

ESG ANNUAL REPORT 2025



TABLE OF CONTENT



ESG Framework & approach

About PAYSTRAX

PAYSTRAX – an innovative fintech company providing payment acquiring services to businesses across Europe and UK. We focus on delivering outstanding customer experience and simple solutions for complex payment acceptance.

Our approach is built on creating real value for our clients by pairing advanced payment technology with tailored, hands-on customer support. As a fully licensed Payment Institution, we place strong emphasis on regulatory compliance, robust security, and scalable infrastructure.

Responsibility and sustainability are core to how we operate at PAYSTRAX. As a committed member of the UN Global Compact, we embed the Ten Principles covering human rights, labour standards, environmental responsibility, and anti-corruption into our business practices. Our ESG initiatives are part of our everyday work, from embracing digital-first solutions to minimise environmental impact to actively fostering diversity and inclusion across the company.



ESG Focus and Commitment

For PAYSTRAX, ESG is essential to maintaining trust, integrity, and accountability in the delivery of financial services. By integrating ESG principles into our operations and decision-making, we enhance risk management, ensure regulatory alignment, and support sustainable long-term value creation for our stakeholders and company growth in general.

Our key focus areas are:

- » Data protection and cybersecurity to safeguard sensitive financial and personal information;
- » Regulatory compliance and ethical governance to ensure integrity, transparency, and trust;
- » Employee wellbeing, diversity, and quality education to support continuous learning, inclusion, and long-term professional development;
- » Environmental impact of operations with a focus on efficiency, digitalisation, and reducing our footprint.



Since 2022, we have consistently assessed our carbon footprint to monitor performance and support ongoing reductions in our environmental impact. As an active member of the UN Global Compact, we submit an annual Communication on Progress (COP), demonstrating our alignment with the Ten Principles and our dedication to responsible business conduct. Our ESG performance is reviewed on a continuous basis, with a clear focus on measurable improvement and transparent reporting.

CEO message

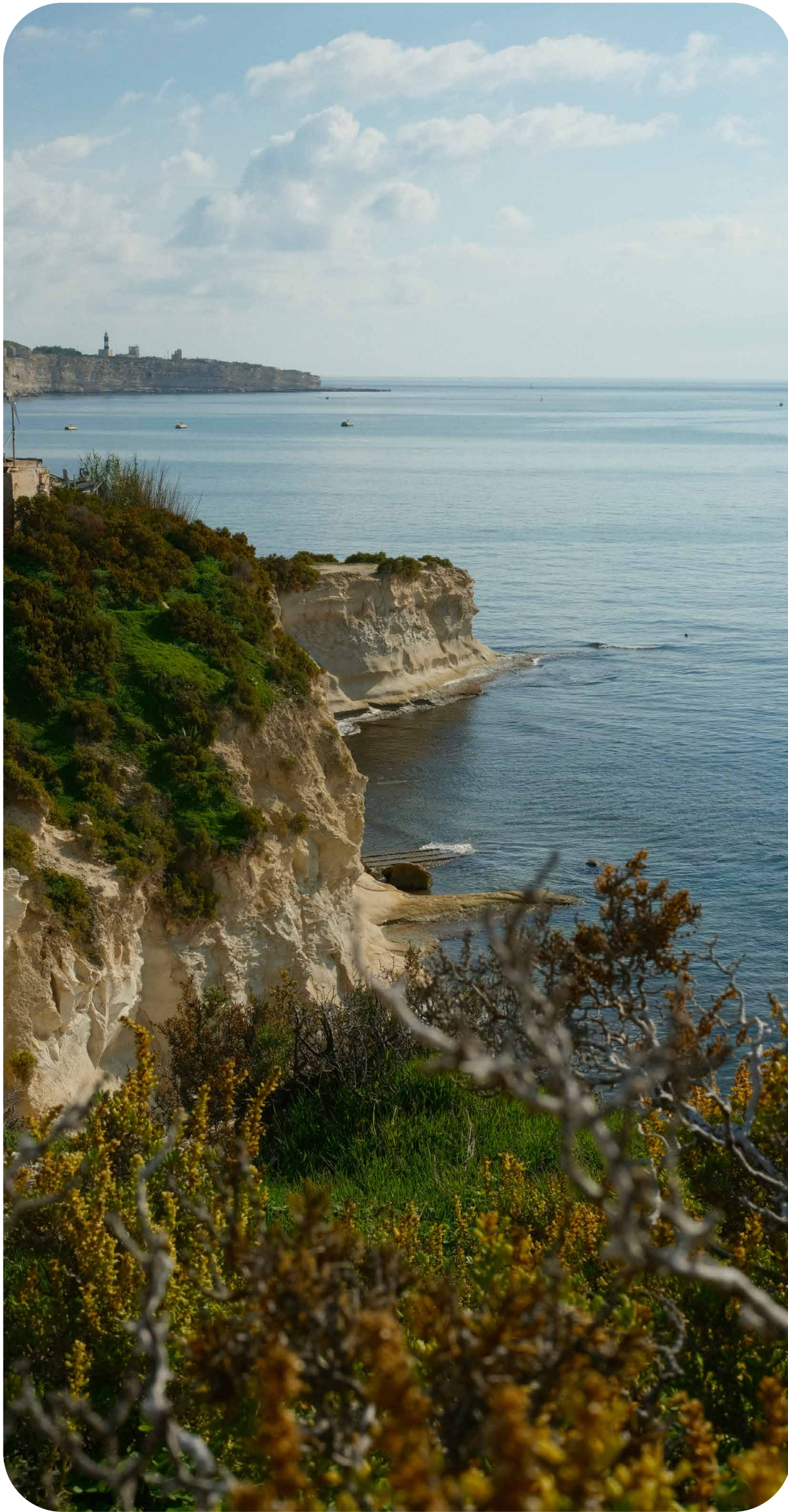
At PAYSTRAX, we are committed to being a responsible corporate and social citizen in every office and country where we operate – reducing our environmental footprint, acting with integrity and transparency, and giving back to the communities that enable our growth.



Jóhannes Ingi Kolbeinsson, Group CEO

Purpose of this report

This ESG report is a voluntary initiative by PAYSTRAX, reflecting our commitment to transparency across environmental, social, and governance matters. Aligned with the UN Global Compact's Ten Principles, the report outlines our ongoing efforts to advance sustainable business practices and contribute to positive social impact.

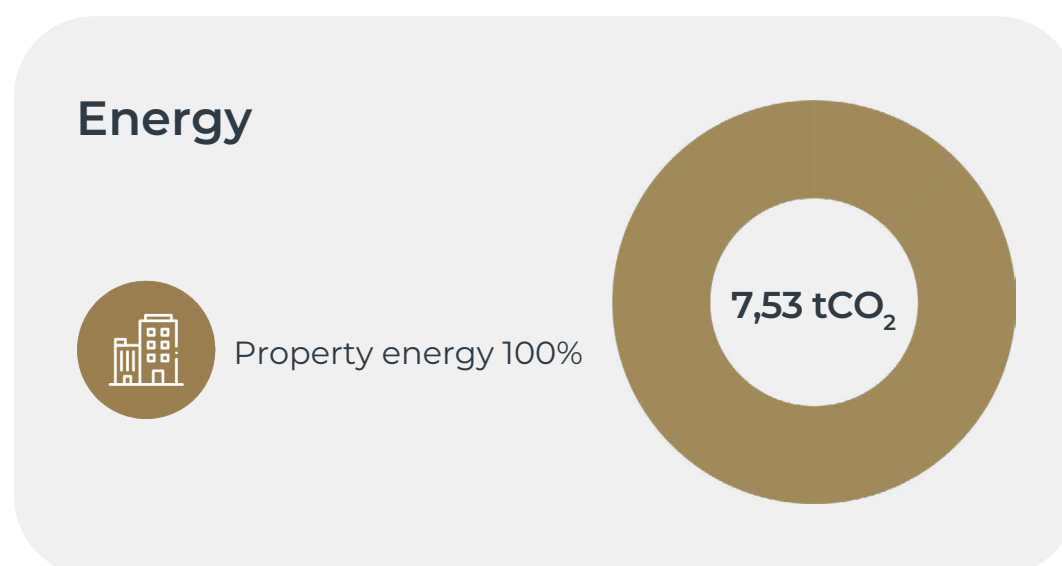
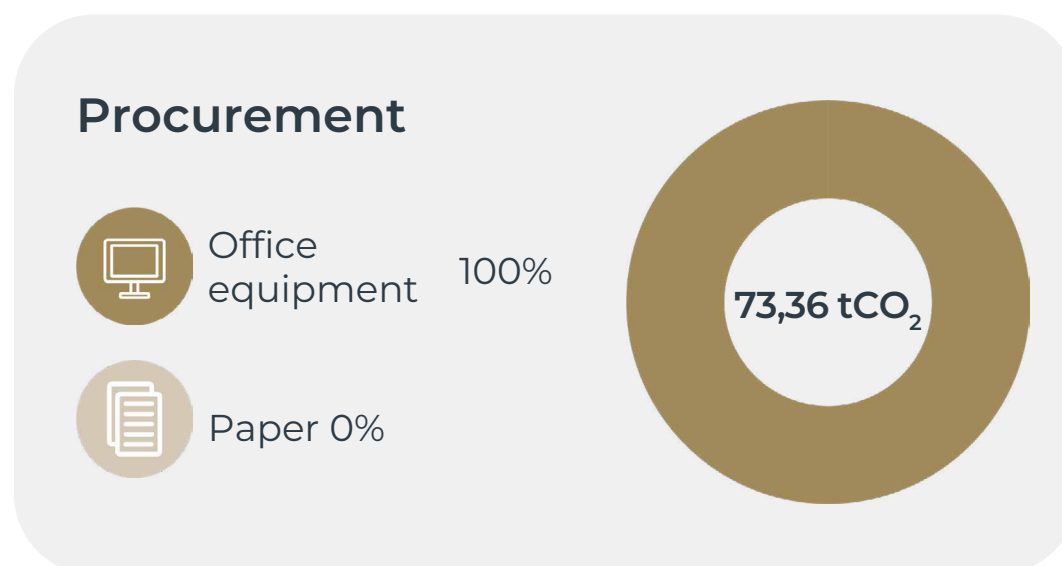
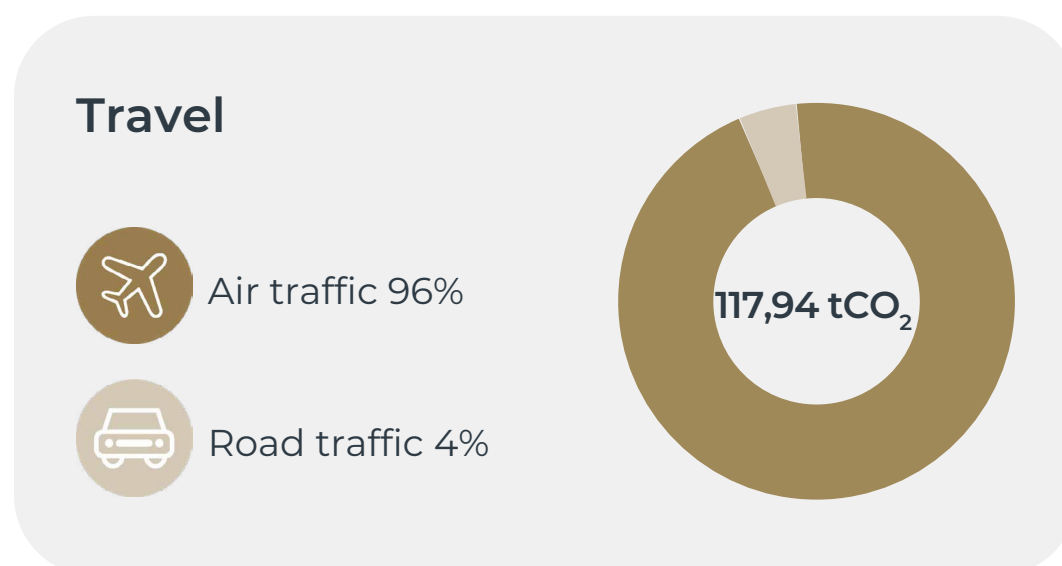
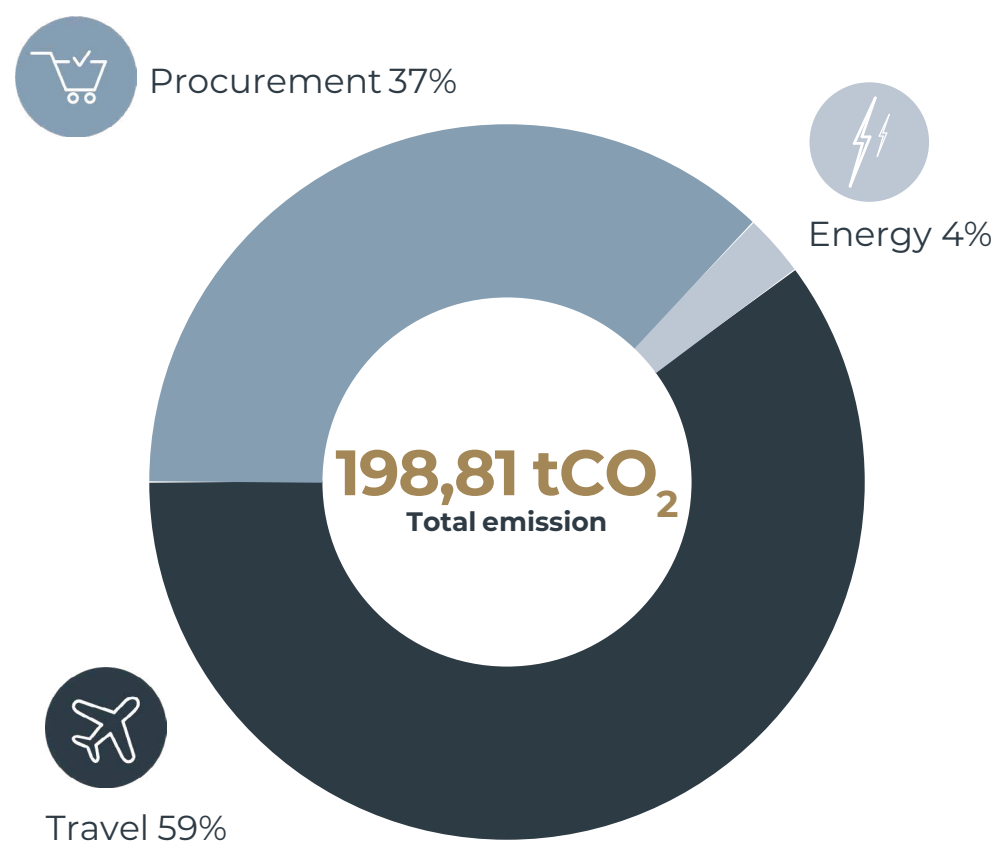


Environmental impact

Carbon dioxide emissions

Our carbon emissions analysis is primarily focused on our headquarters in Vilnius, which accommodates most of our employees and represents our largest office location. Emissions data for our other offices in Klaipėda, Reykjavík, Brighton, Leeds and Malta are less granular, as these premises are partially occupied under fixed-fee arrangements where electricity, water, and waste services are consolidated within a single building-wide invoice. Consequently, our targeted reduction initiatives are currently centred on the Vilnius office, where we have the greatest level of control and data accuracy. At the same time, emissions related to business travel, procurement, and paper consumption are tracked across all locations, recognising that these impacts are generated collectively by employees throughout the organisation.

The increase in carbon dioxide emissions is primarily attributed to growth in employee headcount, as well as higher participation in events and conferences held outside office locations. In addition, the introduction of more accurate reporting and calculation methods this year has resulted in more precise measurement, which is reflected in the higher reported figures.



PAYSTRAX operates internationally, with offices across multiple European countries and regular participation in conferences and exhibitions. As a result, business travel represents the primary source of our environmental impact and remains an integral part of our operations across Europe and the UK. We are actively evaluating opportunities to optimise our travel practices, including prioritising virtual meetings where appropriate, selecting more sustainable modes of transport, and reducing unnecessary travel. While travel is essential to supporting our international presence and client engagement, we remain committed to managing it responsibly and minimising its environmental impact.

Consumption

Our objective is to reduce carbon dioxide emissions across all PAYSTRAX operations. Through targeted initiatives – including improved energy efficiency, optimised travel practices, and the reduction of unnecessary equipment purchases and paper consumption – we are working to minimise our environmental impact.

In 2025, continued business growth led to a significant number of new hires, requiring additional IT equipment and resulting in increased overall resource consumption. During the same period, we relocated our Klaipėda office and opened a new office in Malta, both of which required new furniture and equipment. Wherever possible, we reused furniture and assets from existing offices to limit environmental impact. While company expansion can make certain consumption metrics challenging to reduce in the short term, we remain focused on addressing our highest emission sources, exploring sustainable alternatives, and continuously monitoring performance. Through collaboration and innovation, we aim to balance responsible growth with long-term environmental sustainability while maintaining operational excellence.

Travel	436 821 pkm
Water	217 000 l
Energy	71 837 kWh
Paper	0 kg
Equipment	164 pcs

Sustainability initiatives

Walking challenge: During the summer, 66 employees took part in an internal challenge with the shared goal of “walking around the Earth.” Collectively, they covered 29,074 km (40,703,820 steps), leading to an estimated reduction of 5,229 kg of CO₂ emissions and the virtual planting of 145,371 trees. The initiative promoted healthier lifestyles and encouraged walking as a low-carbon alternative to motorised transport where possible.

Bookswap initiative: We encourage the sharing and reuse of books through our in-office Bookswap initiative, supporting a circular use of resources while promoting knowledge exchange and reducing demand for new printed materials.

Charitable donations in place of gifts: Instead of providing Christmas gifts to partners and stakeholders, we make an annual charitable donation selected by our employees. In 2025, this initiative supported the SOS Animals shelter, reinforcing our commitment to social responsibility and community support.

Office recycling: Our workplaces follow structured recycling practices that enable proper waste separation and disposal, helping to reduce landfill waste and support more sustainable day-to-day operations.

Reuse of exhibition materials: By reusing and repurposing exhibition and promotional materials across multiple events, we limit new material production and reduce waste associated with marketing activities.

Energy-efficient lighting: Motion-sensor lighting is installed across our offices to minimise unnecessary electricity use by automatically switching lights off in unoccupied areas.

Hybrid work and digital operations: A hybrid working model, supported by paperless contracts, digital reporting, and cloud-based systems, helps reduce commuting-related emissions, minimise paper usage, and enable more efficient, low-impact operations across the organisation.

Social responsibility

Employee wellbeing

Mental health

- » We offer a comprehensive health insurance package that includes access to psychology and psychotherapy services, supporting employees' mental and emotional well-being.
- » Employees may take sick leave or stress management days without the requirement to provide a doctor's note, promoting recovery and wellbeing.
- » We provide dedicated training sessions on recognising burnout, its symptoms, and effective coping strategies, delivered by a clinical psychologist and psychotherapist.

Physical health and wellness

- » We provide discounts for gym and fitness memberships to encourage regular physical activity and healthy lifestyles.
- » Employees are invited to participate in health and wellness initiatives such as step challenges and running events. In 2025, PAYSTRAX employees took part in three city-organised runs in Vilnius and Klaipėda.
- » We organise regular health checks, including general health and dental screenings, to support early detection and long-term wellbeing.
- » In-office first aid training sessions are provided to equip employees with essential skills to respond effectively in emergencies.

Employee survey

For the third year, we conducted an anonymous Employee Job Satisfaction and Microclimate Survey to assess workplace satisfaction and overall employee sentiment. The survey provides valuable insights into employee experiences and needs, helping identify strengths, improvement areas, and guiding targeted training and development initiatives.

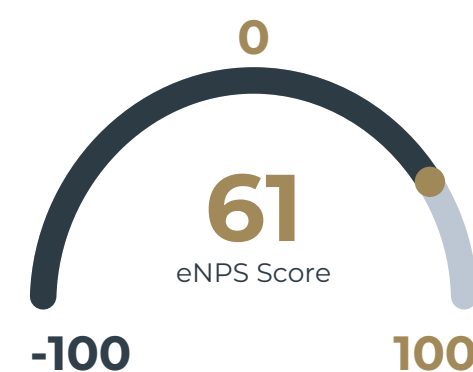
Job engagement

This year's survey achieved a response rate of 84%, reflecting strong employee engagement. The average job satisfaction score increased slightly to 7.91 compared to 2024, indicating a continued positive trend in workplace sentiment. Additionally, 77% of employees reported being satisfied with their current role, with a further 21% partially satisfied, highlighting high levels of engagement and a strong workplace culture.



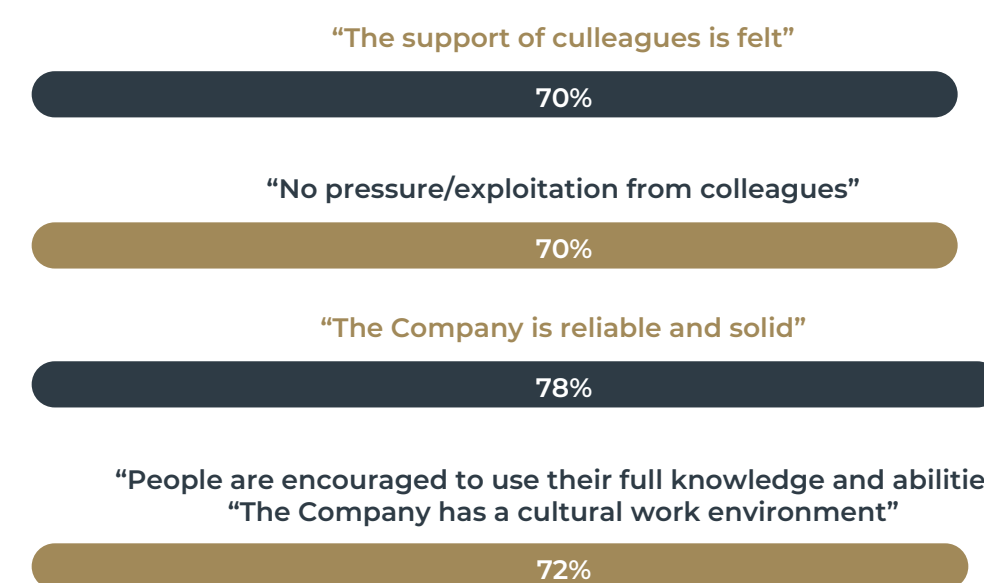
eNPS

The Employee Net Promoter Score (eNPS) measures how likely employees are to recommend the company as a place to work and is a key indicator of engagement and loyalty. This year, our eNPS increased to 61, reflecting stronger employee advocacy, trust in the organisation, and a positive employee experience that supports retention and long-term success.



Microclimate

When assessing the workplace microclimate and employee relationships, 78 employees reported feeling supported by their colleagues and free from pressure or exploitation, highlighting a respectful and psychologically safe work environment. The survey also identified key organisational strengths, with 87 employees strongly agreeing that PAYSTRAX is a solid and reliable organisation, and 80 noting that the company encourages the use of their skills and promotes a positive, inclusive culture. Together, these results reflect strong interpersonal trust and a healthy organisational climate that supports employee engagement, productivity, and long-term retention.



Team ratings

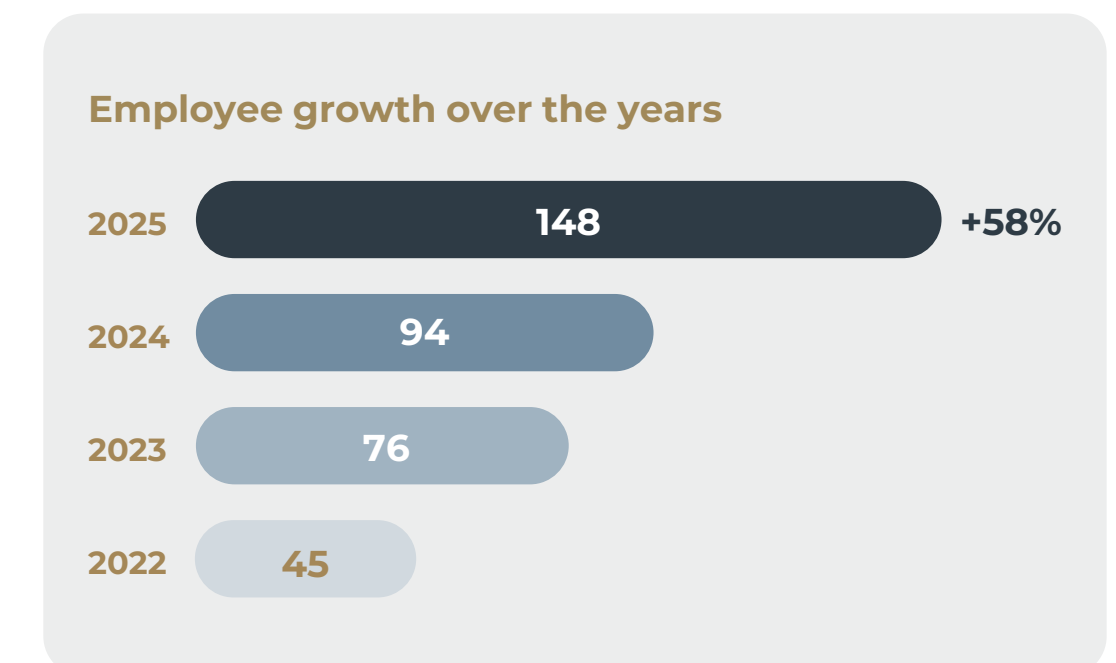
The average team rating remained stable at 9.19, reflecting consistent team dynamics and strong collaboration across the organisation, as well as a dependable and supportive team environment.



Employee growth

During the year, PAYSTRAX's employee headcount increased by nearly 58%, reflecting steady growth supported by the strategic hiring of specialists across key areas. This expansion strengthened the company's expertise and capacity to meet evolving customer needs and deliver new solutions.

The annual employee turnover rate remained low at 12.19%, indicating strong retention and workforce stability. This supports continuity, preserves institutional knowledge, and contributes to consistent service quality and long-term organisational success.



Diversity and inclusion initiatives

Inclusive recruitment practices: We ensure that job descriptions use gender-neutral and inclusive language to promote equal access to opportunities.

Unconscious bias awareness: We provide unconscious bias training to all employees to support fair decision-making and foster inclusive behaviours across the organisation.

Equal career opportunities: All employees are offered equal opportunities for professional growth and career advancement, based on merit and performance.

Non-discrimination and anti-harassment policies: We maintain clear policies that protect employees from discrimination or harassment on the basis of gender, race, religion, disability, or other protected characteristics.

Accessible and inclusive workplaces: Our offices include gender-neutral facilities and are designed to be accessible, supporting the needs of employees with disabilities.

Inclusive leadership development: We invest in leadership development programmes that emphasise inclusive management practices, enabling leaders to build diverse teams and cultivate inclusive workplace cultures.

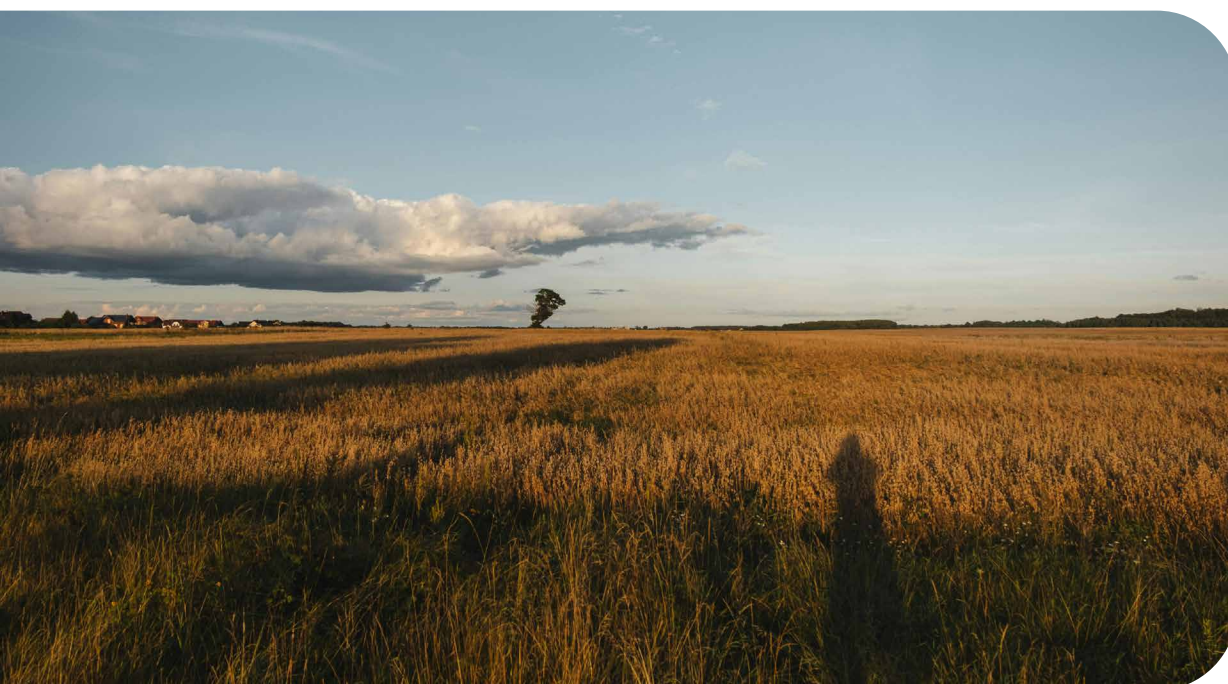
Gender equality advocacy: We actively address diversity topics in the media that remain highly relevant in public and industry discourse, including gender equality within the payments and fintech sector.



Employee training and development

At PAYSTRAX, we actively promote continuous personal and professional development across the organisation. We provide a wide range of in-house training sessions on diverse topics, delivered by PAYSTRAX specialists, and regularly invite external experts to share their knowledge and insights. In 2025, our Friday Training sessions alone accounted for more than 20 hours of structured learning per employee. In total, internal training amounted to 32.5 hours per employee.

In addition to company-wide training sessions, departments organised targeted workshops focused on role-specific skill development and knowledge sharing. Employees also participated in external trainings (11.5 hours per employee) and industry conferences, enhancing their expertise, acquiring new competencies, and contributing as speakers or presenters within their areas of specialisation. In 2025, PAYSTRAX employees took part in more than 40 external conferences and seminars.



Community engagement

In 2025, PAYSTRAX strengthened its commitment to community engagement through a range of charitable, volunteer, and cultural initiatives. Our annual Christmas donation supported a selected charity (SOS Animals shelter), contributing to meaningful social causes during the holiday season, while employees were encouraged to participate in volunteer activities with various organisations.

Beyond charitable efforts, we actively supported initiatives that promote our headquarters city, Vilnius. PAYSTRAX hosted the first EPSM Annual General Meeting in the Baltics, welcoming payment industry experts from nine countries and showcasing Vilnius through guided cultural and historical activities.

As in previous years, we also supported local cultural events, including the “Thank You, Iceland” festival in Vilnius, reinforcing international connections and our ongoing commitment to cultural engagement.

In addition, PAYSTRAX contributed to knowledge sharing within the wider community by producing and releasing educational video content (People behind PAYSTRAX videos and PAYSTRAX Talks podcast) focused on various industry and professional field topics. These materials were designed to support learning, raise awareness, and share expertise with external audiences beyond the organisation.



Governance & ethics practises

Ethical business practices

PAYSTRAX is committed to the highest standards of integrity, honesty, and ethical conduct across all its activities. The Company takes its corporate responsibility toward merchants, partners, and employees, with a strong focus on deterring, preventing, detecting, and responding to financial crime, including bribery and corruption. PAYSTRAX also maintains measures to identify and avoid conflicts of interest and to ensure compliance with applicable laws and regulatory requirements.

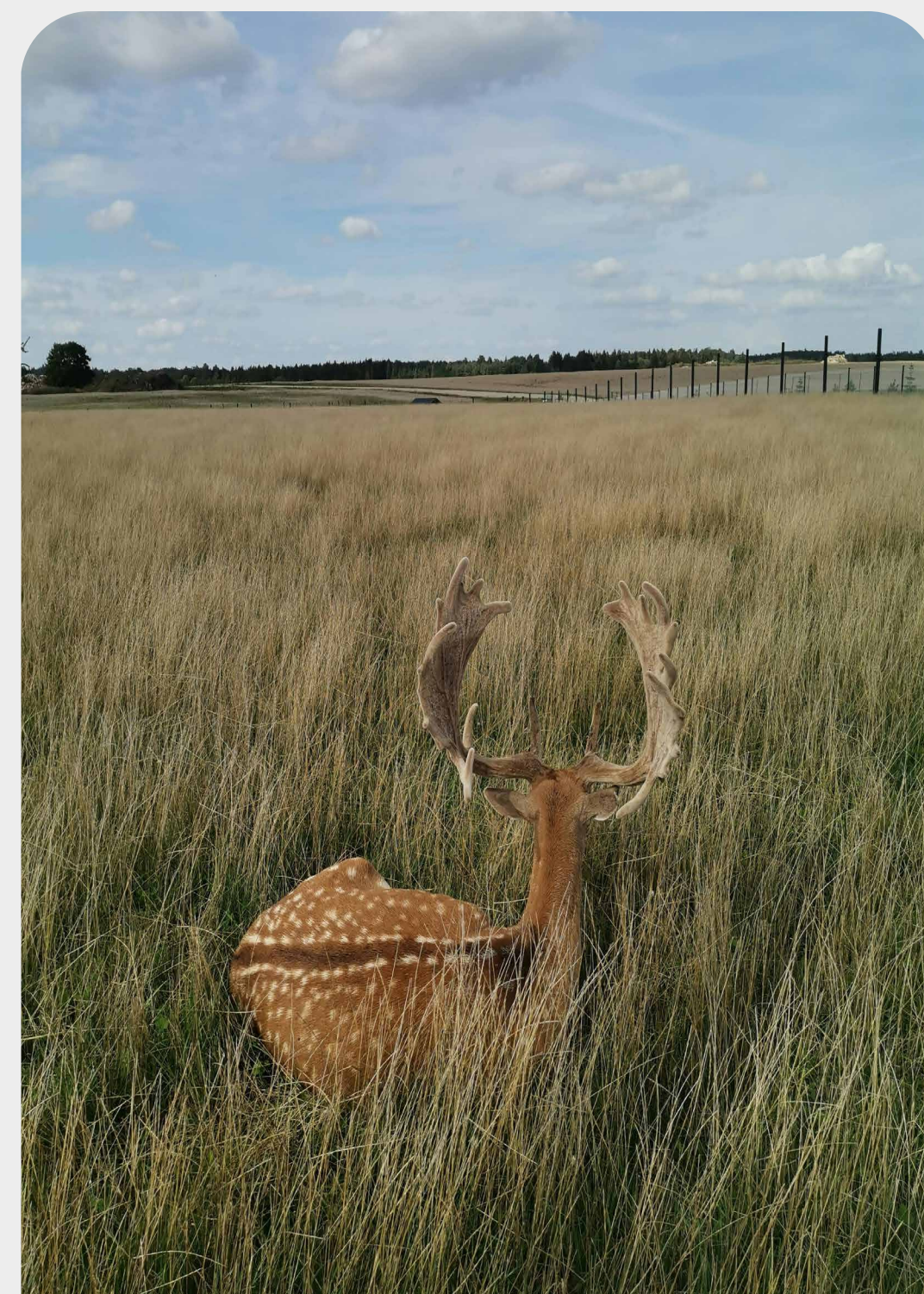
Data privacy and security

PAYSTRAX complies with the General Data Protection Regulation (GDPR) and the UK Data Protection Act 2018 and is committed to protecting the privacy and security of personal data processed in the course of its operations. The Company has implemented appropriate technical and organisational measures to ensure that the collection, use, storage, and processing of personal data are conducted in accordance with applicable regulatory requirements. These measures include the use of secure systems and tools, strict access controls, data minimisation practices, and regular monitoring of information security risks.

In addition, PAYSTRAX has achieved PCI DSS compliance and certification, ensuring the secure handling, processing, and storage of payment card data in line with industry standards. Data protection and information security responsibilities are embedded within internal policies and procedures and supported by ongoing employee training and awareness initiatives, ensuring that employees understand their obligations in relation to data privacy and security. PAYSTRAX also maintains robust processes for incident management, risk assessment, and continuous improvement to safeguard the confidentiality, integrity, and availability of personal data and to respond effectively to evolving regulatory and security requirements.

Alignment with UN Global Compact

Since 2022, PAYSTRAX has been committed to the Ten Principles of the UN Global Compact and integrates these principles into its day-to-day operations. The Company supports the standards relating to human rights, labour, environmental responsibility, and anti-corruption and seeks to align its business practices accordingly. This commitment is reflected in PAYSTRAX's efforts to promote an inclusive workplace, uphold ethical labour practices, reduce its environmental footprint, and operate with transparency and integrity across all activities.



Performance summary

Performance summary

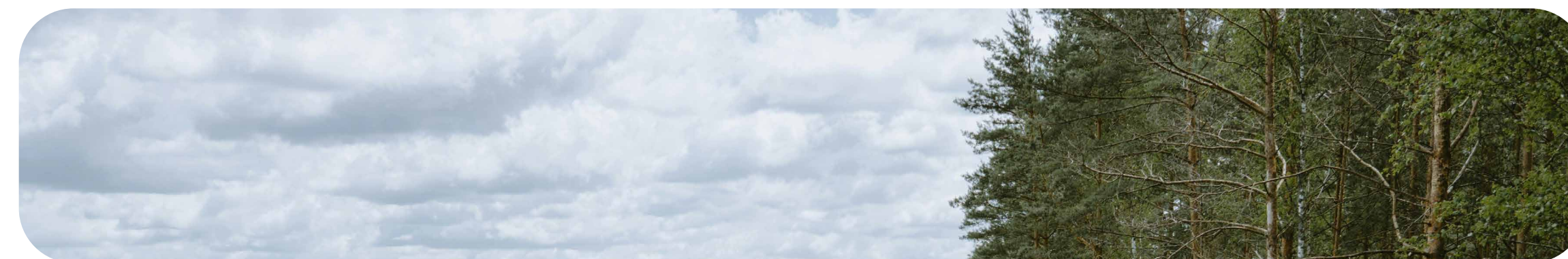
During the year, PAYSTRAX continued to integrate environmental, social, and governance (ESG) principles into its operations, with a strong focus on ethical conduct, regulatory compliance, and responsible business practices. Governance remained a key priority, supported by senior management oversight, a clear Code of Conduct, robust compliance and risk management frameworks, and ongoing efforts to prevent financial crime. The Company maintained compliance with applicable data protection regulations, including GDPR and the UK Data Protection Act 2018, supported by secure systems, internal controls, and regular employee training. PAYSTRAX also continued to align its operations with the Ten Principles of the UN Global Compact.

From an environmental and social perspective, PAYSTRAX focused on reducing its operational footprint through energy-efficient office practices, digital-first operations, remote and hybrid working arrangements, and responsible travel and procurement practices. The Company promoted employee well-being, diversity, and inclusion through fair employment practices, inclusive workplace policies, and employee engagement and development initiatives. PAYSTRAX remains committed to continuous improvement, transparency, and the ongoing development of its ESG practices in support of sustainable growth.

Future goals

PAYSTRAX remains committed to the continued development of its ESG practices and to strengthening its approach to responsible and sustainable business operations in 2026. Future efforts will focus on targeted improvements across environmental, social, and governance areas in line with regulatory expectations and business priorities.

- » Develop and implement a formal sustainability policy across the organisation;
- » Further strengthen efforts to reduce carbon emissions;
- » Increase employee engagement in social and community initiatives;
- » Continue to reduce paper consumption through digital documentation;
- » Expand mental health, wellbeing, and work-life balance initiatives for employees;
- » Enhance ESG-related training and awareness across the Company;
- » Introduce ESG criteria into supplier and partner selection where appropriate;
- » Strengthen monitoring and reporting of ESG performance indicators.





PAYSTRAX
A EUROPEAN PAYMENTS COMPANY