



DISCLOSURE MATERIALS

Certified B Corporations must complete a Disclosure Questionnaire to identify potentially sensitive issues related to the company (e.g. historical fines, sanctions, material litigation, or sensitive industry practices).

This component does not affect the company's score on the B Impact Assessment. If the company answers affirmatively to any items in the Disclosure Questionnaire and B Lab deems them to be material, the company must:

- 1) Be transparent about the disclosure issues identified on the company's public B Impact Report
- 2) Describe how the company has addressed this issue.
- 3) Demonstrate that management systems are in place to avoid similar issues from arising in the future.

In all cases, the Standards Advisory council reserves the right to refuse certification if the company is ultimately deemed not to uphold the spirit of the community.

In addition to the voluntary indication of sensitive issues in the Disclosure Questionnaire, companies pursuing Certification also are subject to background checks by B Lab staff. Background checks include a review of public records, news sources, and search engines for company names, brands, executives/founders, and other relevant topics.

Sensitive issues identified through background checks may or may not be within the scope of questions in the Disclosure Questionnaire, but undergo the same review process and are subject to the same possible review by the Standards Advisory Council, including ineligibility for B Corp Certification, required remediation, or disclosure.

This document contains a copy of the company's completed Disclosure Questionnaire and related disclosure documentation provided by the company.



DISCLOSURE QUESTIONNAIRE

Company Name: Fig Loans
Date Submitted: 04/04/2023

Industries & Products	Yes	No
Please indicate if the company is involved in production of or trade in any the following. Select Yes for all options that apply.		
Animal Products or Services		✓
Biodiversity Impacts		✓
Chemicals		✓
Company Explanation Of Disclosure Item Flags		✓
Disclosure Alcohol		✓
Disclosure Firearms Weapons		✓
Disclosure Mining		✓
Disclosure Pornography		✓
Disclosure Tobacco		✓
Energy and Emissions Intensive Industries		✓
Fossil fuels		✓
Gambling		✓
Genetically Modified Organisms		✓
Illegal Products or Subject to Phase Out		✓
Industries at Risk of Human Rights Violations		✓
Monoculture Agriculture		✓
Nuclear Power or Hazardous Materials		✓
Payday, Short Term, or High Interest Lending	✓	
Water Intensive Industries		✓
Tax Advisory Services		✓

Supply Chain Disclosures	Yes	No
Please indicate if any of the following statements are true regarding your company's significant suppliers.		
Business in Conflict Zones		✓
Child or Forced Labor		✓
Negative Environmental Impact		✓
Negative Social Impact		✓
Other		✓

Outcomes & Penalties	True	False
Please indicate if the company has had any formal complaint to a regulatory agency or been assessed any fine or sanction in the past five years for any of the following practices or policies. Check all that apply.		
Anti-Competitive Behavior		✓
Breaches of Confidential Information		✓
Bribery, Fraud, or Corruption		✓
Company Explanation Of Disclosure Item Flags		✓
Company has filed for bankruptcy		✓
Consumer Protection		✓
Financial Reporting, Taxes, Investments, or Loans		✓
Hazardous Discharges Into Air/Land/Water (Past 5 Yrs)		✓
Labor Issues		✓
Large Scale Land Conversion, Acquisition, or Relocation		✓
Litigation or Arbitration		✓
On-Site Fatality		✓
Penalties Assessed For Environmental Issues		✓
Political Contributions or International Affairs		✓
Recalls		✓
Significant Layoffs		✓
Violation of Indigenous Peoples Rights		✓
Other		✓

Practices	True	False
Please indicate if the following statements are true regarding whether or not the company engages in the following practices. Check all that apply. If the statement is true, select "Yes." If false, select "No."		
Animal Testing		✓
Company/Suppliers Employ Under Age 15 (Or Other ILO Minimum Age)		✓
Company Explanation Of Disclosure Item Flags		✓
Company prohibits freedom of association/collective bargaining		✓
Company workers are prisoners		✓
Conduct Business in Conflict Zones		✓
Confirmation of Right to Work		✓
Does not transparently report corporate financials to government		✓
Employs Individuals on Zero-Hour Contracts		✓
Facilities located in sensitive ecosystems		✓
ID Cards Withheld or Penalties for Resignation		✓
No formal Registration Under Domestic Regulations		✓
No signed employment contracts for all workers		✓
Overtime For Hourly Workers Is Compulsory		✓
Payslips not provided to show wage calculation and deductions		✓
Sale of Data		✓
Tax Reduction Through Corporate Shells		✓
Workers cannot leave site during non-working hours		✓
Workers not Provided Clean Drinking Water or Toilets		✓
Workers paid below minimum wage		✓
Workers Under Bond		✓
Other		✓



B Corp Certification - Disclosure Questionnaire Documentation

PROVIDED BY:

Fig Loans

UPDATED AS OF:

04/04/2023

DISCLOSURE QUESTIONNAIRE CATEGORY	Disclosure Payday, Short Term, or High Interest Lending
TOPIC	Company offers short term loans to underserved customers.
SUMMARY OF ISSUE	Fig Loans is a financial services company that offers services to underserved customers that include improving their credit histories and obtaining financially responsible extensions of consumer credit. The company offers installment loans with rates, to qualified customers as an alternative to high cost payday and title loans. They conduct the underwriting, origination, and servicing of these loans.
SIZE/SCOPE OF ISSUE (e.g. \$ financial implication, # of individuals affected)	<p>The company offers short term loans in 8 different states in the United States. The tenure of the different loans ranges from 30 days to 120 days. The daily interest rates range from 0.08% to 0.3%. The company does not charge any additional interest where the customer does not repay their loan within the term of the loan. Penalty fees for 6 of the 8 states are \$20 bounce fee.</p> <p>The average cost to the customer per loan is 35% of the overall principle.</p> <p>Interest from these loans accounts for 98% of overall revenue. Other fees account for 2%.</p> <p>61.25% of the company's overall customers qualify as underserved per the CDFI (Community Development Financial Institution) distinction in Texas. The CDFI is a certification through the Department of Treasury.</p>
IMPACT ON STAKEHOLDERS	The company's main business line is to provide access to loans and banking services to low-income, poor, or very poor (including low-income minorities and other underserved populations) population. They have been in operation since 2016 and have provided approximately \$130M in loans during that time.
IMPLEMENTED MGT PRACTICES	<p>Fig Loans has two purposes: (1) helping consumers obtain affordable short-term loans that consumers have the ability to repay, and (2) helping consumers improve their long-term financial health by building their credit scores and increasing their creditworthiness.</p> <p>The company does not charge any membership fees or tips to their customers.</p> <p>Through partnerships with financial health websites and non-profit organizations, Fig Loans services consumers in need of affordable, short-term loans. Additionally, Fig Loans has secured partnerships with the three major credit reporting agencies—TransUnion, Experian, and Equifax—to help establish positive credit history for its consumers. Fig Loans' credit-building loan is designed with the goal that its customers may ultimately regain access to affordable credit products from traditional financial institutions.</p> <p>We ask for the bank statements as a part of our underwriting process. Using the bank statements, we back out their post-tax income from their bank statements using our proprietary algorithm. We report credit on all Fig Loans. Credit reporting combined with practical financial literacy provided during the application and active loan process build responsible financial habits so customers can qualify for lower interest rate products and Fig and in the mainstream financial market.</p>



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The company enrolls customers who are greater than 180 but less than 210 days delinquent from the date of maturity in an internal debt collection program. The internal program consists of properly scheduled emails and text messages from Fig to the customer regarding their outstanding debt and its impact on their credit score. For customers who are greater than 210 days delinquent, they charge off the debt internally. They did a 2017 study with TransUnion that showed, on average, Fig borrowers increase their credit score by 47 points after a successful Fig Loan and they are currently in the process of conducting more current impact research.

The company has an internal procedure for complaints. All complaints are reviewed by a Fig Team Member and escalated appropriately.

They do not currently have a customer satisfaction survey but look to implement one soon. They collect feedback as they do customer service. They tag issues, see how often this comes up on a daily and weekly basis. Based on that, they prioritize and tackle 7-10 issues per quarter.

They do not have a Customer Policy but are open to creating one. The company ensures ethical treatment of customers by keeping all servicing in house and all tools built in house and a thorough bi-annual audit and review process of existing and new processes. Loans are not serviced by anyone else other than Fig Loans. The company has a blog whose content is geared towards financial literacy and they write 3-4 articles a month. For more information head to figloans.com/blog

Prior to the company launch, they cold called 50 non-profit organizations to learn more about how online payday loans in Texas affect people and communities. They worked with the United Way of Greater Houston (UWGH) for 6 months to learn more about the problems caused by deceptive payday lending practices. With support from UWGH and Family Houston, Fig Loans began offering installment loans in Texas. Over the summer of 2015, they worked closely with the financial coaches and used their experience to shape the language, features and processes that make their financial products uniquely tailored to the needs of the underbanked. They rely on feedback from non-profit partners to ensure that local language and literacy levels are considered in the dissemination of their products and services.

They are regulated by the corresponding state regulator in each state we operate in. For more information on our licenses, please go to figloans.com/rates