

# ESG Report

## 2022





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# Introduction & About Us

Introduction

About PRA Group

About the Report and Report Boundary

2022 Key Business Metrics

A Global Presence with Proven Track Record of Success

PRA Group Corporate Objectives as They Relate to U.N. SDGs







# Introduction Letter From LaTisha Tarrant

Welcome to our 2022 Environmental, Social, and Governance (ESG) Report, which discusses our ESG Program, the incorporation of sustainability across our company, and the alignment of our business objectives with the United Nations Sustainable Development Goals (U.N. SDGs). In 2022, we made strides with our environmental initiatives including:



improved tracking of our greenhouse gas emissions,



**adoption of our first Environmental Statement,**



relocation of our Kilmarlock office to a net zero carbon mixed-used development facility in Scotland,



and finalization of plans to transition all data center operations to cloud hosting, which will further reduce our carbon footprint.

Socially, we continued to support our employees and the communities in which we operate during 2022. We expanded our Employee Resource Groups (ERGs) and our Diversity and Inclusion (D&I) programming to cultivate an environment that equips our employees and future leaders with the resources they need to remain productive, engaged, and to have a sense of belonging.

In this year's ESG report, you will find information about our ongoing initiatives, key sustainability highlights, and results indicating how these programs impact our stakeholders. These are just a few examples of our commitment to our investors, employees, customers, and our communities.

I am proud of our expanding ESG program and reporting and am excited to see what the future holds for our company.

Sincerely,

*LaTisha O. Tarrant*

LaTisha O. Tarrant  
Executive Vice President, General Counsel and Chief Human Resources Officer





# About PRA Group

## ABOUT PRA GROUP

PRA Group, Inc. (“we,” “us,” or “our”) is a global financial and business services company with operations in the Americas, Europe, and Australia. Our primary business is the purchase, collection, and management of portfolios of nonperforming loans.

The accounts we purchase are primarily the unpaid obligations of individuals owed to credit originators, which include banks and other types of consumers, retail, and auto finance companies. We purchase portfolios of nonperforming loans at a discount in two broad categories: Core and Insolvency.

Our Core operation specializes in acquiring and collecting nonperforming loans, which we purchase in the event that either the credit originators and/or other third-party collection agencies have been unsuccessful in collecting the full balance owed. Our Insolvency operation consists primarily of purchasing and collecting on nonperforming loan accounts where the customer is involved in a bankruptcy proceeding or the equivalent in some European countries. We also provide fee-based services on class action claim recoveries and by servicing consumer bankruptcy accounts in the U.S.

## ABOUT THE REPORT AND REPORT BOUNDARY

Our annual ESG report covers activities from January 1, 2022, through December 31, 2022. In this report, we discuss ESG matters we consider relevant to the way we conduct business, including those reflected in the Sustainability Accounting Standards Board (SASB) guidelines for the Professional and Commercial Services sector, U.N. SDGs, and the World Resource Institute’s Greenhouse Gas Protocol. For ease of reference, we have included a supplement that demonstrates our ESG report’s alignment with SASB standards in the Appendices section of this report.

This report covers the 18 countries in which we own portfolios, located on four continents. In 2022, we occupied 40 offices globally, with an estimated office floor area of 691,300 square feet (64,224 square meters) in the U.S. and a total estimated office floor area of 518,607 square feet (48,180 square meters) in various international locations. Of these 40 offices, we own three buildings located in the U.S. and lease all others. As disclosed in our 2022 Annual Report on Form 10-K (2022 Form 10-K), we employed 3,277 full-time equivalents (FTE)<sup>1</sup> as of December 31, 2022.

<sup>1</sup> Our calculation of FTE in our Form 10-K takes into account the scheduled hours for each employee (both part-time and full-time).

## 2022 Key Business Metrics

Total  
Revenue

\$967

MILLION

Total  
Cash  
Collections

\$1.7

BILLION

Net Income  
Attributable  
to PRA Group

\$117

MILLION

Cash  
Efficiency  
Ratio

61%

Portfolio  
Purchases

\$850

MILLION

\*Estimated  
Remaining  
Collections<sup>1</sup>

\$5.7

BILLION

*\*As of December 31, 2022.*

<sup>1</sup> Estimated remaining collections (ERC) refers to the sum of all future projected cash collections on our nonperforming loan portfolios.



# A Global Presence with a Proven Track Record of Success



25+

Years in  
Business



3,000+

Employees  
Worldwide



18

Portfolios in  
18 Countries



\$850 Million

2022 Portfolio  
Purchases



\$5.7 Billion

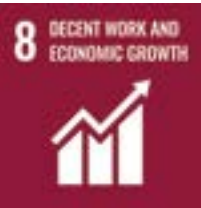



Estimated  
Remaining  
Collections



# PRA Group Corporate Objectives as They Relate to U.N. SDGs





In this section, we provide an overview of our company's alignment with the United Nations Sustainable Development Goals. The U.N. SDGs encourage a universal adoption of policies that both promote prosperity and protect the planet. Some areas of focus include:

- ▶ Education
- ▶ Health
- ▶ Social Protection
- ▶ Job Opportunities
- ▶ Climate Change/Environmental Protection

PRA Group Objective	SDG Goals & Targets to Which PRA Group Contributes		Initiatives PRA Group Takes to Contribute to SDG Targets
Modernize Collections and Improve Efficiency at All Levels		<b>SDG 8 – Decent Work and Economic Growth</b> <b>Target 8.2</b> Achieve higher levels of economic productivity through diversification, technological upgrading, and innovation, including through a focus on value-added and labor-intensive sectors.	<ul style="list-style-type: none"><li>• We provide our customers with user-friendly options to facilitate their payments. In addition to our call centers, our customers can make payments through our websites, which also offer live-chat functionalities.</li><li>• We continue to develop value-added services that will enhance our ability to provide more convenient solutions for our customers.</li></ul>
Expand Products and Market Share		<b>SDG 1 – No Poverty</b> <b>Target 1.4</b> By 2030, ensure that all people, in particular the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology, and financial services, including microfinance.	<ul style="list-style-type: none"><li>• Our business model plays a critical role in the economy, returning capital to banks and other creditors to help expand financial services for consumers and businesses worldwide.</li><li>• We help financial institutions liquidate their nonperforming loans and work with our customers to resolve their debt and improve their financial futures.</li></ul>
Be a Recognized and Trusted Brand		<b>SDG 12 – Responsible Consumption and Production</b> <b>Target 12.6</b> Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle. <b>Target 12.7</b> Promote public procurement practices that are sustainable, in accordance with national policies and priorities.	<ul style="list-style-type: none"><li>• Globally, we continue to promote and educate our employees on the importance of waste recycling and resource conservation such as potable water and energy use in our workplace.</li><li>• In 2022, we started mapping the diversity of our supply chain to understand how we can expand our support to diverse suppliers. This is our first attempt to foster meaningful engagement with our supply chain with the intent of shaping future initiatives to adopt sustainable procurement practices.</li></ul>
		<b>SDG 13 – Climate Action</b> <b>Target 13.1</b> Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.	<ul style="list-style-type: none"><li>• In 2022, we proactively identified geographic areas impacted by natural disasters and suspended collection efforts in those locations temporarily. Our hope is that those affected can prioritize immediate, disaster-related needs and focus on recovery.</li><li>• We have also moved our UK collections operations into net zero carbon, environmentally friendly offices in the HALO Urban Regeneration Centre in Kilmarnock, Scotland.</li><li>• Our Australia office is in a 6-Star NABERS energy-rated building, which uses more than 50% GreenPower and utilizes cloud hosting for its data management.</li><li>• In the U.S. and globally, we plan to transition all our data center operations to use cloud hosting in the future, which will help reduce our greenhouse gas emissions.</li></ul>



# PRA Group Corporate Objectives as They Relate to U.N. SDGs

PRA Group Objective	SDG Goals & Targets to Which PRA Group Contributes		Initiatives PRA Group Takes to Contribute to SDG Targets
Foster a High Performing Workforce	 <b>SDG-3 – Good Health and Well-Being</b> <b>Target 3.8</b> Achieve universal health coverage, including financial risk protection, access to quality essential healthcare services, and access to safe, effective, quality, and affordable essential medicines and vaccines for all.		<ul style="list-style-type: none"> <li>We recognize the importance of mental wellness as part of an employee's well-being. We extend professional support to our employees through a suite of 18 emotional well-being e-learning courses that focus on multiple facets of wellness. We also expanded our benefits to include a financial literacy education program for employees and their families.</li> <li>One of our philanthropic priorities includes support for organizations that promote health and human services in the communities in which we work and live. Through nonprofit partnerships, we have contributed to several mental and physical well-being initiatives, including the fall 2022 opening of the Children's Hospital of The King's Daughters Pediatric Mental Health Hospital and Outpatient Center located near our corporate headquarters in Norfolk, Virginia.</li> </ul>
	 <b>SDG-5 – Gender Equality</b> <b>Target 5.c</b> Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels.		<ul style="list-style-type: none"> <li>We value our employees' diverse experiences, perspectives, and abilities. We continue to foster a sense of belonging by working together to build an equitable and inclusive culture—where you are free to be yourself and be your best.</li> <li>In 2022, we launched a Women in Business Advocates Employee Resource Group and signed the Menopause Workplace Pledge with the Wellbeing of Women charity.</li> <li>In addition, several of our executives serve on nonprofit boards whose missions promote justice, equality, and the empowerment of women and girls.</li> <li>In 2021, we were recognized by 50/50 Women on Boards for being a “3+” Corporation with three or more women on the Board of Directors.</li> </ul>
	 <b>SDG 10 – Reduced Inequality</b> <b>Target 10.3</b> Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies, and practices, and promoting appropriate legislation, policies, and action in this regard.		<ul style="list-style-type: none"> <li>We continue to advance our knowledge about historical and systemic financial inequities by partnering with the Foodbank of Southeastern Virginia and the Eastern Shore to sponsor a virtual “Racial Wealth Gap Simulator” webinar.</li> <li>We launched educational financial programming on television stations local to our headquarters, spoke on financial topics during nonprofit webinars, and partnered with a bank to offer financial literacy courses online for our employees and their families.</li> <li>Additionally, local and national nonprofit partnerships enabled us to support Pride events and offer proprietary bias and allyship training for our employees.</li> <li>During our annual Global Inclusion Week in September 2022, our European team partnered with <a href="#">The Human Library</a>, a global innovative and hands-on platform that facilitates better understanding of diversity to help create a more inclusive workplace community.</li> </ul>
	 <b>SDG 8 – Decent Work and Economic Growth</b> <b>Target 8.2</b> Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including a focus on value added and labor-intensive sectors.		<ul style="list-style-type: none"> <li>Our talent development and performance management programs focus on expanding the skills and capabilities of our employees. We provide tools to encourage optimal performance in current roles, career growth, and workforce planning. We leverage virtual learning technology to advance professional development and growth for all our employees around the world.</li> </ul>



We believe that our focus on ESG matters, including enhancing our ESG disclosures for the benefit of our various stakeholders, will help us achieve our company vision to be the trusted leader that changes the world's perception of the nonperforming loan industry.



# Our Governance Approach

Our Governance Approach

ESG Governance Chart

ESG Management Approach

Business Ethics

Corporate Governance

Supplier Diversity







# Our Governance Approach

## GOVERNANCE

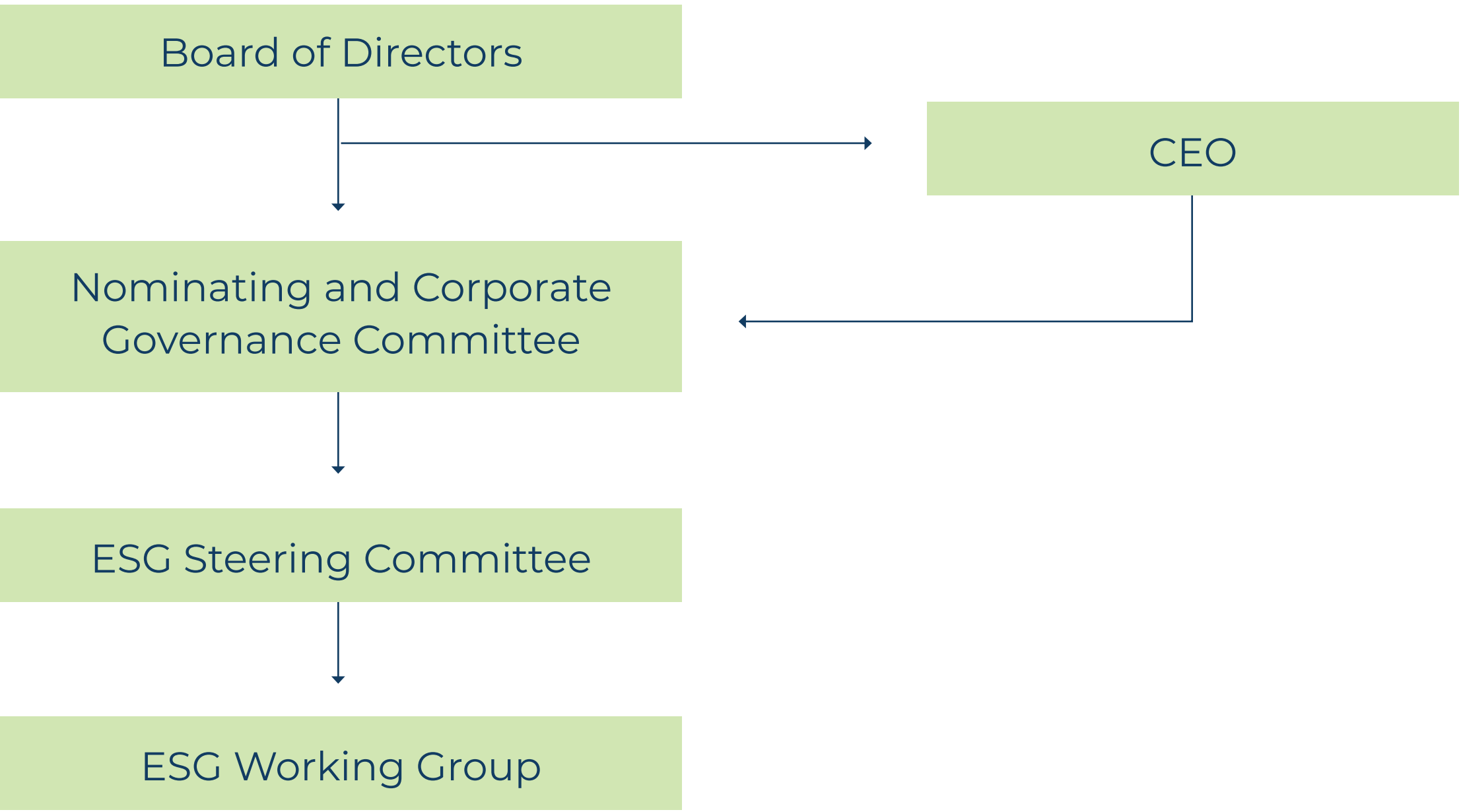
We have a formal governance structure for overseeing and implementing our ESG program that we leverage to advance significant ESG initiatives. In addition to our ESG governance structure, we consider our business ethics and general corporate governance policies and procedures in support of our ESG program.

## MANAGEMENT AND OVERSIGHT OF ESG

Our Board of Directors recognizes the importance of ESG and has delegated to its Nominating and Corporate Governance (NCG) Committee oversight of our significant ESG and sustainability practices, policies, and activities. To support the NCG Committee, we have formed an ESG Steering Committee, which is comprised of senior members of management. The ESG Steering Committee supports our Board's ESG oversight role by developing and making recommendations regarding our overall strategy with respect to ESG matters, recommending reporting standards, and advising on communications with stakeholders, including our employees and investors. The ESG Steering Committee also oversees the ESG Working Group, which consists of employees across the company whose daily responsibilities involve ESG matters and who support our ESG disclosures by collecting and providing relevant data to the ESG Steering Committee. In July 2022, the ESG Steering Committee approved the ESG Working Group Charter to institutionalize its work across the organization.



ESG GOVERNANCE CHART



ESG MANAGEMENT APPROACH

Our approach to ESG reflects our mission of delivering nonperforming loan solutions that drive success through a long-term focus and customer care. This ESG report discusses the components of our ESG program that we believe contribute to the long-term sustainability of our company, including our focus on our environmental impact; social initiatives designed to support our customers, employees, and the communities in which we work and live; and strong corporate governance. We believe that this focus on ESG matters. When combined with a commitment to enhancing our ESG disclosures for the benefit of our various stakeholders, this focus will help us achieve our company vision to be the trusted leader that changes the world's perception of the nonperforming loan industry.

BUSINESS ETHICS

Our Board has a dedicated Risk Committee, to which our Chief Risk and Compliance Officer (CRCO) reports. The CRCO oversees our compliance department and programs, including mandatory annual compliance training for all employees and directors. We maintain a code of conduct which applies to all directors and employees. Oversight responsibility for investigations depends on the nature of the incident. Any complaint or allegation related to fraud or illegal acts related to accounting, internal financial controls, or internal audits is overseen by the Audit Committee. Certain other matters are overseen by our Office of General Counsel. We also maintain an ethics hotline that is prominently displayed on our internal website and other communication channels.

## CORPORATE GOVERNANCE

As disclosed in our Proxy Statement filed with the U.S. Securities and Exchange Commission on April 27, 2023, key characteristics of our Board of Directors (“Board”) include the following:

Total Number of Directors		10		
Average Age		62.6		
Average Tenure		8.4 years		
	Female	Male	Non-Binary	Did Not Disclose
Part I: Gender Identity				
Directors	3	7	0	0
Part II: Demographics Background				
African American or Black	1	0	0	0
Alaskan Native or Native American	0	0	0	0
Asian	0	1	0	0
Hispanic or Latinx	1	0	0	0
White	1	6	0	0
Two or More Races or Ethnicities	0	0	0	0
LGBTQ+			1	
Did Not Disclose Demographic Background			0	

## CORPORATE GOVERNANCE HIGHLIGHTS

Independent Oversight	<ul style="list-style-type: none"><li>• Our Board is comprised primarily of independent (9 of 10) directors.</li><li>• Our Board Committees are comprised solely of independent directors.</li><li>• We have a Lead Independent Director who, among other responsibilities, presides over executive sessions of our independent directors, which occur at each in-person or virtual Board meeting.</li><li>• The roles of Chairman of the Board and Chief Executive Officer (“CEO”) are separate.</li><li>• Our Compensation Committee engages an independent compensation consultant to advise and support the Compensation Committee’s work.</li></ul>
Board Refreshment	<ul style="list-style-type: none"><li>• Our Board and all Board Committees conduct annual performance evaluations.</li><li>• Our directors cannot stand for re-election after they reach the age of 75.</li></ul>
Stockholder Rights and Alignment	<ul style="list-style-type: none"><li>• Our stockholders have the right to call special meetings.</li><li>• Our directors are elected annually.</li><li>• Our directors must be elected by a majority of the votes cast in uncontested elections.</li><li>• We have stock ownership guidelines that apply to our directors and executive officers in order to align their interests with the interests of our stockholders.</li><li>• All incentive compensation for our executive officers is subject to recoupment (or clawback) by the Company in the event of a restatement, to comply with applicable law or if the executive officer violates restrictive covenants included in the officer’s equity award or employment agreement.</li></ul>
Environmental, Social, and Governance (“ESG”)	<ul style="list-style-type: none"><li>• Our Nominating and Corporate Governance Committee oversees significant ESG matters with the support of management’s ESG Steering Committee, which is comprised of senior members of management and operates pursuant to a written charter.</li><li>• We have adopted a Statement on Human Rights.</li><li>• We have adopted a Political Contributions Statement.</li><li>• We have adopted an Environmental and Sustainability Statement.</li></ul>
Hedging/Pledging	<ul style="list-style-type: none"><li>• Our directors, executive officers and employees are prohibited from engaging in short sales and hedging transactions involving, and may not pledge, our common stock.</li></ul>



# Supplier Diversity

At PRA Group, we believe that a diverse supplier portfolio provides economic opportunities to the wider communities in which we serve and operate. This approach also helps advance our current corporate diversity and inclusion (D&I) initiatives.

In 2022, our procurement team in the U.S. started the process of understanding our current supplier diversity to create a baseline of spend information. Using PRA Group's procurement workflow tool, PRA Group matched its U.S. vendor spend against a national data base of Certified and Self-Reported Diverse Suppliers, for fiscal years 2021 and 2022. The diverse supplier data base consists of several demographics, including Minority/Women-Owned Business Enterprise (MWBE), Small Business Enterprise (SBE), Veteran Owned (VOB), and Disadvantaged Business Enterprise (DBE). Our result combines Certified<sup>1</sup> and Self-Reported<sup>2</sup> Diverse Suppliers.

Year	% Certified Suppliers	% Self-Reported Suppliers	Total % of Diverse Suppliers	Total % of Spend <sup>3</sup>
2021	1%	4%	5%	20%
2022	1%	4%	5%	17%

<sup>1</sup> Certified (3rd Party Source) - A supplier with this designation has completed the certification process with a certifying agency for a particular category.

<sup>2</sup> Self-Reported - A supplier with this designation has been found within the procurement workflow tool, with a noted category plus an uploaded certificate file.



We commit ourselves to cultivating an environment that equips our employees and future leaders with the resources they need to remain productive and engaged, and to have a sense of belonging. We strive to create and empower a workforce that is well prepared for the future and even better prepared to serve our community.



# Our Employees

Our Employees

Diversity and Inclusion
Diversity and Inclusion 2022 Key Initiatives
Employee Tenure
Employee Engagement and Retention
Talent Development
Benefits and Compensation
Employee Health and Safety
Employee Demographics 2022







# Our Employees

Across our global company, 2022 marked a year of emerging from a pandemic environment. Many employees worked safely from the office throughout the pandemic while others worked remotely. Depending on country, state, division, and role, we helped employees stay connected to our customers, our communities, and each other. Our dependence on virtual communication has inspired a greater embrace of global inclusivity, with much of our employee programming now offered virtually to broader, multi-national audiences.

As 2022 evolved, employees in Europe, Australia, and the Americas returned to the office, finding ways to re-establish in-person connections while remaining involved with peers around the world in a virtual environment. We remain committed to sustaining the global ties strengthened during a virtual work environment while helping employees successfully return to an office environment.

Our approach also gives us a chance to evolve into a more modern workplace. This effort has so far included a hybrid work week for many of our employees, as well as continuing to engage remote workers in ways that communicate their high value while taking into consideration their distance from a physical office location. We continue to leverage what we learned during the pandemic to efficiently use technologies to ensure we foster a collaborative, global team environment.





# Diversity and Inclusion



In 2020, we adopted the following statement to characterize our ongoing commitment to diversity and inclusion:

At PRA Group, we value our employees' diverse experiences, perspectives, and abilities. We continue to foster a sense of belonging by working together to build an equitable and inclusive culture—where you are free to be yourself and be your best.

We believe our workforce should represent a variety of backgrounds, experiences, and thoughts because a diverse and inclusive culture helps us better understand our customers, work together as one global team, deliver superior performance, and build long-term relationships. Our D&I programs, policies, and related activities have evolved into an enterprise commitment reflecting coordination among our Board of Directors, senior leadership team—including the President and Chief Executive Officer (CEO)—and our D&I Steering Committee (DISC).

**The Board of Directors' Role.** Our Board oversees the company's strategic plan, of which "fostering a high-performing workforce" is one of our strategic priorities. In its oversight role, the Board receives annual reports on various employee-related matters, including the company's D&I initiatives.

**Management's Role.** The Chief Human Resources Officer (CHRO) is a member of the company's senior leadership team, which includes the company's executive officers. The senior leadership team meets with the CEO generally on a weekly basis, at which time the CHRO discusses significant employee relations matters, to include D&I initiatives. The senior leadership team is further responsible for implementing the company's strategic plan, including the priority dedicated to a high-performing workforce.

**Executive Advisory Group.** Along with the CHRO, several members of the senior leadership team form the Executive Advisory Group (EAG). The EAG acts as executive advisors and sponsors for the global D&I program, offering advocacy, insight and support to ensure programs and initiatives are aligned with broader strategies and adequately supported at the senior leader level.

**DISC's Role.** DISC membership is representative of a diverse cross-departmental population. Members of DISC serve as champions for the adoption and implementation of D&I initiatives through recommendations and feedback to proposals, programs, and processes.





# Key D&I Initiatives During 2022

We completed our second Engagement and Inclusion Survey in 2022. The survey measured five key themes related to inclusion, including growth and development, leadership, authentic self, work environment, and manager success. Each theme saw year-over-year improvement. Our survey participation rate increased from 5% in 2021 to 46% globally in 2022.

Survey results highlighted three areas of strength:

1. Relationships between employees and their managers;
2. Employees feel their work is valued; and
3. Employees appreciate how the D&I program at PRA Group drives conversations and actions.

Like all companies, we have areas where we want to improve. We use survey feedback as well as follow-up conversations and focus groups to make improvements and strategically sustain the areas that make us great.

► We launched the following two ERGs based on feedback from the survey:

- **The Women’s Affinity Network ERG** was created in Europe in 2020 to empower, develop, and support women through networking, awareness, and relevant programming. It was established as an official ERG when we launched its counterpart in 2022, the Women in Business Advocates ERG—for employees in the U.S. This group’s goal is to cultivate an inclusive environment that supports and encourages women to advance their skills and leadership potential through connection, mentorship, collaboration, and discussion.
- **The Mental and Emotional Well-Being ERG** also launched in 2022. This ERG works to increase awareness and foster a community that offers support and advocacy for mental and emotional well-being among all employees. It provides a safe space for members to share resources, learn, and grow. The group has already adopted quarterly themes for 2023 that focus on the power of the community when its members work together to help advance wellness.

► We held our second annual Global Inclusion Week (GIW), a week-long celebration designed to broaden perspectives through a range of activities—from webinars to virtual coffees—that gave employees opportunities to learn from and engage directly with peers and senior leaders across the company and around the world. Centered on the “Power of Now,” GIW focused on allyship and making safe spaces for others to learn and flourish. The week

invited employees to explore topics including racial bias, gender identity, menopause in the workplace, and how to better support veterans with disabilities. In 2022, we carefully considered employee feedback from the inaugural year. As a result, GIW saw a 235% increase in engagement over 2021.

► We introduced PRA Talks, a monthly conversation series designed to create dialogue and broaden understanding while also intentionally reaching out to employees in historically marginalized communities. Introduced during GIW, PRA Talks remains a vessel for community conversations.

► As a way of further supporting our inclusive culture in 2022, we offered courses that aligned with our D&I strategy, including but not limited to:

- Unconscious Bias;
- Embracing Change;
- Closing the Confidence Gap;
- Valuing Differences;
- Leveraging Diversity;
- Men as Allies (introduced in 2022);
- Women in Leadership: Radiate Confidence;
- Women in Leadership: Superpower Your Network; and
- Declare Your Brand.





# Employee Tenure

At PRA Group, we believe that strong tenures are at the heart of a stable and high-performing workforce. It allows the organization to get to know employees, nurture talent, and help them progress in their career. As part of our commitment to diverse representation, we monitor and track promotions of racially diverse employees and females. We also measure the percentage of racially diverse and female managers in the workplace.

	Racially Diverse Managers	Female Managers	Racially Diverse Promotions	Female Promotions	Average Collector Tenure	Average Non-Collector Tenure
U.S.	40%	56%	59%	66%	5.3 years	5.9 years
Exec Core Ops	34%	54%	54%	66%	-	5.7 years
Core Ops	55%	59%	84%	73%	-	7.6 years
Outside U.S.	-	40%	-	49%	6.5 years	5.5 years







# Employee Engagement and Retention

## EMPLOYEE ENGAGEMENT

Employee engagement matters at PRA Group. Our leaders engage regularly with employees across the globe.

- We complete new hire onboarding surveys to gauge our effectiveness in providing employees with the support, guidance, and tools they need to be successful;
- We conduct exit interviews to learn what we can do better for others;
- President and CEO hosts one-hour, interactive sessions, and town halls with employees around the world;
- We facilitate interactive sessions between other executive officers and employees, employee appreciation events, and annual awards banquets; and
- We provide an online portal through which employees can ask questions, submit concerns, and suggest innovative ideas and solutions to a stakeholder group comprised of PRA Group leadership. The group meets regularly to review and respond to submissions.

## EMPLOYEE RETENTION

Employee retention is important to us because we value the skills, qualifications, and experiences that each employee brings to our company. Our average tenure is five and a half years. We believe it is important to retain and grow employees who remain committed to our success.

In 2022, while the world was ensconced in the Great Resignation, our overall attrition rates remained relatively stable in comparison to previous years. We draw actionable insights from exit interviews, which help us understand why people leave so we can use this information to better engage employees at work and in their commitment to the success of the broader organization.

## EMPLOYEE TURNOVER IN 2022

Voluntary	Involuntary	Total
29%	7%	36%

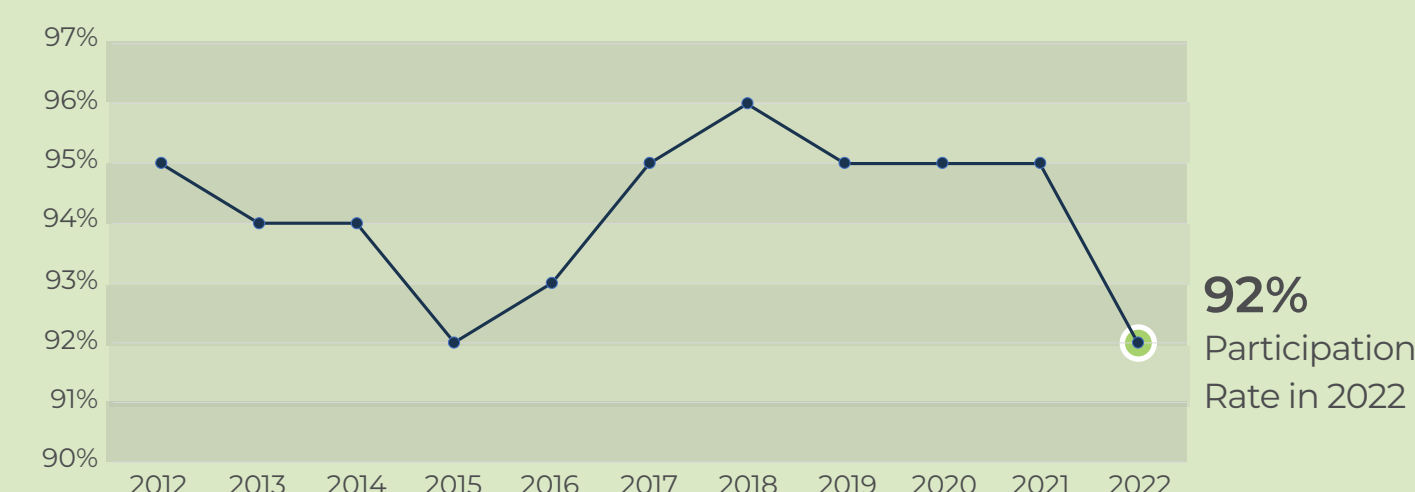
Our employee engagement activities support our goal of maintaining a stable, experienced workforce. Our global workforce turnover data is in line with the most recently published data provided by the U.S. Bureau of Labor Statistics for the Financial Activities and Professional and Business Services Industries.

## VOICE SURVEY

In Europe and Australia, we conduct a VOICE engagement survey to check in with all our employees, measure our progress, and identify any areas for future improvement. This annual practice has helped us to nurture an inclusive culture that values the feedback of every employee; to identify strengths and opportunities to implement improvements, which in turn support operational excellence and organizational growth; and to set the standard for professionalism as an industry leader.

In 10 years, our participation rate in Europe is consistently above 90 percent.

### European Participation Rate (2012-2022)



While the European survey began in 2007, the Australian office began the process in 2021. In Australia's second year administering the survey, they achieved a 93 percent engagement rate and a high VOICE index of 86.

### Europe and Australia\* VOICE Reports



\*Australia's responses are represented in 2021 and 2022's results.





# Talent Development

Our talent development and performance management programs focus on expanding the skills and capabilities of our employees. We provide tools to encourage optimal performance in current roles, career growth, and workforce planning. We leverage virtual learning technology to reach employees globally and offer courses in eight different languages, taught by certified instructors.

In 2022, global learning grew exponentially with the addition of new leadership and development programs, including:

- A frontline leadership program: Building Essential Leadership Skills
- A mid- to senior-level leadership program: Influential Leader Program
- Development programming for employees in the organization identified as having high potential, including Emotional Intelligence and Translating Strategy Into Results
- An expanded Professional Coaching Program for key leaders and high-potential employees
- A focused Women in Leadership Learning Journey course
- A company-wide Global Development Bootcamp with over 1,400 participants

Overall, eLearning course participation increased by approximately 60% year-over-year, with over 62,000 total completions.

As a part of our commitment to coaching and developing employees, our broader talent management strategy includes a global performance management process that entails goal setting, feedback, coaching, mid-year and annual formal reviews, and development and career interest discussions between managers and employees.

Our performance management cycle consists of setting initial strategic priorities early in the year, which is followed by a global goal-setting exercise, where employees and managers connect performance goals with one or more of our strategic priorities. Employees are encouraged to meet at least monthly to review goals and adjust to ensure focus. At the end of each year, employees and managers measure and evaluate performance against goals.







# Benefits and Compensation

## BENEFITS AND COMPENSATION

We are committed to promoting the physical, financial, and emotional well-being of our employees and their families, as evidenced by our competitive and comprehensive benefits program. In the U.S., our robust benefits menu enables employees to choose the plan that best meets their unique needs. In addition to company-subsidized medical, dental, vision, life, and disability insurance, during 2022 we offered our employees:

- Domestic partner benefits
- Part-time employee benefits
- Infertility coverage
- A 401(k) with company match
- Telemedicine

In the U.S. in 2022, we introduced expanded benefits including a wellness incentive associated with our Health Savings Account (HSA), enhancements to paid parental leave for both mothers and fathers, access to onsite wellness and mental health screenings, and a free financial literacy program. We also expanded our Employee Assistance Program benefits to include most of our employees working in Europe. In the U.K., we signed the Menopause Workplace Pledge with the [Wellbeing of Women charity](#).

We recognize the importance of mental wellness as part of an employee's overall well-being. To offer continued support to our employees, we offer free behavioral health and a suite of 18 emotional well-being e-learning modules that focus on multiple facets of wellness including optimism, self-forgiveness, resilience, and looking toward the future.

## EQUITABLE COMPENSATION

We are committed to paying employees competitively, equitably, and consistently with market and company practices. Compensation and total rewards for our employees are based on objective factors, regardless of gender or ethnicity. Our total rewards program is reviewed regularly and structured to align with our company's core values and our strategic priority of fostering a high-performing workforce.

Our performance management process is designed to recognize and reward performance and contributions while aligning pay with performance.



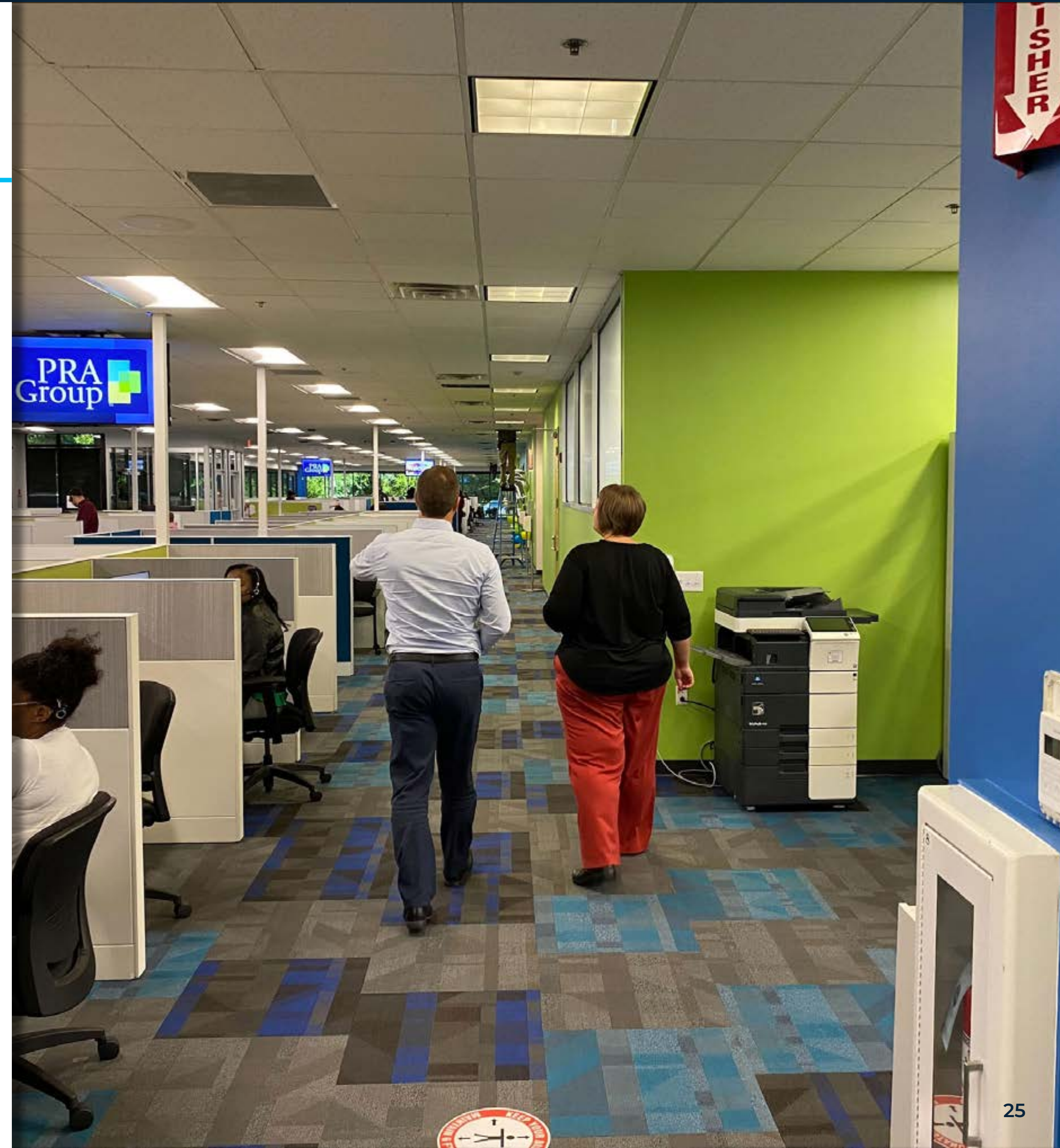
# Employee Health and Safety

We strive to provide our employees with a safe and healthy work environment, and to cultivate a secure atmosphere for customers and others with whom we do business. Each employee is responsible for following safety and health rules and procedures and for reporting accidents, injuries, and unsafe equipment, practices, or conditions.

We are committed to providing a workplace free of all types of harassment and will not tolerate harassment of employees by managers or co-workers. We do not permit violence or threatening behavior and expect all employees to behave in a non-threatening, non-abusive manner.

In the U.S., we began partnering with the Center for Personal Protection and Safety (CPPS) to design and implement a workplace violence prevention and intervention program. The program includes policy review and updates, creation of a threat management team, and training. We are working towards the achievement of Safe Workplace Certification, an internationally recognized certification that indicates we meet industry best practices and standards.

At our U.S. sites, we achieved the Global Biorisk Advisory Council's STAR™ accreditation for the second consecutive year due to our high standards of cleaning, disinfection, and infectious disease prevention.





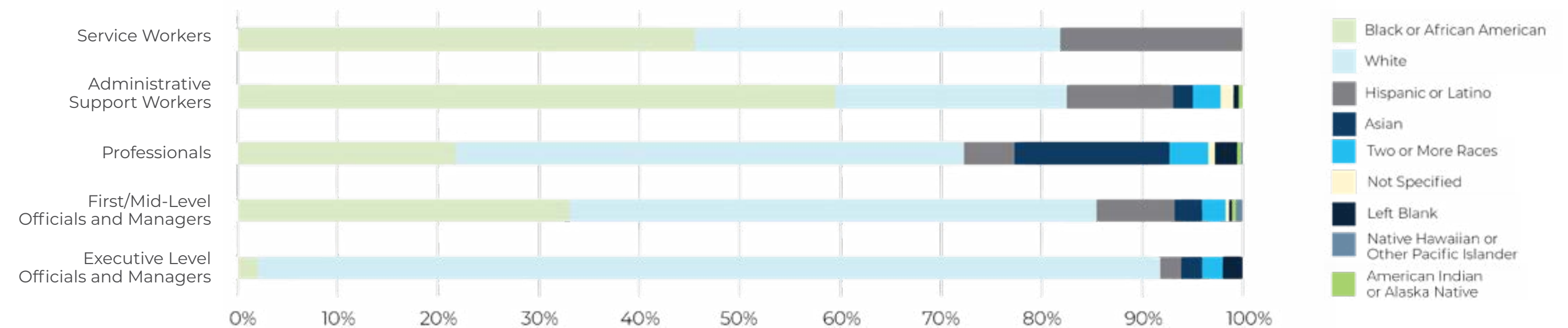
# Employee Demographics 2022

## GLOBAL WORKFORCE DIVERSITY METRICS

Employee Type	Executive Management	All Other Employees
Gender		
Female	34.5%	64.2%
Male	65.5%	32.9%
Declined to Identify	0%	2.9%
Ethnicity		
White	85.5%	27.6%
African American or Black	1.8%	31.1%
Native Hawaiian or Other Pacific Islander	0%	0.1%
Asian	3.6%	3.7%
Native American /Alaskan Native	0%	0.3%
Two or More Races	1.8%	2.1%
Hispanic/Latino	1.8%	5.9%
Not Specified	5.5%	29.2%

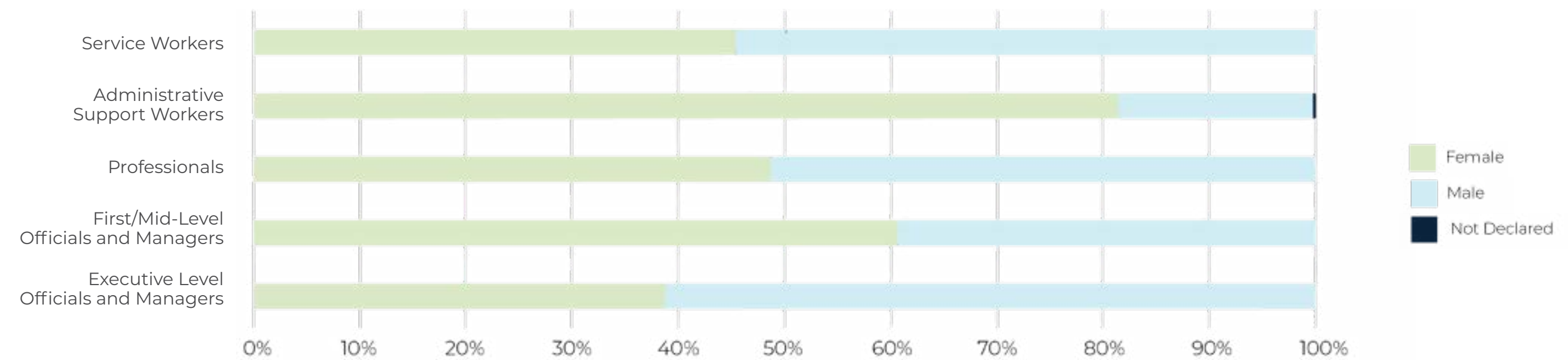
## RACE REPRESENTATION IN U.S. POSITIONS

As of December 31, 2022, based on EEOC data.



## GENDER REPRESENTATION IN U.S. POSITIONS

As of December 31, 2022, based on EEOC data.





# Our Communities

Our Communities
Our Philanthropic Giving
2022 Volunteer Metrics
Bronze Stevie® Award Winner - 2022 American Business Awards®
U.S. CSR Initiatives
Europe CSR Initiatives
Australia CSR Initiatives







# Our Communities

Our commitment to our communities is rooted in the notion of volunteerism. At PRA Group, we encourage our employees to be active participants in giving back to the organizations we support.

We were founded on the belief that doing the right things for the right reasons with a long-term focus will generate sustainable success and shareholder value. This approach is one of the driving forces behind our ESG initiatives, which have become an integral part of our strategy and culture as they guide our corporate social responsibility (CSR). Our founding principles govern our focus on creating rewarding careers for our employees and aiding in their development, treating our customers with respect and empathy, and giving back to the communities in which we work and live.

We contribute globally to organizations that demonstrate the administrative and financial capacity to achieve goals and improve the community. Organizations we support must also meet specific guidelines and qualifications set forth in our philanthropic giving policy. We have identified four priorities to help guide our philanthropic giving:

- Arts and Education
- Civic and Environment
- Health and Human Services
- Military, Veterans, and First Responders



# Our Philanthropic Giving

We allocate philanthropic funds to create meaningful partnerships with nonprofits. As we engage with local, national, and international nonprofits such as An Achievable Dream, United Way, and the American Red Cross, we also tell the stories of these organizations on our intranet, social media, and corporate website.

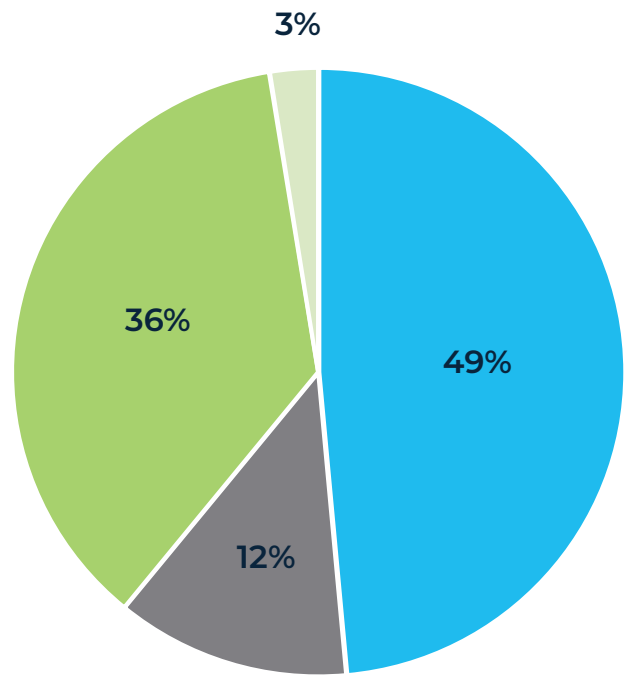
In the U.S., in addition to financial contributions, we encourage employee volunteerism through paid volunteer time: each employee receives eight compensated hours annually to volunteer in their community, in addition to their paid time off. To support this effort, we proactively organize multiple volunteer opportunities such as donation drives, mentoring initiatives, and clean-up activities.

During 2022, we continued to match personal donations ranging from \$25 to \$2,500 made by U.S. employees to 501(c)(3) organizations that met our partner impact criteria.

Below is our total philanthropic giving at corporate level in 2022 in the U.S. and Canada.

## 2022 NORTH AMERICA PHILANTHROPIC GIVING PER CLASSIFICATION

Arts and Education	\$490,000
Civic and Environment	\$125,000
Health and Human Services	\$368,500
Military, Veterans, and First Responders	\$26,000
	<b>\$1,009,500</b>







# 2022 Volunteer Metrics

United States  
Volunteers in 2022

233

PEOPLE

2022 United States  
Volunteer Hours

1,029

HOURS

(ABOUT 1 AND A HALF MONTHS)

Europe  
Volunteers in 2022

60

PEOPLE

2022 Europe  
Volunteer Hours

472

HOURS

(ABOUT 3 WEEKS)







# Bronze Stevie® Award Winner 2022 American Business Awards®



In June 2022, PRA Group was named the winner of two Bronze Stevie® Awards in the Most Valuable Corporate COVID-19 Response and Corporate Social Responsibility Program of the Year categories in The 20th Annual American Business Awards®. [The American Business Awards](#) are the U.S.'s premier business awards program. All organizations operating in the U.S. are eligible to submit nominations – public and private, for-profit and nonprofit, large and small.

More than 3,700 nominations from organizations of all sizes and in virtually every industry were submitted for consideration in a wide range of categories.

PRA Group's COVID-19 response was characterized by constant communication between executives and employees, intensive safety measures, an employee vaccine clinic and a vaccination lottery.

One of the judges commented, "It is inspiring to hear of the quick and much needed response companies such as PRA Group undertook to protect their employees and ensure smooth business operations. Not only by focusing on the internal challenges, but also by boosting vaccine rates, which has a far-reaching impact in our society. I hope others look towards companies like PRA Group for guidance on how they can help our world move forward."

The company's CSR program encompassed donating an additional \$250,000 in honor of the company's 25th anniversary through an employee-led non-profit initiative, giving over \$1.7 million to charitable causes worldwide and finding ways for its employees to stay involved in the community virtually. Judges applauded PRA Group's creative ways of supporting worthy organizations, while simultaneously empowering employees.







# U.S. CSR Initiatives

We conduct CSR outreach and activities throughout the year. We highlight many of these engagements in our corporate newsroom and have provided information from our top stories below. To learn more, please visit [pragroup.com/news-stories](https://pragroup.com/news-stories), and to receive regular updates, follow our social media channels. We are @PRAGroupInc on Facebook, Twitter, and Instagram, and “PRA Group (Nasdaq: PRAA)” on LinkedIn.



## United Way Partnership

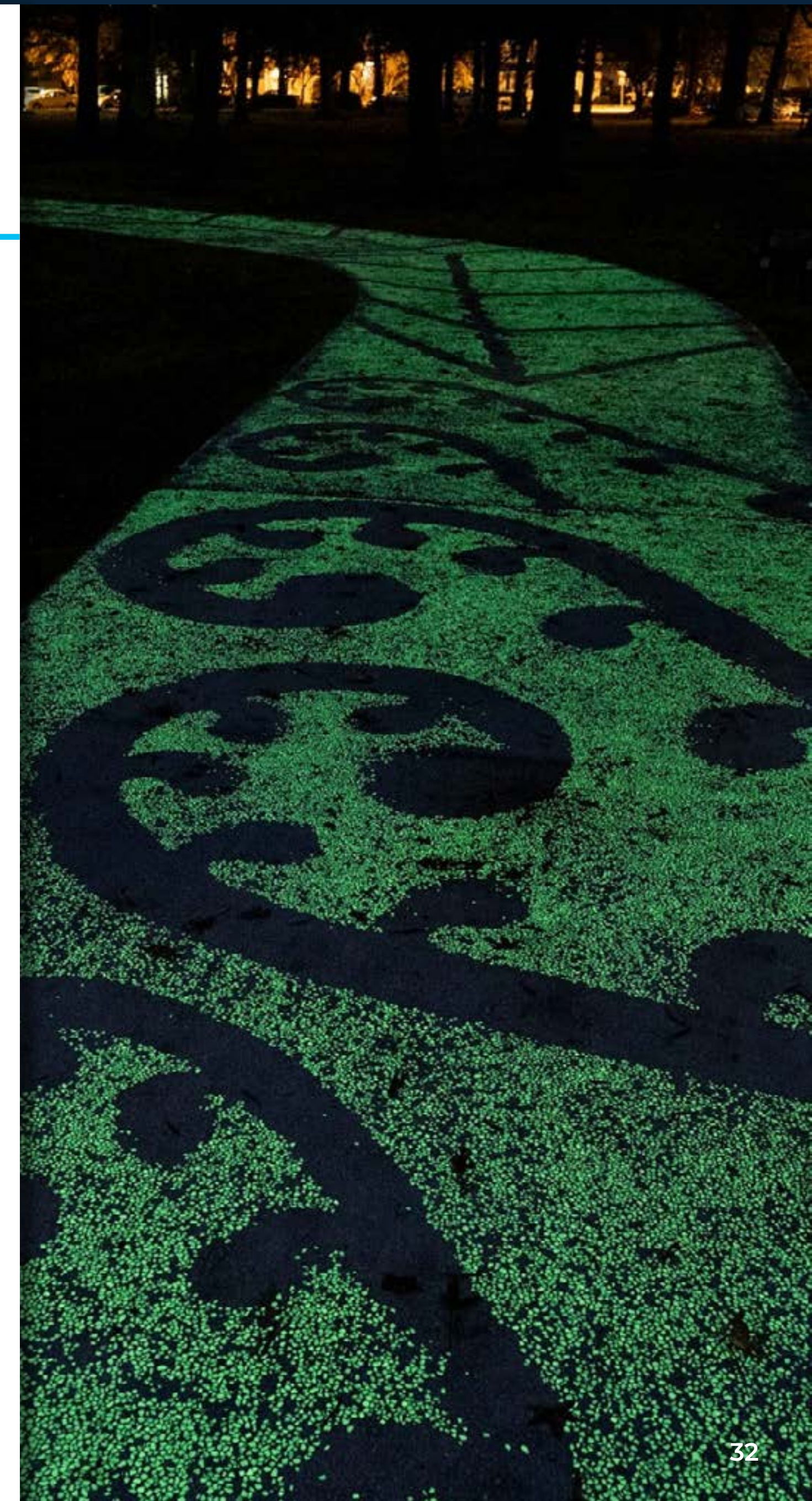
We have a longstanding partnership with United Way, bringing together volunteer opportunities and employee giving campaigns. In 2022, 35 employees participated in company-organized volunteer opportunities with United Way, totaling 111 hours (about 4 and a half days). Our employee giving campaign raised a total of \$318,337, inclusive of a corporate contribution, with more than 15% employee participation. In addition to our U.S. employees, our Canadian employees raised an additional \$6,462 (\$8,885 CAD).

In recent months, we encouraged our employees to pledge donations to the United Way, helping it enact positive change in the local communities in which they work and live. In 2022, nearly 400 of our employees pledged through this campaign to give over \$350,000 to the United Way. The funds will help fulfill the organization's goal of mobilizing the caring power of communities worldwide to advance the common good.

## The Glowline Opens on Norfolk's Elizabeth River Trail

The Elizabeth River Trail Foundation is celebrating the completion of The Glowline, a path embedded with glow-in-the-dark stones located in Norfolk, Virginia. The Glowline is the fourth luminous trail in the U.S. and the first on the East Coast. It is funded through a capital campaign and the generous lead sponsorships of Elizabeth River Crossings, operators of the Downtown and Midtown Tunnels and PRA Group. Glowing paths are an energy efficient and magical alternative to traditional lighting. They are also effective to increase safety and offer an alternative way to light paths at night and have a glow life expectancy of 20 years.

“Since its founding in 1996, PRA Group has supported more than 100 nonprofit organizations in the communities in which we live and work,” said Giovanna Genard, PRA Group's vice president of external affairs and marketing leader. “We are honored to join the Elizabeth River Trail in making an impact through a project that promotes both sustainability and health right here in Norfolk, Virginia, where our global company is headquartered.”







# Europe CSR Initiatives

CSR is a continuing commitment of our European operations, as our company strives to conduct its business in a responsible and ethical manner, to support economic development, and to improve the quality of life of our employees and their families, as well as that of our local communities and society. In 2022, we contributed a total of \$104,018 (€98,091) towards charitable activities in Europe and U.K.

## PRA Group European CSR Objectives

- Collective employee engagement, promoting employee advocacy and volunteerism
- Promote a health and well-being approach to support our employees
- Charitable giving, centered on nonprofit organizations
- Enhancing the vitality of the communities where our employees work and live
- Minimizing any negative effects on the natural environment

## PRA Group Polska's Acts of Kindness

Following the Russian invasion of Ukraine in late February 2022, our employees in Poland have been supporting Ukrainian refugees in any way possible. To date, our team in Poland has worked to gather and donate items



like food, medical supplies, and hygiene products. They also helped secure housing for those affected, including sometimes providing shelter for refugees in their own homes.

Inspired by our team's response, PRA Group committed \$50,000 to our office in Poland, which has assisted the team in their ongoing efforts to help those in need. The team quickly identified three locations to support, which housed 1,700 refugees. That money is also being used to fuel cars used to transport those fleeing the war and pay for necessities like food, clothing, and educational care.

Our team in Poland also got involved with the IT for Ukraine project by donating used computer equipment that will be restored and given to children from Ukrainian refugee families who are enrolled in schools in Poland.

## Ayrshire Hospice and Ayrshire College Donations

Our U.K. operation partnered with Ayrshire Hospice as a Corporate Pioneer to sponsor the hospice's Capital Build Project. Unlike any other campaign we previously supported, this one began with a time capsule launched into outer space.

Our U.K. offices also donated \$24,218 ( £20,000) to Ayrshire College. This contribution provided IT equipment for students studying cybersecurity and supported the college's activities for the 2022-23 academic year.

## The Forest of PRA Group

In 2022, our participating employees planted 111 trees during the Pedometer Challenge, in which 82 PRA Group teams completed over 147 million steps in one month. The tree-planting initiative was the equivalent to sequestering 31 tonnes of CO2 in the atmosphere. Since joining the [Tree Nation](#) in 2021, we have planted a total of 414 trees, helping remove 105 tonnes of CO2 in the atmosphere.





# Australia CSR Initiatives

In Australia, our 2022 CSR initiatives included a \$15,000 corporate sponsorship benefiting Suited to Success. The local office also held a Sip and Shop event to assist in raising additional funds, which helped individuals overcome barriers to employment, such as professional clothing and interview training.

In 2022, we also focused on supporting D&I events and awareness campaigns including:

- **NAIDOC** Week and Reconciliation Week, celebrating First Nation peoples
- Harmony Day, in recognition of Australia's multiculturalism
- **"R U OKAY? Day"**, which raises awareness for mental health
- Celebrating Pride Week during the Brisbane Pride Festival 2022
- PRA Group Australia's first ever Dog Day, in partnership with Brisbane's Therapy Animals, to raise awareness for mental well-being



*Left: Celebrating our very first Dog Day to raise awareness on mental well-being for our Brisbane office employees.*

*Right: In September 2022, our office in Brisbane, Australia celebrated Pride Week during the month-long Brisbane Pride Festival 2022.*





# Our Customers

Our Customers

- Customer Welfare
- Policies and Procedures
- Testing and Compliance
- Facilitating Easy Payments
- Data Security
- Data Privacy







# Our Customers

Our commitment to customer care is evidenced by our robust training programs for customer-facing employees, policies and procedures that promote customer welfare, continual monitoring of the customer service experience, and options to facilitate user-friendly, flexible payments.

## CUSTOMER WELFARE

In the U.S., new customer-facing hires must complete a three-week orientation. A similar orientation program exists for our employees outside of the U.S., though the length of time may differ based on country and role. In addition, all employees must complete annual training on relevant compliance and regulatory topics that impact our customers.

## POLICIES AND PROCEDURES

Throughout 2022, we continued to leverage existing policies and procedures and implemented initiatives that benefited our customers, including:

- Use of our existing hardship policy in the U.S., which is designed to protect the elderly, sick, and those experiencing temporary or permanent financial difficulties.
- The continuation of our longstanding U.S. policy of not charging interest or fees on unsecured accounts.
- Identification of geographic areas impacted by manufactured or natural disasters to suspend collection efforts temporarily in those areas.

## TESTING AND COMPLIANCE

During 2022, we continued to measure the effectiveness and quality of our customer experience by:

- Expanding our call listening practices, allowing us to monitor a larger sample of calls to improve compliance and provide more opportunities for coaching our employees.
- Completing compliance testing to confirm that customer-facing processes were properly documented and complied with applicable laws and regulations.
- Sampling customer-facing employees' calls to check compliance and verify that customer service standards are met.
- Conducting qualitative and quantitative research to help us better understand our customers' preferred communication methods during the debt collection process.
- Conducting user experience research when we develop new functionality to determine the new functionality's ease of use.
- Testing modifications to our payment site daily to identify customer preferences for making payments and implement the preferred option.
- Providing customer surveys after web transactions.

## FACILITATING EASY PAYMENTS

As a part of our debt collection process, we provide our customers with user-friendly options to facilitate their payments. In addition to our call centers, our customers can make payments through our subsidiary websites, which also have live chat functionalities.





# Protecting Our Customers

## DATA PRIVACY

We are committed to protecting customer information and have established several policies and procedures to help safeguard confidentiality, integrity, security, and accessibility of this information.

We collect personal information to better serve our customers. In the U.S., we collect certain categories of personally identifiable information, depending on how consumers interact with PRA Group.

We use this information for everyday business purposes, including processing transactions, maintaining accounts, responding to court orders and legal investigations, and reporting to credit bureaus. We use and share personal information collected in accordance with a U.S. Consumer Privacy Notice, which is provided to customers. PRA Group may also share this information for its affiliates' everyday business purposes. Consumers may have the ability to exercise certain privacy rights or make choices regarding the collection, use, and sharing of their information.

In Europe, a data protection team reviews data processing agreements, data transfer agreements, and data privacy questionnaires. A data privacy impact questionnaire is conducted for new initiatives and redesigning of old solutions. When appropriate, PRA Group also conducts data protection impact assessments.

We honor our obligation to safeguard personal information and are committed to keeping all personal and confidential information private and secure.

To address security of personal data, we include technical and security measures in data processing agreements, data transfer agreements, or standard contractual clauses.

## DATA SECURITY

We remain committed to protecting the security of customer and corporate information. We maintain a culture focused on risk management and compliance, of which our information security program is a vital part.

Our information security program is built upon internationally recognized information security frameworks including International Organization for Standardization Security (ISO 27001/2:2022), the National Institute of Standards and Technology Cybersecurity Framework (NIST CSF), NIST SP 800-53, the Payment Card Industry Data Security Standard (PCI DSS), and applicable laws and regulations.

We continue to leverage a variety of security technologies and procedures to protect customer and corporate information. PRA Group deploys information security solutions on a global scale, including the following:

1. Oversight by our Board of Directors and its Risk Committee, which receives information security and technology risk updates on at least a quarterly basis;
2. An information security risk and governance structure that includes the Chief Information Security Officer (CISO), and our CRCO;
3. An information security program including a policy and related controls, standards, and procedures;
4. A threat and vulnerability management program to detect new threats and vulnerabilities and drive risk-based remediation; and
5. A Security Operations Center (SOC) to monitor, identify, and respond to potential security events.



We know that climate risks exist and conducting our business with sustainability in mind is a moral imperative. At PRA Group, we do things the right way, for the right reasons, for the long term. Consequently, our ESG Steering Committee approved our first Environmental Statement in 2022, which will lead the way to institutionalizing how we measure our environmental initiatives and their impacts.



# Our Environment

Our Climate Footprint

Primary Source of Our Emissions

GHG Emissions

Waste Footprint

Water Footprint

Environmental Initiatives

Facility Highlights







# Our Climate Footprint

Despite our relatively limited environmental impact, we believe we have a responsibility to manage our operations, resources, and procurement practices in a manner that promotes sustainable practices to minimize our environmental footprint and to mitigate our impacts on our planet.

For 2022, we reviewed our environmental impacts, which included our carbon footprint accounting to determine our Scope 1, Scope 2, and Scope 3 emissions. For this year's report, the following emissions were estimated:

- Scope 1: Fuels from generators that support our facilities, data centers, and small fleet of service vehicles;
- Scope 2: Energy consumption from our domestic and international facilities; and
- Scope 3: Emissions from business travel and purchased goods and services.





# Primary Source of Our Emissions

Our operations are supported by building facilities comprised of offices and data centers. While we own certain facilities, most of our real estate portfolio is leased and managed by property owners.

This year, we have significantly improved data collection especially in our Scope 2 emissions as we have collected metered energy data from our facilities in the United States (15 metered offices), Europe (11 metered offices), Australia (1 metered office), and Canada (2 metered offices). Our Australian office currently operates at a net zero energy facility in Brisbane. In some of our offices, we are not able to obtain energy consumption data due to the nature of lease contracts and property owners' management policies.

Please note that in our environmental footprint calculations, we have excluded offices that have 15 or fewer employees. We are mindful of the fact that some facilities may have a larger energy footprint regardless of the number of employees threshold that we set in our reporting.

## Scope 1

In 2022, we measured our Scope 1 emissions based solely on assets located in the U.S. due to the nature of our international operations where we have offices in multiple countries. With this background, we determined that our most significant Scope 1 emissions derive from back-up generators that support our facilities. These generators are considered essential to our operations. We also own a small fleet of vehicles that we use for facility operations and maintenance, which contribute to our Scope 1 emissions.

## Scope 2

We have estimated our Scope 2 emissions using the 2020 data from the Environmental Protection Agency's Emissions and Generation Resource Integrated Database (eGRID) for our facilities in the U.S. In the European region, we used the latest United Nations Framework on Climate Change (UNFCC) Greenhouse Gas (GHG) Emissions Calculator version 2.6 to calculate our GHG emissions.

## Scope 3

We calculated our Scope 3 emissions primarily using the U.S. Environmentally Extended Input-Output (USEEIO) Models. We determined our supply chain emissions by focusing primarily on our employees' travel and procurement expenditures in support of our operations. For this report, we obtained data from our two main procurement management vendors.

Additionally, our Scope 3 emissions also include our energy supply's Grid Gross Loss (GGL) for our U.S. and European facilities, which we calculated using the EPA eGrid model and the UNFCC GHG emissions calculator. GGL is an estimate of the energy lost in the process of supplying electricity to consumers through equipment such as power lines, conductors, and transformers.



# GHG Emissions

Scope 1

Assets	MTCO2e
Generators	33
Fleets	5
Total	38

Scope 2

U.S. Facilities Emissions

Facilities	No.	Area in Square Feet	Emissions in MTCO2e
Buildings (Owned)* Virginia, Kansas, and Tennessee	3	106,876	520
Buildings (Leased)	12	407,075	2,943
Total	15	513,951	3,463

\*Actual metered data

U.S. Facilities Emissions Scope 2 Emissions 2022

PRA Group Owned  
519.5 MTCO2e, 15%

PRA Group Leased  
2,943 MTCO2e, 85%

International Facilities Emissions

Facilities	No.	Area in Square Feet	Emissions in MTCO2e
Buildings (Owned)	0	0	0
Buildings (Leased)	17	171,762	204
Total	17	171,762	204

Scope 3

	Emissions in MTCO2e
Business Travel	
Air	354
Rental Cars	Not Calculated
Hotel Rooms	N/A*
Grid Gross Loss (GGL)	205
Purchased Goods & Services	29,705
Total	30,264

Scope 3 Emissions Summary 2022

Business Travel  
354 MTCO2e, 1%

Grid Gross Loss (GGL)  
205 MTCO2e, 1%

Purchased Goods and Services  
29,705 MTCO2e, 98%

\*Data already captured from our procurement portal itemized in dollar spend and part of Purchased Goods and Services

Total Greenhouse Gas Emissions 2022

Scope 1	38	MTCO2e
Scope 2	3,483	MTCO2e
Scope 3	30,264	MTCO2e
Total	33,785	MTCO2e

PRA Group Total Greenhouse Gas Emissions 2022

Scope 1  
38 MTCO2e, 0%

Scope 2  
3,483 MTCO2e, 10%

Scope 3  
30,264 MTCO2e, 90%





## WASTE FOOTPRINT

For the purpose of estimating our waste footprint, we used [California's Department of Resources Recycling and Recovery \(CalRecycle\) published data](#) on average waste generated by employee per day. We employed 3,277 full-time equivalents as of December 31, 2022, and estimate, based on CalRecycle's published data, that our global waste footprint is 508 tons per year. This estimate does not reflect our waste reduction initiatives described in this report, which we expect to consider in the future as we refine our calculations.

## WATER FOOTPRINT

As noted previously, a significant majority of the buildings in which we operate are leased. As a result, the building owners and/or landlords generally collect and/or receive any metered data concerning water use and consumption. Given our limited access to metered data, we have calculated our water footprint by using the [DOE's published data](#) on average water consumption by employee per day. Based on DOE's published data, we estimate that our global water footprint is approximately 8,762 Hundred Cubic Feet (HCF) per year.





# Environmental Initiatives

In 2022, we continued to implement various environmentally friendly initiatives, enumerated below. These initiatives are designed to avoid harming our workspace environment while also promoting the health and well-being of our employees. To manage and mitigate the environmental impact of our operations, we have maintained the following at some or all our facilities in the U.S.:



## ENERGY

- We installed economizers in our HVAC units, allowing us to use outside air to ventilate our buildings during favorable weather conditions. This saves energy by minimizing the recirculation of indoor air for ventilation;
- We used white reflective roofing material to help minimize heat absorption from the sun during warmer weather;
- We installed airlocks on door entrances to help maintain our indoor air quality and reduce the energy our air conditioning system consumes;
- We also installed energy saving light-emitting diode (LED) lighting fixtures and Energy Star® rated appliances; and
- We increased the use of motion sensors that automatically turn off interior lights when not in use, further reducing our energy consumption.



## AIR QUALITY

- We used minimum efficiency reporting value (MERV 11) or similarly rated filters in our facilities' air filtration systems to optimize the level of air quality in our buildings; and
- We reduced the use of highly volatile organic compound (VOC) chemicals by encouraging our contractors to use low VOC interior wall paints and adhesives in carpet installations.



## TRANSPORTATION

- We included proximity to public transportation as a criterion in our site selection process to improve employees' access to and encourage their use of public transportation to reduce carbon emissions from daily commutes;
- We subsidized rapid transit passes for employees at our corporate headquarters; and
- We provided electric vehicle (EV) charging stations at our San Diego, California, office and at our corporate headquarters in Norfolk, Virginia. At our new HALO Kilmarnock office in Scotland, EV charging stations are available for employee and public use. We continue to explore the feasibility of installing EV charging stations in each of our facilities as opportunities arise.



## WASTE MANAGEMENT

- We sponsored recycling events to minimize waste;
- We included recycling services in our waste hauling contracts to facilitate the proper separation of our waste and divert it from the landfills;
- Our facilities are encouraged to recycle office paper used in daily operations; and
- We promoted proper disposal of universal waste (batteries, aerosol cans, and mercury containing equipment, pesticides, and lamps) and e-waste (PCs, monitors, and printers) by using, in most cases, supplier return programs and use of universal waste drop off centers at local stores near our office locations.



## WATER

- We used high efficiency and low flow fixtures to reduce water flow rates.
- In some of our offices in the U.S., we installed water bottle filling stations to help eliminate use of plastic water bottles.





# Facility Highlights

## KILMARNOCK OFFICE

Our Kilmarnock, Scotland office—the largest of our European operations—is located in a purpose-built building that has earned accolades such as Best Regeneration Project at the Scottish Property Awards and Best Scottish Corporate Workplace at the British Council for Offices Awards in 2022. The building, which is part of a wider net zero carbon initiative, includes solar panels that generate a portion of the building’s energy supply, thus reducing reliance on the electricity network. In addition, EV charging stations are provided onsite to encourage the use of electric or hybrid vehicles, as well as charging stations for e-bikes.

We have empowered our staff in the U.K. to adopt greener commuting options, as both of our new sites have cycle storage and shower facilities. Our business has significantly reduced the levels of personal vehicle use for commuting to our new London location compared with previous buildings, as there are no parking facilities at our new site. Furthermore, single-use plastics have been removed from all vending machines in Kilmarnock, and onsite recycling is available across four separate waste streams—even including food. We continue to advocate for our property owner partners to increase recycling where possible across our other office locations.



*PRA Group's Kilmarnock office was formally opened in June of 2022 by then Scotland's Cabinet Secretary for Finance and the Economy, Kate Forbes MSP.*

## U.K. PROPERTY TRANSFORMATION PROJECT

In 2022, we consolidated all our office spaces in the U.K., moving our staff into two new locations. We fitted these offices with modern plants and equipment, making them much more efficient compared to our previous office facilities. Energy efficient systems included motion sensors for lighting and bathroom taps, and heating and cooling systems controlled via a building management system. This ensures running times align with occupancy times reducing approximately 40% of all energy usage in our U.K. offices compared to the previous year.

Our design and construction renovations at both locations considered a range of environmental and sustainability factors, including both the buildings' construction and our selection of interior materials. For example, the carpet supplier we used is one of the first to receive ISO50001 (energy efficiency and carbon management) accreditation for its manufacturing facility. We incorporated live plants in both locations to improve indoor air quality. LED bulbs are now used as standard throughout our U.K. offices. High quality furniture was another key factor to avoid frequent replacement and waste of materials.

In London, the hybrid work policy we launched across the business in 2022 has enabled us to occupy a smaller property footprint in our new location than would have been possible previously.

We donated a considerable proportion of the furniture that we no longer required as we consolidated buildings, but which was still in good condition. Beneficiaries included schools, charities, and other nonprofit organizations throughout the U.K. Only 15% of items could not be reused, and those components were sent for recycling. We estimated that our strategic reuse and recycling saved 29 tons of CO<sub>2</sub>, which would have resulted from waste disposal.



# Appendices

## QUANTITATIVE DATA SUMMARY TABLE AND YEAR-OVER-YEAR COMPARISON

Activity Metrics			
Key Business Metric (\$ in millions)	2022	2021	2020
Total Revenues	\$967	\$1,096	\$1,065
Net Income Attributable to PRA Group	\$117	\$183	\$149
Cash Receipts	\$1,746	\$2,076	\$2,015
Cash Efficiency Ratio	61%	65.3%	64.5%
Estimated Remaining Collections as of December 31	\$5,700	\$6,007	\$6,455

Number of Employees			
Category	2022	2021	2020
Full-time	3,199	3,316	3,657
Part-time	184	208	268
Temporary	72	77	60
Contractors	251	225	39
Total	3,706	3,826	4,024

Number of Full-time Employees by Region			
Region	2022	2021	2020
U.S.	2,214	2,359	2,761
Canada	75	77	73
U.K.	282	299	311
All other European countries	550	517	479
Other	78	64	33
Total	3,199	3,316	3,657

Gender				
	Year	Female	Male	Declined to Identify
Executive Management	2020	31.0%	69.0%	0.0%
	2021	35.1%	64.9%	0.0%
	2022	34.5%	65.5%	0.0%
	Year	Female	Male	Declined to Identify
All Other Employees	2020	68.7%	29.7%	1.6%
	2021	66.1%	31.9%	2.0%
	2022	64.2%	32.9%	2.9%

Executive Management Ethnicity								
Year	White	Black/ African American	Native Hawaiian/ Pacific Islander	Asian	Native American/ Alaskan Native	Two or More Races	Hispanic/ Latino	Not Specified
2020	79.3%	3.5%	0.0%	1.7%	0.0%	1.7%	3.5%	10.3%
2021	87.0%	3.7%	0.0%	1.9%	0.0%	0.0%	3.7%	3.7%
2022	85.5%	1.8%	0.0%	3.6%	0.0%	1.8%	1.8%	5.5%

All Other Employees Ethnicity								
Year	White	Black/ African American	Native Hawaiian/ Pacific Islander	Asian	Native American/ Alaskan Native	Two or More Races	Hispanic/ Latino	Not Specified
2020	25.8%	37.9%	0.1%	3%	0.3%	2.4%	6.0%	24.5%
2021	28.0%	33.2%	0.1%	3.3%	0.3%	2.1%	5.8%	27.2%
2022	27.6%	31.1%	0.1%	3.7%	0.3%	2.1%	5.9%	29.2%

Talent Development Metrics				
Year	Completions	Training Hours	Unique Learners	Average Hours per Learner
2020	58,508	84,815	5,037	16.8
2021	56,408	127,176	4,851	26.2
2022	62,749	67,386	4,504	15.0

Global Workforce Turnover			
Year	Voluntary	Involuntary	Total
2020	24%	12%	36%
2021	32%	9%	41%
2022	29%	7%	36%

Environment			
Metrics	2021	2022	Status
Scope 1 (MTCO2e)	62	38	▼
Scope 2 (MTCO2e)*	26,677	3,463	▼
Scope 3 (MTCO2e)	38,321	30,264	▼
Total GHG Emissions (MTCO2e)	65,060	33,785	▼
Waste (Tons)	513	508	▼
Water (HCF)	9,221	8,762	▼

*\* Our Scope 2 emissions in 2021 are based on proxies and estimation based on publicly available industry data. Our Scope 2 emissions in 2022 are primarily based on actual annual metered data collected from our offices worldwide.*



# Appendices

## SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) INDEX

The index below shows our SASB metrics for the professional and commercial services sector as they relate to our reporting for the year 2022.

Topic	Metric	Code	Disclosure
Data Security	Description of approach to identifying and addressing data security risks.	SV-PS-230a.1	Data Security, <a href="#">page 37</a> .
	Description of policies and practices relating to collection, usage, and retention of customer information.	SV-PS-230a.2	Data Privacy, <a href="#">page 37</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	Interruptions to our systems and infrastructure resulting from cybersecurity incidents have been infrequent and have not had a material impact on our operations. For further information, refer to <a href="#">page 37</a> .
Workforce Diversity & Engagement	Percentage of gender and racial/ethnic group representation for (1) executive management and (2) all other employees.	SV-PS-330a.1	Workforce Diversity, <a href="#">page 46</a> .
	(1) Voluntary and (2) involuntary turnover rate for employees.	SV-PS-330a.2	Employee Engagement and Retention, <a href="#">page 22</a> .
	Employee engagement as a percentage.	SV-PS-330a.3	Employee Engagement and Retention, <a href="#">page 22</a> .
Professional Integrity	Description of approach to ensuring professional integrity.	SV-PS-510a.1	Information on how we approach professional integrity across the company can be found on page 12. For our specific approach on professional integrity for employees in customer-facing roles, please refer to <a href="#">page 36</a> .
	Total monetary losses from legal proceedings associated with professional integrity.	SV-PS-510a.2	Information on legal proceedings can be found in our <a href="#">2022 Form 10-K</a> .
Activity Metrics	Number of employees: full-time and part-time, temporary and contract.	SV-PS-000.A	Number of Employees, <a href="#">page 46</a> .
	Employee hours worked and % billable	SV-PS-000.B	Not applicable to our business.



Your feedback  
is important to us!

Email us at

[IR@PRAGroup.com](mailto:IR@PRAGroup.com)

