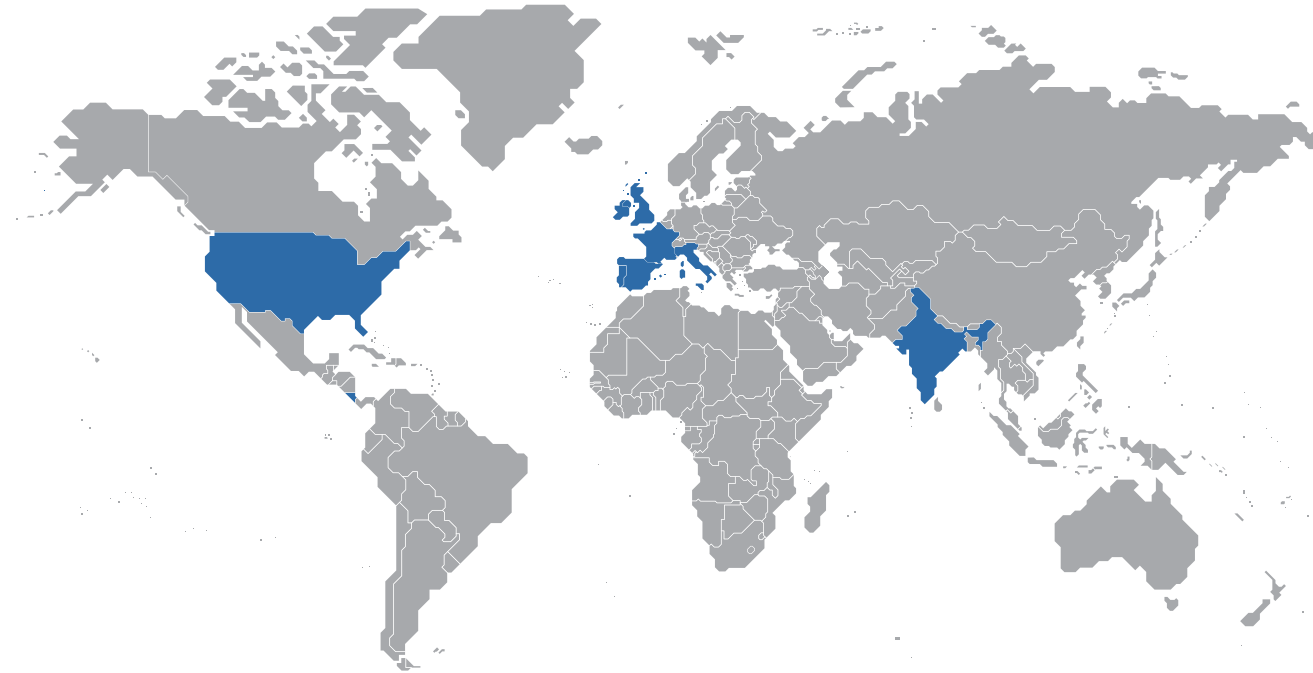
Headquartered in San Diego, Encore is a publicly traded NASDAQ Global Select company (ticker symbol: ECPG) and a component stock of the Russell 2000, the S&P Small Cap 600 and the Wilshire 4500.



## Encore's Global Footprint

### Location & Percentage of Total Colleagues

North America	United States	19%
Europe	U.K., Ireland, France, Spain, Portugal, Italy	39%
Other	Costa Rica, India	42%



**7,400**  
Global Colleagues

**25+**  
Years in Business

**\$13B**  
Amount of capital returned to the financial credit ecosystem through portfolio purchases since our inception

## Our Mission, Vision & Values



### Our Mission

Creating pathways to economic freedom.



### Our Vision

We help make credit accessible by partnering with consumers to restore their financial health.



### Our Values

**We Care:** We put people first and engage with honesty, empathy and respect.

**We Find a Better Way:** We deliver our best in everything we do, find ways to make a positive difference and achieve impactful results.

**We are Inclusive and Collaborative:** We embrace our differences and work together to ensure every individual can thrive.

## About This Report

The content of this report reflects the 2023 calendar year (January 1 – December 31, 2023) and includes Encore, MCM and Cabot's global offices. This report includes sustainability-related disclosures aligned with the Sustainability Accounting Standards Board (SASB) and provides information regarding the company's progress and commitment to Environmental, Social and Governance (ESG).

# Our ESG Approach

At Encore, we recognize that the resilience of our business and ability to deliver on our Mission — to create pathways to economic freedom for our consumers — is supported by our ESG strategy. We center our ESG approach around caring for and uplifting people — our consumers, colleagues and communities. As a responsible corporate steward, we are also committed to holding ourselves to high standards for ethical practices and decision-making, and doing our part to help protect the health of our planet and the communities where our consumers and colleagues live and work.



## Encore's ESG Pillars

Encore's five key ESG pillars help accelerate progress on the issues that matter most to our business and stakeholders.



### Consumers

We put consumers at the heart of everything we do.



### Colleagues

We support and value our people.



### Community

We work together to strengthen our community.



### Environment

We help support the health of the planet.



### Operating Responsibly

We operate responsibly.

## A Message From Our CEO

When I reflect on 2023 and the progress we made on ESG, the collective action of our people was the driving force. Our global colleagues worked together to care for our consumers, each other and our communities, support the health of our planet and champion responsible business practices. And through it all, we remained true to who we are at our core — people helping people.

This came to life through our support for consumers, co-creation of our strong workplace culture and efforts to give back to the communities we call home. Some highlights from last year include:

- Earning Great Place to Work® certification in six countries.
- Donating thousands of essential items like food, clothes and personal care products to 18 organizations through our global give-back campaign, Encore Connected Week.
- Continuing our commitment to inclusivity and community connection through investment and expansion of employee resource groups.

We recognize that this progress would not have been possible without our 7,400 dedicated colleagues around the world who believe in our Mission to create pathways to economic freedom for the consumers we work with every day. Our colleagues are the driving force behind our success as a business and our ability to make a positive impact on society.

To further deliver on our Mission, we also took the first step to refresh our corporate giving and partnerships program by supporting organizations that advance financial education in our communities. We established a partnership with the San Diego chapter of Junior Achievement (JA), the nation's largest organization dedicated to giving young people the knowledge and skills they need to own their economic success. Additionally, colleagues dedicated time to volunteer at other JA chapters near our U.S. offices. The goal of this partnership is to make a lasting impact on young people in our communities by connecting them to the skills, tools and resources they need to take control of their money and responsibly manage debt. This effort also complements other efforts our teams make across the globe to support financial literacy, workforce development and community resilience.

2023 was also an important year from an ESG governance perspective. We further operationalized our ESG governance structure with the addition of three ESG Working Groups comprised of global leaders and subject matter experts who are passionate about our ESG efforts. These ESG Working Groups will set us up for success and further embed ESG best practices across the business.

As we look ahead, we remain committed to delivering value to all our stakeholders while also making a positive difference in the world.

Sincerely,

**Ashish Masih**  
President and Chief Executive Officer,  
Encore Capital Group



“Our colleagues are the driving force behind our success as a business and our ability to make a positive impact on society.”



## Q&A with ESG Steering Committee Chair

Tracy Ting, Senior Vice President and Chief Human Resources Officer

**People Helping People is central to Encore's values and what it stands for. What does it mean to you and how does it connect to Encore's ESG and business performance?**

'People Helping People' is a simple yet profound phrase that encapsulates the heart of Encore's Mission and Values. To me, this phrase embodies empathy, collaboration and a shared responsibility for one another. It's not just a slogan, it's the guiding principle behind our interactions with consumers, colleagues and the community. When we prioritize people, the impact reverberates throughout the entire organization. Encore's investment in employee development and well-being directly impacts business outcomes. A motivated, engaged workforce can drive productivity and innovation while also building trust and improving the lives of consumers.

**How does Encore's people-first philosophy influence the company's culture across offices?**

Our people-first philosophy has helped to shape a vibrant, unified culture across our global offices. This culture recognizes that our progress would not be possible without the efforts of our colleagues who believe in our Mission every day. When individuals feel connected to a meaningful cause, they become a formidable force. Our people-first culture also prioritizes inclusivity, ensuring that diverse voices are heard and respected. Our employee resource groups (ERGs) are a great example of this.

**What were your key objectives and priorities for 2023 as Chair of the ESG Steering Committee?**

The ESG Steering Committee had two different but equally important priorities in 2023. The first was to expand our ESG governance structure by establishing Environmental, Social and Governance Working Groups. Comprised of subject matter experts from across the business, these groups will be a driving force of our ESG strategy moving forward. Second, we are focused on increasing membership in our ERGs to drive greater impact.

In 2023, our longstanding Women@Encore&Allies ERG expanded globally to advance gender equity across our global offices. We also launched Pride Network, our LGBTQ+ ERG, with the mission to co-create a safe, unbiased and inclusive environment that empowers all LGBTQ+ colleagues and allies to thrive. BEN, our Black Employee Network, continued its ongoing efforts to provide a platform for Black employees to have their voices heard, experiences acknowledged and unique perspectives valued. We will be launching additional ERGs in 2024 based on feedback received from colleagues.

**Reflecting on the past year, what ESG initiative are you most proud of?**

I'm especially proud of how we've continued to work together with our colleagues to co-create a positive and inclusive culture and workplace, empowering our people to thrive. Through the annual Great Place to Work® (GPTW) survey, we heard directly from our colleagues to identify areas where we're excelling and what we can improve on. Based on the results, Encore was Great Place to Work-Certified® in six countries where we operate — a testament to the intentional actions we take every day to prioritize and champion our people. We will continue to utilize GPTW as a tool for engaging with employees on the issues that matter most to them.

**Looking ahead, how do you see Encore's ESG approach and efforts evolving?**

This year's report showcases the ways we've made a positive impact by working together — from supporting consumers as they rebuild their financial futures to doing our part to protect the planet for generations to come. As we look ahead, our focus on ESG will continue to evolve, especially with the addition of our new ESG Working Groups.

# ESG Highlights



## Consumers

Encore continues to support consumers through our empathetic service model, ensuring consumers experiencing hardships have the right support, and that all interactions are driven by our Mission, Vision and Values and with an emphasis on compliance and ethics.

## Colleagues

Great Place to Work®, the global authority on high-trust, high-performance workplace cultures, certified six countries where Encore operates — France, India, Ireland, Portugal, Spain and the U.S.

## Community

Encore colleagues supported 18 charity organizations and donated thousands of essential items such as food, clothes and personal care products during our annual multi-day global event — Encore Connected Week.

## Environment

MCM in India was awarded the “Best Water Preservation Initiative of the Year” for its work with local partner iamgurgaon and the office also received LEED Gold certification for its new facility.

## Operating Responsibly

We expanded our ESG governance structure, comprised of three working groups responsible for further embedding Encore’s ESG strategy across our global organization.



# Working Together to Empower People and Communities

At our core, we are people helping people. This comes to life in the way our colleagues across the globe work together to build strong partnerships with consumers on their journey to economic freedom, champion the health and well-being of our people, cultivate a unified, inclusive culture and support our communities around the globe.



## Key Highlights

- Six countries where Encore operates were certified by Great Place to Work®.
- Global colleagues participate in more than 149,000 hours of e-learning and instructor-led training.
- Launched our Pride Network ERG, expanded Women@Encore&Allies globally and continued to advance efforts through our Black Employee Network (BEN).
- Established our partnership with Junior Achievement of San Diego County.



# Consumers

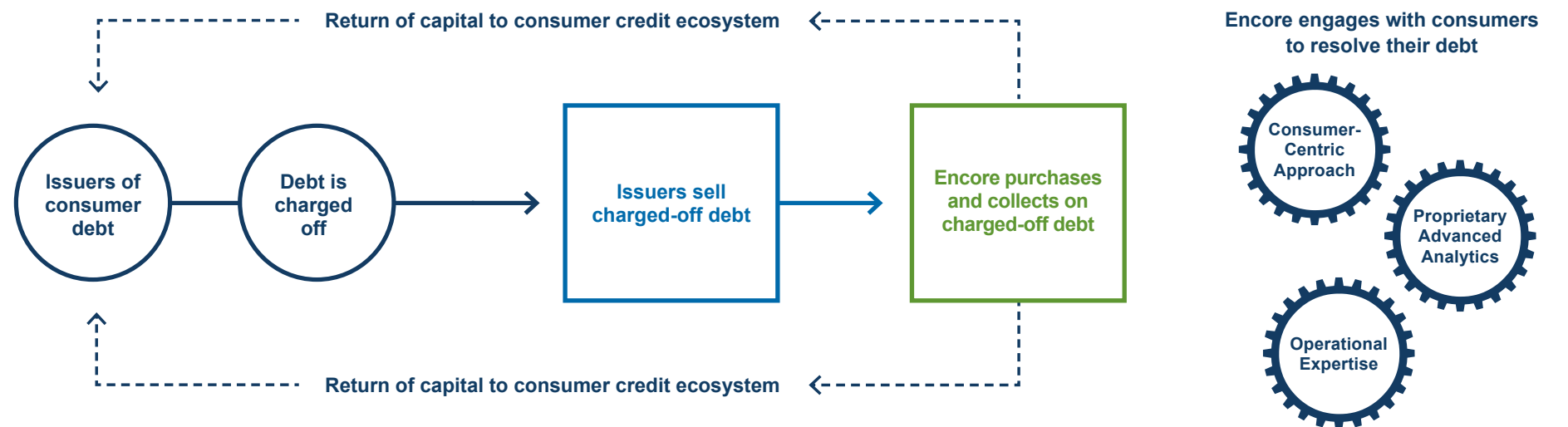
The consumers we partner with and our people who support them are at the heart of everything we do. We take seriously our responsibility to support consumers as they pay off their debt obligations. Firmly grounded in our Mission and Vision, we are dedicated to creating pathways to economic freedom for our consumers and partner with them to help restore their financial health. What sets us apart is how we create meaningful relationships with our consumers, ensuring honesty, empathy and respect are at the center of all interactions. When our consumers trust us as their partners to ultimately achieve economic freedom, we know we succeeded.

## Why Our Work Matters in the Consumer Credit Ecosystem

Over the past year, economic uncertainties like high interest rates, unemployment and inflation have disrupted consumers' financial well-being. These uncertainties also influence the broader consumer credit ecosystem. The availability of credit is essential to the economy, and we play a critical role in enabling the credit ecosystem in two ways: through our work with consumers and our work with credit issuers, banks and lenders.

When we work with consumers to resolve their debt and achieve financial freedom, they have the renewed ability to invest in their own future and the broader economy. This improves cash flow for businesses and financial institutions, increasing the availability of affordable credit and helping to create financial stability. This stability allows consumers the freedom of choice — the ability to spend their money in ways they prioritize, leading to more opportunities for economic growth and a healthier global financial infrastructure.

For credit card issuers, banks and lenders, we provide an important outlet for their charged-off loans by providing capital back to them. This allows these institutions to focus on what they do best, which is issuing loans and extending credit to people and companies who in turn, can focus on achieving their dreams and goals. Our work has never been more essential.



## Ethical Debt Collection

We understand that when a borrower cannot make payments on a credit card or loan, it is often because they are faced with unfortunate, uncontrollable circumstances. When we treat consumers with compassion, take the time to understand the situation they are in and ensure our approach is rooted in respect and kindness, we are better able to help them restore their financial freedom.

We take a data-driven, consumer-centric approach to our work with consumers to help them pay off their debt obligations. We equip our global colleagues with policies, practices and ongoing training to ensure every call with a consumer is a positive, productive experience. Over a third of our employees' learning and development hours were dedicated to content related to consumer protection. These training courses cover our Consumer Bill of Rights, regulatory requirements for our industry and other consumer-relevant materials. We also take great pride knowing MCM was the first company in our industry to adopt a [Consumer Bill of Rights](#), engaging in dialogue that is respectful and constructive, creating solutions for our consumers that resolve their obligations and ensuring that we treat consumers with respect and integrity.

Every consumer faces unique circumstances. We strive to meet them where they are by understanding each individual situation and offering affordable and sustainable payment solutions, individualized to meet their needs. We want our consumers to succeed — that's why we provide robust disclosures, hardship policies, credit reporting grace periods and more, being realistic and honest about each consumer's financial recovery journey.



Every day is different, and I speak to some fantastic people, each with a different story. **Developing trust with consumers is often key to finding the best way to help them.** I talk clearly with consumers and give them time to process information. Reassurance plays a big part – that they're not alone, we're here to help and that we're different from other companies they may have dealt with."

—  
**Alexis Ingram**, Customer Consultant, Cabot, U.K.



I worked with a mom who was really struggling with her debts. By listening to her situation, we were able to come up with a solution that put her back in control to restore her financial health. Knowing that I'm **helping people get one step closer to restoring their financial well-being** with every interaction is very gratifying."

—  
**Lourdes Palomino**, Account Manager, MCM, U.S.



I worked with a consumer who was facing financial hardship and a medical condition. She thought it was impossible to find a solution. After working together, she felt understood, listened to and in the end, we found a solution to settle the account. I really connect with the We Care value because it **reminds me of the importance of treating our consumers with dignity and respect in every interaction.**"

—  
**Walter Fonesca**, Account Manager, MCM, Costa Rica



I worked with a woman who did not know how to restore her financial health. I helped her resolve her account and treated her like I do with all my consumers I work with — **with respect and empathy.** At the end of the call, the consumer told me that she appreciated my approach and was so grateful."

—  
**Harpeet Kaur**, Account Manager, MCM, India

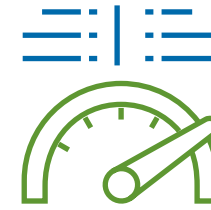


## Our Ethical Debt Collection Efforts



### Communications Approach

This model supports account managers in understanding the consumer's situation and providing empathetic support to consumers on their path to financial recovery.



### Consumer Satisfaction Program

Within the U.S. and U.K., Encore employs consumer satisfaction surveys to uncover ways we can improve our consumers' experiences.



### Credit Reporting Policies

We continuously review our credit reporting policies to ensure we support our consumers the best way we can.



### Employee Training & Compliance

Our consumer-facing colleagues are trained in and expected to comply with applicable laws and regulations concerning fair and ethical debt collection practices. Our commitment to supporting our colleagues through these mandatory trainings helps ensure we provide constructive and positive solutions for consumers. To further ensure compliance and consistent consumer experiences, we maintain a Call Quality Team that monitors conversations between account managers and consumers for consistency with Encore's Call Center Quality Assurance Standards and Enforcement Policy.



### Vulnerable Customer Procedures

We recognize that consumers may be put in vulnerable, often unexpected situations, and we have specialists trained to support those who face mental or physical illness and/or financial hardships. In supporting these vulnerable consumers, we make sure that debt obligations are not a barrier to achieving mental, physical and financial well-being.

## Consumer Satisfaction

We work tirelessly to ensure every interaction we have with consumers is positive, productive and rooted in empathy and care. We are steadfast in our dedication to our consumers, and we are always striving for improvement so we can be the best partner possible. We do so by consistently monitoring our consumer interactions and conducting post-call consumer surveys, allowing us to gather feedback that is critical to helping us improve our processes and further develop our employee training.

In 2023, 91% of MCM consumers who participated in a post-call survey rated their experience with our account manager with a positive score of 8 or 9 (on a 0-9 scale). Additionally, the U.K. Institute of Customer Service (ICS) that analyzes interactions and experiences between consumers and our U.K. operations annually, provides an objective, third party score benchmarked against financial peers. In 2023, ICS assigned Cabot a score of 80.2, above the financial sector average of 80.0, and several points higher than the U.K. all-sector average of 76.6.

## Consumer Testimonials



The representative was very pleasant and understood my situation. She really worked with me and **saw me as a human**, and I appreciated that. I really enjoyed working with her.”



The representative was extremely **professional, and very empathetic and understanding**. He was patient, and he was able to work something out in my favor, according to my current financial circumstance. I am very grateful.”



We were in a very difficult situation over the past year, and we’ve been able to remedy our issues through a payment plan that would work for myself and my family. Every time we’ve been **treated with respect, integrity and understanding**.”



## Our Leadership in Consumer Satisfaction Underscored by Cabot U.K. Recognitions

Our Cabot colleagues received awards and recognitions at several key industry events, in 2023, including:

### Credit Strategy Credit Awards

Mortimer Clarke Solicitors — a part of the Cabot Credit Management Group of companies — won the Law Firm of the Year Award. The award recognizes “a trusted partner that is highly respected in what can be a difficult field.” Cabot also won the Outstanding in Collections Award for the team’s efforts to ensure the best customer support.

### Credit Services Association (CSA) U.K. Conference and Awards

The CSA is the leading trade association for the collections industry in the U.K. One of our Cabot colleagues, Rhianne Forbes, won the CSA Merit Award for Complaints Handling and our Cabot Financial Complaints Team was also recognized in the Team Award category.

### Women in Credit Conference and Awards

Cabot colleagues, Abbie Earls and Charlotte-Rose Domjan, were nominated for the Colleague of the Year and Innovator of the Year award, respectively, at the Women in Credit Awards.

### Credit Strategy Vulnerability Awareness Gala CCS Awards

Mortimer Clarke Solicitors was named “Legal Services Provider of the Year.” The gala celebrates those “at the front of innovation for vulnerable consumers and the people who’ve shown unprecedented levels of resilience and adaptability whilst delivering outstanding customer support to those that need it most.”

## Consumer Data Security & Privacy

Protecting consumers’ data privacy and security is a top priority. We adhere to regional, state and federal consumer privacy laws as we remain committed to protecting our consumers with rigorous data protection standards. We are transparent with our consumers about the scope of information we receive and how that data is used, with our data sharing being limited to account servicing purposes only.

We host an up-to-date privacy policy and web privacy standards information across our web-sites, so they are easily accessible and available for our consumers. All active systems with consumer data have stringent policies and controls, including encryption in transit and at rest, access control and storage management. We align with industry best-practices and relevant regulations for data retention and destruction as part of our policies. We also leverage best-in-class third-party managed services and capabilities to ensure any personal data our company handles is appropriately protected. We regularly conduct internal and external audits to ensure data security protocols are followed.

## Complaints Management

At Encore, we take every regulatory and consumer complaint seriously. We strictly adhere to a formalized procedure for addressing complaints, from initial receipt to thorough analysis and eventual resolution. Every issue is documented in our database, including all details and a thorough description, and then quickly investigated to pinpoint the root cause of the concern. From there, our dedicated complaint response and quality assurance teams work to manage and resolve the issue. Our colleagues also receive guidance on handling consumer concerns through multiple internal documents, policies and training. Complaint reporting is monitored on a daily, weekly, and monthly basis to ensure adherence to regulations and internal service-level agreements.

## Colleagues

We firmly believe that when our colleagues excel in their roles and find fulfillment in their work environment, we are better positioned to positively impact the lives of our consumers and advance our Mission and Vision. We take pride in cultivating a strong culture in our offices globally with personal and professional development opportunities, diversity and inclusion efforts and initiatives that take a holistic approach to employee well-being.

## Employee Engagement

We work hard to create a dynamic, collaborative workplace culture where our people feel valued, supported and engaged. We accomplish this by regularly gathering employee feedback, celebrating our employees' accomplishments and creating opportunities for our global colleagues to connect with one another in our offices and beyond.



## Encore Celebrated 2023 Great Place to Work® Certifications for the Second Year in a Row

Encore is proud to be Great Place to Work-Certified® in France, India, Ireland, Portugal, Spain and the U.S. This prestigious designation is based on the results of the Great Place to Work® survey, where current employees confidentially share their experience working at Encore. The Great Place to Work® survey enables us to better appreciate our strengths and identify focus areas for improvement.



**We're committed to making Encore a great place to work, and the key to co-creating a great work culture is our people.** The Great Place to Work® survey is an invaluable tool to help us gather our colleagues' input so that we can keep making Encore a place where everyone can thrive."

**Tracy Ting**  
Senior Vice President and Chief Human Resources Officer  
Encore Capital Group

## Encore Connected

In March 2023, we launched our new global intranet, Encore Connected, allowing our global workforce to better connect and build relationships with one another. Our people around the world now have one centralized platform where they can get to know one another, share the important work they are doing and stay informed on company updates from offices around the world (all in the language of their choice). With Encore Connected, our employees are better equipped to continue fueling our collaborative culture.



The Marvels award came to me as a surprise! Knowing that the recognition comes from the company understanding our hard work and dedication as leaders really filled me with pride and energy to continue giving my 100% in all that I do at MCM. With the recognition, **I was able to complete a certification and it has opened many doors professionally, both in my current position and beyond.**

**Steven Marchena**  
Quality Assurance, Group Manager  
MCM Costa Rica

## Employee Awards and Recognitions

To ensure our colleagues feel valued, appreciated and inspired, we have several programs to recognize and celebrate our people.

### President's Club Award

Encore's highest honor that celebrates approximately 30 colleagues from across our global organization who embody Encore's Values and who have demonstrated exceptional performance throughout the year.

### Marvels

A recognition that honors our people leaders who bring our Mission, Vision and Values to life. Those honored demonstrated exemplary leadership, support a culture of recognition and colleagues, while aligning with our strong culture of compliance.

### Peer Recognition Programs

Empowers all colleagues to acknowledge each other's accomplishments and to celebrate wins with monetary award nominations and non-monetary appreciation notes.

### Synergy

An annual event that showcases success stories that highlight the passion and innovation of our colleagues at MCM India.



## Benefits & Compensation

At Encore, we take care of our employees, prioritizing their health and well-being. We take a comprehensive approach to benefits and compensation to make sure our colleagues are best able to attend to their financial, physical and mental health.

Encore's competitive compensation and benefits include a base salary, short-term incentives, opportunities for long-term incentives, retirement and financial support and recognition programs as part of our financial well-being offerings. We also provide comprehensive health and welfare insurance, generous time off and leaves, support programs such as our Employee Assistance Program, paid time off for volunteering activities and wellness incentives to support the health and mental well-being of our colleagues.

## How We Promote Holistic Employee Well-Being Around the Globe

### MCM India's All-Encompassing Approach to Employee Well-Being

MCM India places a strong emphasis on employee health, safety and well-being. MCM India colleagues receive nutritious meals on campus, are encouraged to use a wellness app that offers fun activity challenges and have access to an onsite gym. Given the nature of our work, we recognize the importance of mental and emotional health in the workplace and beyond. MCM India colleagues have access to an onsite psychologist, giving all employees the opportunity to discuss what's top-of-mind for them in a safe, encouraging space.

### Cabot U.K. Gym Membership Offering

In 2023, Cabot enhanced its health and mental well-being by introducing a gym membership benefit – Gymflex – to provide our colleagues and their families across the U.K. with affordable, convenient access to gym memberships. Colleagues also have access to Mental Health First Aiders and a full suite of well-being resources on the team's internal employee platform.

### Happy and Healthy Committee (H2C) Continues to Make an Impact

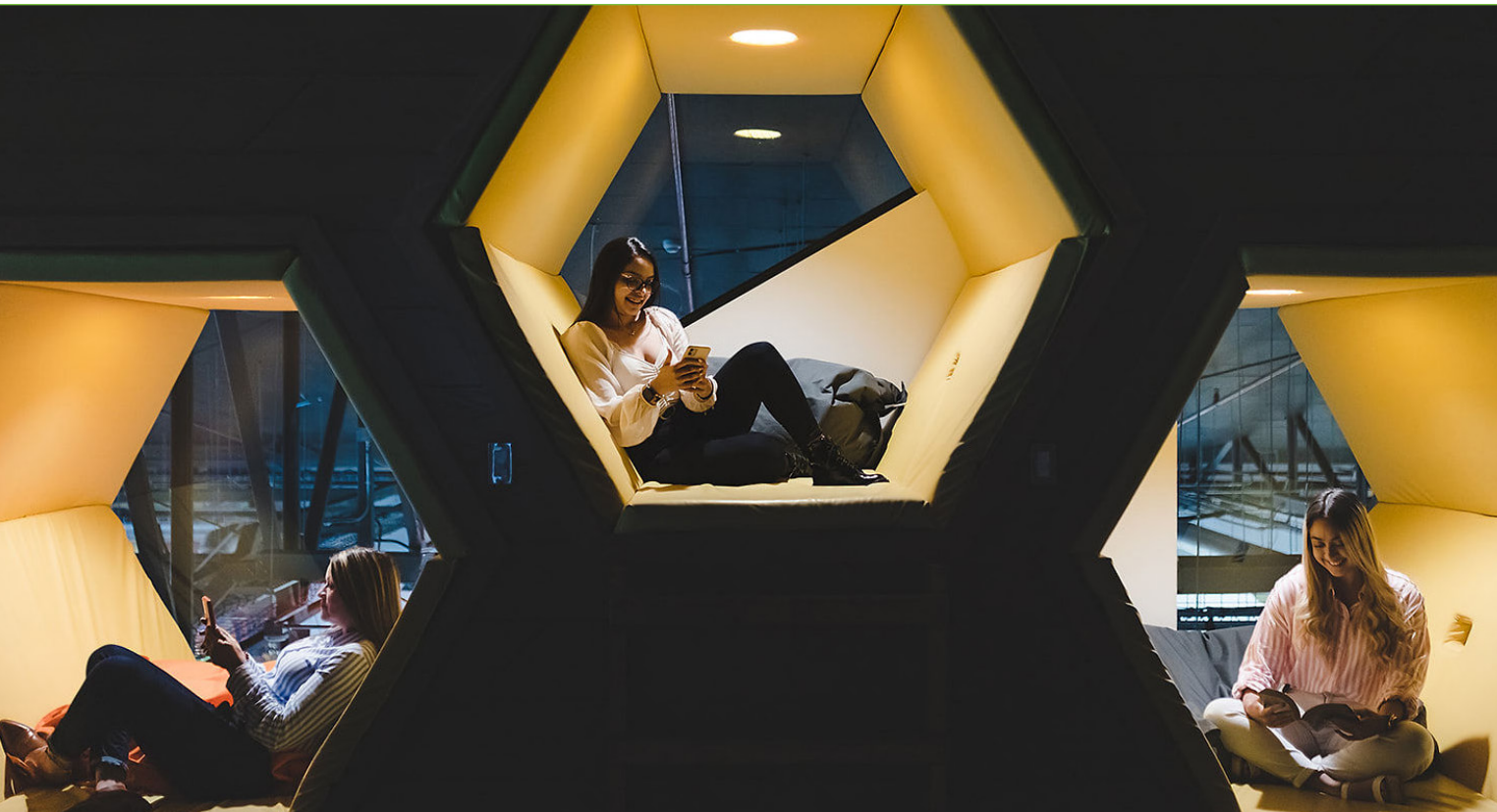
H2C is a program offered for MCM U.S. and India colleagues that promotes employee emotional, physical and financial well-being in addition to hosting various fun, engaging events. Centered around our employees' happiness, H2C connects employees across geographies, creating a sense of belonging and connection. In 2023 alone, H2C hosted over 55 events — from financial planning discussions to mental wellness sessions to celebrating cultural milestones and holidays.

### Cabot France Champions Employee Mental Health

Recognizing the importance of mental health to employees' holistic well-being, Cabot France launched the Mental Health First Aiders program, certifying Mental Health First Aiders at its two operational sites. The Mental Health First Aiders are trained to listen without judgment and offer professional resources for support.

### MCM Costa Rica Prioritizes Mental Health

MCM Costa Rica observed Mental Health Awareness Month by organizing various discussions underscoring the importance of taking care of your mental and emotional well-being. The team also provided free art therapy classes where qualified professionals guided colleagues through an exercise to creatively express their emotions.



### MCM U.S. New Wellness Wheel

MCM developed and is implementing a Wellness Wheel — a new, holistic approach to focusing on employee health and well-being. This new approach was inspired by employee input and feedback, and the multiple generations currently within our workforce, all in different life phases, with different and unique challenges impacting their well-being. The Wellness Wheel includes eight distinct dimensions focusing on different aspects of well-being: emotional, financial, social, spiritual, vocational, physical, intellectual and environmental. The Wellness Wheel was launched to U.S. colleagues in late 2023 and will launch to colleagues in Costa Rica and India in 2024.

## Training & Professional Development

At Encore, we provide our people with the tools and opportunities they need to thrive at work and reach their full potential. We accomplish this by offering a diverse array of training and professional development opportunities available to all our global colleagues.

Our offices empower all colleagues to continuously grow, learn and develop through dialogue, coaching, feedback and performance management practices. In 2023, Encore and our subsidiaries delivered more than 149,000 hours of training through various formats, including company-administered online and instructor-led courses. Trainings covered topics such as DEI, leadership development and change management.

We also offer our colleagues a wide array of programs like leadership development, individual development planning, advancement opportunities, mentoring, internships, temporary work assignments, tuition reimbursement programs, functional training and more. For example, more than 30 colleagues in the U.K. achieved a professional certification/recognition through the local Cabot Credit Management Qualification Program, and our MCM U.S. colleagues had access to a variety of LinkedIn Learning opportunities, tailored to their specific interests.



I am filled with immense gratitude and a profound sense of accomplishment. Securing an IT internship was a significant milestone in my journey, one that would not have been possible without the unwavering support and guidance of our management team. **This experience has reaffirmed my passion for technology and my commitment to contributing to this dynamic field.**

— **Shahnaz Khan**, Senior Associate, Software Engineer, MCM India

### Total Hours of Training Provided\*

Number of online training hours	<b>58,357</b>
Number of instructor-led training hours	<b>91,006</b>

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**Grand Total** **149,363**

\*Data covering the U.S., Costa Rica, India, U.K., Spain, Portugal, France and Ireland

### Tuition Assistance in Costa Rica

In Costa Rica, we tailored our tuition assistance program to better meet our colleagues' needs. Given most of our colleagues in the region are early in their careers, we developed a program — Adelante — where employees can follow their passions and study any subject matter of their choosing. Through this program, employees receive tuition assistance for completing projects that benefit the company or the local community. Since the program began 11 years ago, we have supported our people's ambitions to become doctors, nurses, chefs, lawyers, engineers, dance instructors and more.

### Upward Mobility Opportunities in India

We understand the value of encouraging our colleagues to grow their careers at Encore. MCM India's internal Internship program offers account managers the opportunity to advance into Information Technology and Management Information System roles, following a successful training period. This program is one of the way ways we give our colleagues every opportunity to advance from within.

## Advancing Diversity, Equity & Inclusion (DEI)

With our organization spanning nine countries, our colleagues bring diverse experiences, knowledge and ways of thinking to our business, which is integral to our success. We recognize that the strength of our culture is only as strong as its ability to reflect the diversity of our people around the globe. It is important to us that our inclusive culture reflects the consumers we are privileged to serve — and represents the communities where we live and operate. We are committed to fostering a work environment where people feel a strong sense of belonging.

To further advance our DEI efforts, in 2023, our Vice President of DEI, Amene Ayub, collaborated with colleagues to create the following purpose statement that guides our strategy and commitment to advancing progress within Encore and beyond:

At Encore we believe in creating pathways to economic freedom for our consumers and understand that an inclusive workplace leads to better business outcomes for the people we serve. We know that our best work happens when we embrace diversity of thought, background and lived experiences and when our unique voices are heard and celebrated.

We recognize that advancing DEI requires intentional action on an ongoing basis. That is why we are committed to fostering an environment that promotes learning, curiosity and continuous improvement, while creating spaces for people to bring their authentic selves to work.

Together, we are united in our collective journey toward building a workplace where everyone can thrive and where our global workforce passionately advocates for our business and the people we serve.



**With diverse perspectives and experiences around the table, there's more innovation**, allowing us to make decisions that are better for all stakeholders. When employees feel that they belong and can be their authentic selves at work, they're more likely to bring their best selves forward."

**Amene Ayub**

Vice President of DEI, Encore Capital Group and ESG Social Working Group Lead



### Global Colleagues



Female

49%



Male

51%

## DEI Spotlights

Encore is a proud sponsor of 50/50 Women on Boards, a global nonprofit founded with a mission to accelerate gender balance and diversity on corporate boards. At Encore, 66.7% of our board members are diverse in race or gender and 75% of the board committees are chaired by diverse members.

MCM India was named one of the 100 Best Companies for Women in India for the seventh consecutive year and earned a spot on the Most Inclusive Companies Index for the fifth consecutive year. The awards were determined by two employee surveys conducted by consulting firm, Avtar.

## How We Bring Our DEI Strategy to Life

- Building a culture where everyone feels valued, respected, empowered, and inspired to create and innovate.
- Creating an environment that is free from discrimination, bias and harassment, and where respect, dignity, and fairness are lived and expressed in our interactions with the people we serve and with each other.
- Continuously improving our policies, practices and programs in support of an equitable workplace.
- Setting the tone from the top and ensuring all leaders are role models.
- Knowing we won't always get this right, but we will encourage dialogue and evolve as we go.



### Employee Resource Groups (ERGs)

Encore's global ERGs are critical to advancing our DEI efforts. ERGs are powerful in their ability to create a community and sense of belonging for employees who come together based on their shared characteristics, experiences, identities or backgrounds. ERGs encourage employees to achieve their goals, provide networking and leadership development opportunities and are valuable resources for Encore to continue attracting diverse talent.

Today, Encore has three global ERGs and will launch additional ERGs in 2024, informed by employee feedback.



### Pride Network

In 2023, Encore launched its Pride Network for LGBTQ+ colleagues in Costa Rica, India and the U.S., with plans to expand to Encore’s European and U.K. sites in the future. The Pride Network’s mission is to co-create a safe, unbiased and inclusive environment that empowers LGBTQ+ colleagues and their allies to thrive. The Pride Network focuses its efforts on three pillars — Internal Education and Communication, Structural Inclusion, and External Engagement and Awareness — all designed to reflect the needs and goals of the LGBTQ+ community. In June, the Pride Network hosted a Pride Panel that addressed unconscious bias and aspires to make the panel an annual event.

The Pride Network’s India chapter was recognized for its ongoing efforts to raise awareness and advance progress on issues that impact the LGBTQ+ community by being awarded a Silver Award from the India Workplace Equality Index — India’s only comprehensive benchmarking tool for companies to measure their progress on LGBTQ+ inclusion.



As a member of the LGBTQ+ community, I’m passionate about **inclusivity and ensuring access to queer-friendly spaces**, especially in the workplace.”

—  
**Alicia McKinney**  
Group Manager  
Document Services Operations  
(Troy, Michigan)



Members of the LGBTQ+ community are not obviously identifiable, and thus can be ‘invisible’ to others. **Pride Network allows us to have year-round conversations and provide ongoing visibility to the LGBTQ+ community and the issues affecting us.** This is especially important for our colleagues who live outside more supportive communities.”

—  
**Addison Crawford**  
Vice President, Chief Risk and Compliance Officer,  
MCM and Executive Sponsor of Pride Network



### Black Employee Network (BEN)

BEN is a global ERG that provides a platform for Black employees to have their voices heard, experiences acknowledged and unique perspectives valued. By leveraging BEN’s four pillars — Social & Community, Professional Development, Awareness and Representation — BEN tailors programs and events to have the greatest impact on our members and allies.

In 2023, BEN spearheaded several global programs and events. Across global offices, BEN commemorated Martin Luther King Jr. Day, Black History Month, Juneteenth, Kwanzaa, Day of the Black Person in Costa Rica, Afro Costa Rican Culture and more. BEN members contributed to our local communities by volunteering with Junior Achievement, assisting at local food pantries and organizing clothing drives for those in need. BEN also initiated a successful mentorship program where numerous members engaged with their mentors over a three-month duration, seeking valuable guidance and career advice.



**No child should have to wonder where their next meal is coming from.** Being able to help ensure kids had access to nutritious meals was extremely rewarding.”

**Jermaine Hussey**  
Group Manager  
BEN Site Lead (Troy, Michigan)

On participating in a site food drive for Gleaners Community Foodbank of Southeastern Michigan in summer of 2023.



**BEN provides a community where Black employees can support one another in their ability to bring their authentic selves to work.** Feeling a sense of belonging is essential to employee happiness and, in turn, employee performance. I’ve already had several situations where BEN members have reached out to me to discuss a business topic. This likely would not have happened if it weren’t for the network.”

**Leslie Athill**  
Vice President, Corporate Strategy  
Head of Latin America, Encore Capital Group,  
BEN Global Chair





### Women@Encore&Allies

Nearly a decade ago, Encore Capital Group founded its first ERG, Women@Encore, to empower women through support, training and mentoring, and to raise awareness of gender gaps and biases. Now, as of 2023, Women@Encore&Allies is a global ERG. Women@Encore&Allies strives to advance progress on its four pillars:

- Fostering Fellowship
- Enabling Talent Development
- Creating Connections
- Supporting Communities



Sometimes growth is achieved by **growing your breadth of knowledge**, and that comes with connections.”

—  
**Monique Dumais-Chrisope**  
Senior Vice President,  
Chief Information Officer,  
Encore Capital Group and  
Co-Sponsor of  
Women@Encore&Allies



My hope is that, together, we can continue to build a connection and a program that helps us **foster the tools and skills needed for each of us to unlock our full potential.**”

—  
**Sarah Cosgrave**  
Senior Vice President, Corporate and Government Affairs,  
MCM and Executive Co-Sponsor of Women@Encore&Allies



### Peer Support Groups (PSGs)

Beyond ERGs, we also have several groups focused on peer-to-peer care and support, camaraderie, networking and relationship building, spanning across several topics and common interests. Encore's PSGs are one of the ways we support a positive employee experience and a company culture rooted in compassion and empathy. Some of our existing PSGs include a caregiver's group for people who are in a caregiving role — whether it be for a child, parent or other loved one — and a health and wellness group that spearheads activities ranging from yoga classes to weekend hiking expeditions.

### Fostering Inclusivity

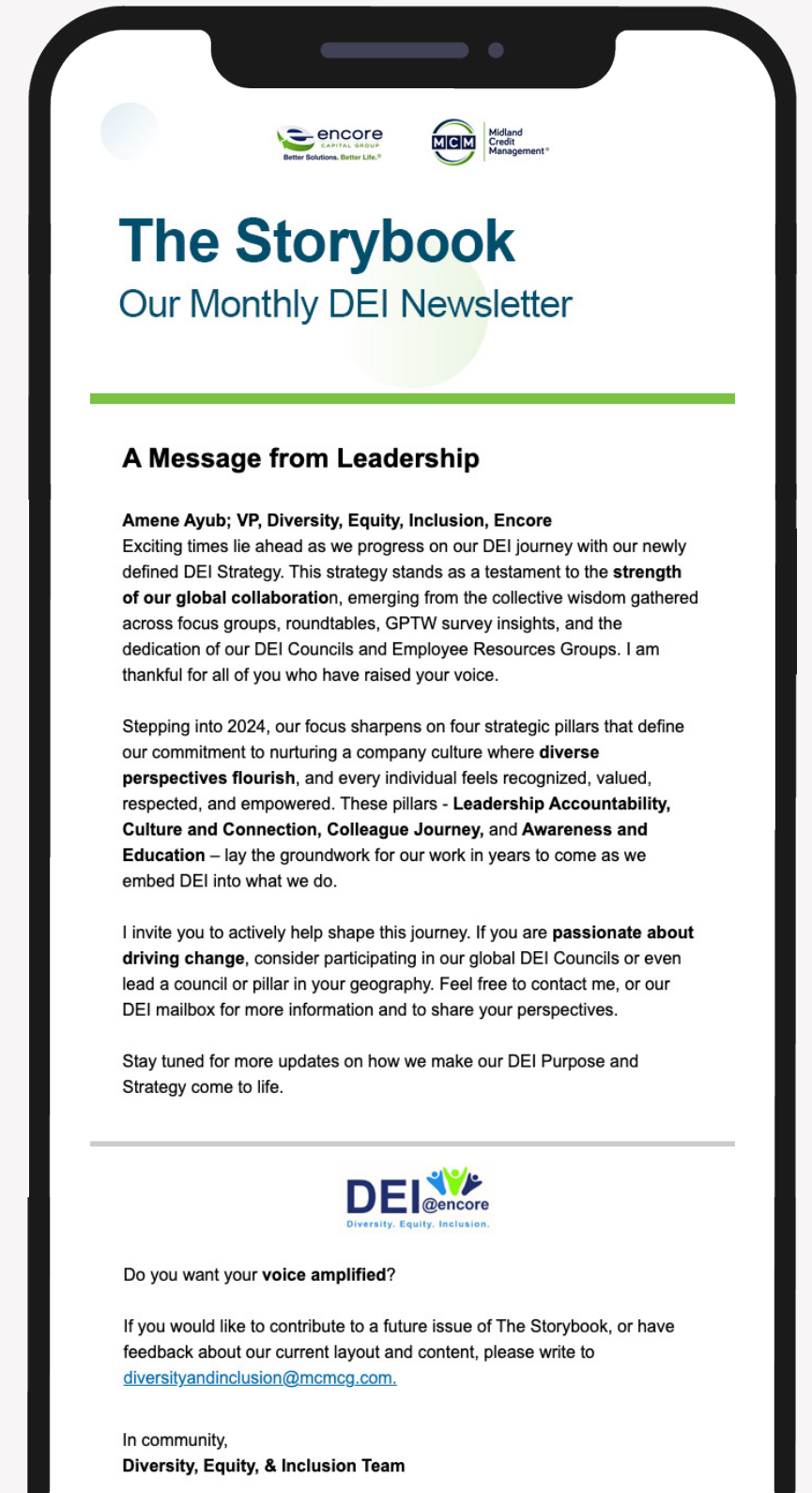
At Encore, we are committed to continuing to build an inclusive culture. In 2023, we updated our job descriptions to ensure inclusive language was being used and MCM Costa Rica leveraged a social media campaign, "Come as You Are," to share Encore's dedication to being an inclusive workplace. The goal of "Come as You Are" was to celebrate the unique stories and backgrounds of our people, showcase our employees and underscore how inclusion is integral to our rich company culture. We strived to have this campaign inspire potential employees to pursue a career at a workplace where everyone is welcome, and diversity is celebrated.

### Introducing The Storybook Newsletter

In 2023, we began to roll out The Storybook Newsletter, a monthly newsletter that will eventually be sent to all colleagues globally. The newsletter includes messages from leaders, shares upcoming DEI observances, updates from our ERGs, DEI-focused educational resources and more.

### New DEI Training Courses

Across Encore offices, we offer several DEI training courses and learning opportunities for our people, often in connection with and supported by our ERGs. For example, in 2023, Encore hosted an allyship panel at our San Diego office, offered trainings on bias and inclusive language in Costa Rica and administered DEI trainings across our Cabot sites. Additionally, leaders across the organization participated in various inclusion trainings. Looking ahead, we will continue to emphasize DEI training and awareness through efforts such as including DEI courses in our new hire orientation and enterprise-wide education campaigns.



# Community

At Encore, we take collective action to be a dependable partner and support the communities where we operate around the globe. Our commitment to our Mission extends beyond our walls as our global colleagues work together to help develop resilient, sustainable and economically empowered communities. What Encore is at its core — people helping people — fuels our deep-rooted commitment to making a positive impact in the communities where we live and work.



## Community Involvement & Impact

We support and strengthen our communities through our three community impact pillars:

1

**Restoring financial health** by helping distressed consumers find their path to economic recovery.

2

**Promoting financial freedom** by connecting people to the skills, tools and resources they need to take control of their money and responsibly manage debt.

3

**Developing resilient and sustainable communities** by supporting the most critical needs in the places where we live and work.

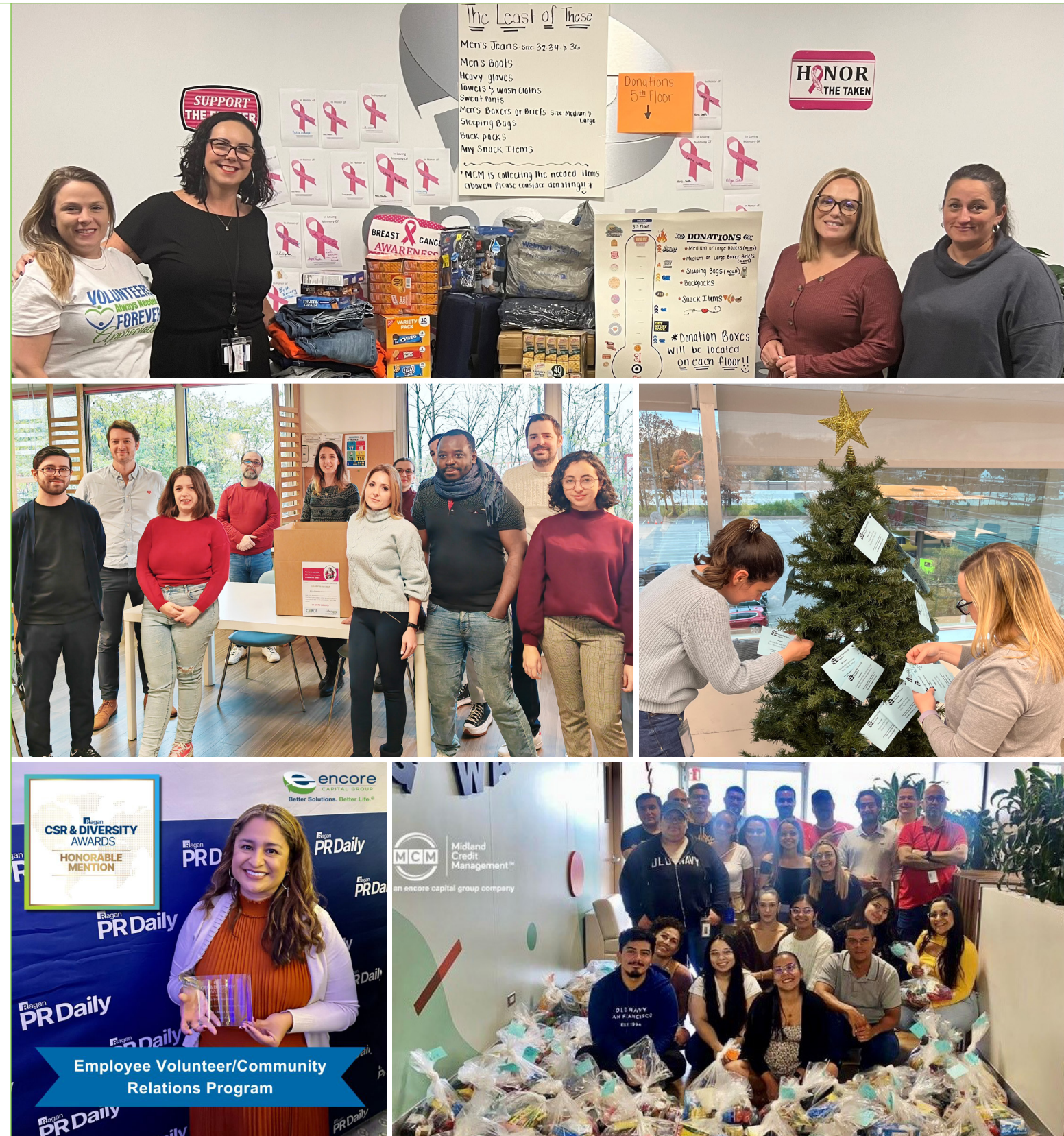
## Encore Connected Week

Encore hosted our third annual Encore Connected Week — a multi-day global, virtual event to empower and inspire all our global employees to re-commit to our Mission and volunteer to give back to make a difference in their communities.

The theme of the 2023 Encore Connected Week was “Our Mission, Our Purpose: It Starts with Us” and was a celebration of our Values. Throughout the week, employees heard from the leadership team and colleagues around the world who shared how they partner with consumers on their pathways to financial freedom and drive forward impactful projects in their communities, while highlighting notable accomplishments from the past year and ambitions for the future.

To inspire employees to live the “We care” value, Encore celebrated the end of Encore Connected Week by empowering all Encore sites to address local needs in their communities by giving back. Nominated site champions were encouraged to identify an organization in their communities that focuses on meeting needs that help reduce barriers to economic freedom, especially those that work to address local, immediate needs by providing essential items such as food and clothing. Site champions also helped an organization that engaged employees’ personal interests and included all employees in volunteering opportunities — whether on-site, virtual or hybrid. From donating essential items such as food, clothes and personal care products for those in need, to giving holiday gifts to children from underserved communities, Encore made a positive impact in the communities where its employees live and work.

Encore was recognized for the impact Encore Connected Week made in communities around the globe by being named a Ragan CSR & Diversity Award finalist. The Ragan CSR & Diversity Awards recognize organizations’ contributions and commitments to corporate social responsibility, ESG and/or diversity initiatives.



## Giving Back by the Numbers

Encore Connected Week 2023

18

local charities/  
organizations  
supported around  
the world

1,620+

pounds of food  
donated, along  
with monetary  
contributions

780+

clothing items,  
backpacks, sleeping  
bags, gift cards and  
holiday presents  
donated

9,375+

non-perishable  
food and personal  
care items



“  
Encore Connected Week  
surpasses the act of unifying  
to commemorate our Values;  
**it’s about creating a collective  
impact by addressing the  
specific needs of our local  
communities.**”

—  
**Liz Horton**  
Business Operations Senior Manager  
Cabot Financial Ireland



## Support for Junior Achievement

In 2023, Encore began its relationship with Junior Achievement’s San Diego chapter by making a financial contribution to support its efforts and allowing employees to use company time to volunteer with the organization. Junior Achievement is the nation’s largest organization dedicated to giving young people the knowledge and skills they need to own their economic success, plan for the future and make smart academic and economic choices. Beginning in 2024, we will seek to expand and formalize our partnership with Junior Achievement across the U.S. to continue making a lasting impact on young people in our communities by connecting them to the skills, tools and resources they need to take control of their money and responsible manage debt.



## MCM Volunteering Week

In July 2023, our MCM colleague uplifted their local communities by supporting several nonprofit organizations. The Roanoke, VA site organized a book donation drive, San Diego colleague participated in a park clean-up, our Phoenix site took part in different environmental-focused initiatives and Costa Rica hosted financial literacy classes for over 300 students in the community.

## Cabot U.K. Making an Impact on the Issues That Matter to its Local Communities

Cabot U.K.'s Skills4Bills® program returned in 2023, giving school-age students an awareness of the financial commitments and decisions they will face during their lives. Led by Cabot U.K. volunteers, Skills4Bills® is an interactive game played in schools that helps students understand the concept of credit, saving, the cost of everyday living expenses and more. It is professionally designed and replicates different spending decisions, helping students understand how they can best set themselves up for financial success.

All sites across Cabot U.K. worked hard to make a positive impact on their communities throughout 2023 in several different ways, supporting various causes and organizations. Colleagues in Worthing continued to support Chestnut Tree House, an organization for children and young adults with progressive, life-limiting conditions. And employees across the entire U.K. participated in a charity-sponsored cycling challenge, covering nearly 120 miles in seven hours and raising money for three nonprofit organizations: Mind, Chestnut Tree House and Prostate Cancer U.K.



“

Thank you for taking the time and effort to **help me become more aware of how money is used in everyday life**, like bills and taxes. My favorite part was finding out my job and my budget. I learned a lot!”

—  
**Dylan**  
Skills4Bills® Student

## MCM Costa Rica Supporting and Empowering Teenage Mothers

MCM Costa Rica continued supporting Hogar Posada Belen, a nonprofit that helps teenage mothers with the skills they need to be successful, independent adult parents, after being inspired by an employee who had a personal connection to the organization. MCM Costa Rica helps the organization's mothers learn financial best practices that will put them on a path to financial freedom by tailoring lessons from Money Matters — the company's financial literacy curriculum — to participants' specific circumstances.

MCM Costa Rica colleagues volunteer with Hogar Posada Belen in several ways beyond financial literacy as well, including helping the organization with infrastructure and facility enhancements, such as painting a mural for the children in the nursery. Women@Encore&Allies also got involved, leading various talks on emotional intelligence, self-esteem and other important topics for teen mothers. MCM Costa Rica's Human Resources team gave participants tips on how to build resumes and perform in job interviews. Other MCM volunteers helped lead classes on creating crafts and jewelry like bracelets, hair accessories and lettering that could be sold as part of a small business.

“

Being able to **give back as an adult to the organization that once helped me as a teen** is a beautiful and precious gift. As someone who has been in their shoes, it's a privilege to bring hope to young mothers for a brighter tomorrow.”

—  
**Claudia G.**  
Account Manager, MCM Costa Rica





### Encore Volunteer Time Off and Donation March

In the U.S., Encore matches colleagues' personal volunteer hours and/or charitable donations to eligible organizations up to \$2,500 annually, per employee. In addition, Encore encourages colleagues to give back to their communities and support causes they care about, granting eight hours of paid volunteer time per year for colleagues to volunteer with their charity of choice.

### Encore/MCM U.S. Mentoring U.S. Military Veterans Transitioning to Civilian Careers

During Military Appreciation Month in May, Encore formed a partnership with American Corporate Partners (ACP), a national nonprofit organization focused on helping veterans and active-duty spouses find their next careers through one-on-one mentoring, networking and online career service. Through this partnership, more than 25 colleagues in the U.S. signed up to serve as mentors to help veterans pursue careers following their active-duty service. ACP matches our team members with veterans and active-duty spouses based on each mentor's experience and each mentee's goal and career aspiration.



### MCM India Colleagues Continues its Longstanding Rainbow Foundation India (RFI) Partnership

MCM India has been a longstanding partner to RFI, an organization working to care for marginalized and disadvantaged children. Through RFI's three homes in the National Capital Region, contributions by MCM help support holistic care for dozens of children and formal school education for hundreds of others, all of whom come from underprivileged communities and are survivors of human trafficking, abandonment or other distressing situations. In 2023, MCM India contributed INR 2.7 million (\$32,000 USD) for renovations, refurbishments and re-equipment of the three homes, improving dormitories, washrooms, kitchens, classrooms and play areas. MCM India also sponsored several vocational courses for the children focused on topics ranging from customer service to multimedia to cosmetology.



# Working Together to Support A Healthy Planet

At Encore, we are committed to doing our part to support a healthy planet. Our global colleagues work together to address our environmental footprint through sustainable business operations and through partnerships in our communities that help drive impact.



Addressing the environmental impact of the India office has been a critical focus of mine for several years. I look forward to harnessing the collective wisdom of our Environmental Working Group to amplify our positive impact across the global Encore enterprise to **help protect the health of the planet for generations to come.**

**Akshay Saxena**

Vice President, General Counsel, MCM India and ESG Environmental Working Group Lead



# Advancing Environmental Sustainability Across the Globe

Our colleagues are helping to advance environmental sustainability initiatives within our offices around the globe.

## Cabot Spain

Partnered with the Paisaje Limpio Association to collect litter in the forest of El Pardo (Madrid). Several of our colleagues participated in the cleanup during which Paisaje Limpio educated the team about how to safely collect trash and the importance of keeping the forest clean.

## Encore

Supported One Tree Planted, a nonprofit organization focused on global reforestation, to plant and care for over 7,000 trees across our key markets in honor of our more than 7,000 colleagues in celebration of Earth Day.

## Cabot Ireland & Cabot Portugal

Partnered with local nonprofits to plant trees to benefit the local ecosystem. In Ireland, the team partnered with Stepping Stones Forest to plant more than 640 trees at St. Annes School. In Portugal, the team participated in a tree planting event alongside Associação Nacional de Empresas Florestais Agrícolas e do Ambiente (ANEFA) and their volunteers. The event helped plant 800 trees in the Municipality of Torres Vendras.



## MCM India

Invested in the revitalization of 10 additional acres of land in the Aravalli Wastelands as part of its multi-year partnership with iamgurgaon, increasing the project size to 21 acres. The project was awarded Best Water Preservation Initiative of the Year for 2023 at the Indian CSR Awards. In addition to driving impact within the community, MCM India also received LEED Gold Certification for our office located in Gurgaon and implemented several initiatives to increase sustainable operations. This included organizing an e-waste drive to raise awareness of its environmental impact. Our colleagues gathered approximately 75 kilograms of e-waste, which was donated to a nonprofit agency that specializes in recycling, reuse and responsible disposal. In late 2023, MCM India began hiring electric vehicles for employee transportation to avoid emissions from traditional internal combustion engine vehicles.

# Working Together to Champion Responsible Business

Responsible business is a cornerstone of Encore's ESG strategy and is reflected in all aspects of our operations. We have policies and procedures in place to ensure we are upholding ethical practices and decision making standards.

At the heart of this is our [Standards of Business Conduct](#), which outlines our expectations of colleagues and how we align with our Mission, Vision and Values in the work we do every day. We require all employees to abide by these standards and offer extensive training to ensure compliance. We also conduct regular call monitoring, data audits, performance evaluations and other operational assessments to ensure alignment with company guidelines.

In addition to our Standards of Business Conduct, we also have a [Vendor Code of Conduct](#), which outlines our expectations for suppliers, and a [Global Human Rights Policy](#) which highlights our commitment to respect the freedom and equality of every individual.



## Key Highlight

- Formalized the management and accountability of our ESG strategy through our new global ESG governance structure.



## ESG Management & Accountability

ESG contributes to the success of our business and our Mission to create pathways to economic freedom. The importance of these initiatives is reflected in our governance model with oversight responsibilities embedded at the highest level of our organization. Our Nominating and Governance Committee (NCG Committee), which reports to the Board of Directors, is responsible for ensuring that our ESG practices, policies and activities are aligned with our Mission, Vision and Values.

At the executive level, our ESG Steering Committee, chaired by our Chief Human Resources Officer, consists of senior leaders from across the global enterprise, including our Global ESG Lead. This committee provides guidance and direction, champions ESG efforts and considers the perspective of various stakeholders.

In 2023, we further operationalized our global ESG governance structure by establishing Environmental, Social and Governance Working Groups. These groups are comprised of subject matter experts from various functional areas and are responsible for informing strategy, leading ESG initiatives, collecting data, monitoring ESG inquiries and integrating ESG across the enterprise. Their work officially kicked off in early 2024.



**I firmly believe that our ESG journey is a true reflection of Encore’s collaborative culture.** This is why we have adopted a strategy to implement our governance structure in a manner that fosters and motivates engagement from internal stakeholders.”

**Eloisa Orozco**  
Director, Corporate Communications and Global ESG Lead



### ESG Governance Structure



## Compliance & Enterprise Risk Management

Our compliance and enterprise risk management framework is built on a solid foundation of operational process and governance structures, ensuring our business activities adhere to relevant rules, regulations and guidelines. We uphold our risk management philosophy through a three-tiered defense model.

### First Line of Defense

Business divisions or other operational units that take ownership of risks and implement appropriate control measures to ensure Encore operates within our defined Risk Appetite.

### Second Line of Defense

Our second line of defense includes a dedicated risk and compliance function that ensures the business is adhering to applicable laws and regulations. This team oversees the implementation of a comprehensive risk management framework, designed to identify, evaluate, monitor, manage and report on risks that could impact the business. They also work alongside management and our Board of Directors' Risk Committee to foster a robust risk and compliance culture.

### Third Line of Defense

Our internal audit function offers independent confirmation that both the first and second lines of defense are effectively carrying out their responsibilities within our framework.

## Human Rights

Encore's approach to human rights begins with a commitment to respect the freedom and equality of every individual. Our [Global Human Rights Policy](#) outlines our commitment to respect and promote human rights in accordance with internationally recognized standards. It also highlights various measures we take to ensure our colleagues receive equitable compensation, benefits and work hours, have the freedom to join associations and engage in collective bargaining, and are protected against harassment and discrimination.

## Policy & Advocacy

As a responsible corporate citizen in a heavily regulated industry, we actively participate in the political process. By doing so, we aim to help shape strong public policy that protects the long-term interests of our company, colleagues and consumers. Our Government Affairs team engages in matters of public policy including monitoring changes in laws and connecting with policymakers on a range of topics including financial services, licensing, labor and employment, cybersecurity and privacy.

To ensure we comply with applicable laws regarding political contributions, we have implemented policies and procedures, including our Political Activities Policy.

## Responsible Sourcing

As a responsible business, we seek to work with suppliers and vendors that share our values. We collaborate with our partners to ensure they uphold ethical business practices and avoid engaging in any unlawful or conflict-of-interest activities. Our [Vendor Code of Conduct](#) serves as a guideline for all vendors to follow and we expect them to comply with the principles outlined in this policy.

## Anti-Bribery, Corruption & Conflict of Interest

Encore takes strict measures to ensure our colleagues do not engage in any activities that could be considered a bribe, corruption or conflict of interest. To prevent these issues, our [Standards of Business Conduct](#) provide clear guidelines for employees. We require all colleagues to disclose any outside activities and financial interests (or the appearance of one) to Encore's General Counsel. Our anti-bribery and anti-corruption training covers local regulations, definitions, examples and employee responsibilities regarding these topics across all of our business units.

## Data & Information Security

Encore has robust data governance in place to protect our consumers' sensitive information. This includes implementing suitable administrative, technical and physical safeguards based on the scale and complexity of our operations.

### Oversight & Governance

The Risk Committee of the Board of Directors oversees Encore's risk governance program, including risks associated with information security. Our Chief Information Officer oversees our information security program, including incident and response management. Our Chief Information Officer also regularly reports to the Risk Committee on key risks and Encore's security posture.

### Policies

Preserving the integrity of our data, information systems and technological resources is vital to our organization. We continuously monitor our operations to confirm that only authorized individuals can access sensitive data. Our extensive data and information security policies are enforced throughout the company, adhering to local regulations, legal requirements and international standards such as GDPR 2016/679, PCI security standards and ISO 27001:2013 certification. We also comply with the PCI DSS and follow the NIST Cybersecurity Framework guidelines. Third-party audits of all Encore business units reinforce our compliance with these benchmarks.

## Training & Technology Safeguards

We emphasize each employee's responsibility to uphold our data security by providing consistent information and data security training. We conduct annual mandatory security awareness training, phishing simulations for all staff and specialized training for Information Security and Engineering teams. Additionally, we collaborate with external training experts for supplemental education that benefits our employees.

We invest in technology to safeguard our organization and protect sensitive consumer and proprietary data throughout its lifecycle. Our adoption of prominent security frameworks and certifications exemplifies our dedication to protecting consumer information and our enterprise. By periodically engaging external specialists to evaluate and test our system's technical stance and our detection and response capabilities, including disaster recovery plans, we can adopt recommendations and adapt our information and cybersecurity posture to the evolving threat landscape.

Our enterprise's security goals include ensuring the confidentiality and security of information, safeguarding against anticipated threats to the security or integrity of such information and preventing unauthorized access or use. These objectives are achieved through continuous training and adherence to the highest information security standards and controls, including tabletop exercises facilitated by our cyber threat management experts.

## Information Security Overview

Our information security program encompasses four core principles that underpin a robust information security practice:

1. **Governance, Risk & Compliance**
2. **Security Operations**
3. **Security Engineering & Architecture**
4. **Cybersecurity Threat Management**

## Whistleblowing

We aim to foster a culture of open communications and do not tolerate any retaliation against employees who report potential violations of laws, regulations or company policy.

Our global colleagues have several mechanisms to report a problem including a "Speak Up" button on our internal home page to enable anonymous reporting, our whistleblower hotline and via dedicated country-specific Whistleblower Champions.

We conduct annual reviews of our company-wide and local whistleblower policies and procedures to ensure they are up-to-date and aligned with best practices. We take whistleblowing seriously and are dedicated to creating a safe and respectful workplace for all employees.

# SASB Index

The Sustainability Accounting Standard Board (SASB) classifies Encore Capital Group in the Asset Management & Custody Activities. However, some of the disclosure metrics are not relevant to the services we provide. Therefore, we added Professional & Commercial Services Industry metrics to provide a more complete reporting, aligned with the SASB guidance.

TOPIC	METRIC	CODE	DISCLOSURE
<b>Data Security</b>	Description of approach to identifying and addressing data security risks	SV-PS-230a.1	See: <a href="#">Data and Information Security Section</a> .
	Description of policies and practices relating to collection, usage and retention of customer information	SV-PS-230a.2	See: <a href="#">Consumer Data Security &amp; Privacy Section</a> .
	(1) Number of data breaches, (2) percentage involving customers' confidential business information (CBI) or personally identifiable information (PII), (3) number of customers affected	SV-PS-230a.3	As of this reporting period, data breaches or incidents have not had a material impact on our operations. For further information, see <a href="#">Data and Information Security Section</a> .
<b>Workforce Diversity &amp; Engagement</b>	Percentage of gender and racial/ethnic group representation for (1) executive management and (2) all other employees	SV-PS-330a.1	We are currently disclosing employee demographics by gender only. For more information on our DEI efforts, see the <a href="#">Diversity, Equity and Inclusion Section</a> .
	(1) Voluntary and (2) involuntary turnover rate for employees	SV-PS-330a.2	We are continually reviewing our employee demographics reporting to align with global and national standards.
	Employee engagement as a percentage	SV-PS-330a.3	We follow the Great Place to Work® methodology to track and improve our colleagues' engagement. For more information, see the <a href="#">Colleagues Section</a> .
<b>Professional Integrity</b>	Description of approach to ensuring professional integrity	SV-PS-510a.1	See: <a href="#">Responsible Operations Section</a> .
	Total amount of monetary losses as a result of legal proceedings associated with professional integrity	SV-PS-510a.2	Information on legal proceedings can be found in our <a href="#">Form 10-K 2023</a> .
<b>Business Ethics</b>	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations	FN-AC-510a.1	Information on legal proceedings can be found in our <a href="#">Form 10-K 2023</a> .
	Description of whistleblower policies and procedures	FN-AC-510a.2	See: <a href="#">Responsible Operations Section</a> .





**Better Solutions. Better Life.®**