



# Premium Credit Limited

*Interim Update*  
*30 June 2016*



# Our Vision

*To make our customers' **lives**  
**and aspirations** affordable*



## Our Values

- ✓ **Understanding** in our actions
- ✓ **Listening** to our customers and **treating them fairly**
- ✓ **Simplicity** in our processes
- ✓ **Clarity** in our communications
- ✓ Working hard and smartly to **succeed together**
- ✓ Operating **honestly, ethically and profitably**

## Our Business

Premium Credit is the number one Insurance Premium Finance Company in the UK and Ireland. We also provide the finance to pay annual fees such as accountancy and school fees. In 2015, we had more than two million customers and achieved annual net advances of £3.4 billion, processing 29.3 million Direct Debits.

# Interim Update

## First half 2016 trading update

The key highlights for Premium Credit Ltd ("PCL" or "the Group") for the six month period ended June 30, 2016 were as follows:

- Group turnover increased by £3.4 million, or 5.5% to £64.8 million (2015: £61.4 million) due to the growth in net advances and the impact of the Insurance Premium Tax increase. Turnover is a non GAAP measure and represents interest income and net fee and commission income.
- With effect from 16 June 2016, the securitisation facility has been increased from £1.05 billion to £1.25 billion, with £100 million of this increase provided by RBS entering the facility. The increased facility will provide the additional funding required as we continue to grow our business, while the inclusion of RBS in the facility further diversifies our sources of funding.
- As part of our commitment to improving our technologies, we've been working on replacing our legacy system with a more modern and flexible solution. The new loan administration system, launched in July 2016, initially provides the same functionality as the old system, but on a modern platform that will enable us to build enhancements that will improve our customer experience.

## Key appointments

In December 2015, we said farewell to Andrew Doman, our former Chief Executive. We wish him well and thank him for his contribution in developing the business during his term in office. Andrew was succeeded as Chief Executive by Thomas Woolgrove in January 2016. Tom's background in both banking and insurance will provide the industry expertise to steer the Group on the next phase of our journey.

We also welcomed David Young to the Board in January 2016 as an independent Non-executive director. David brings to the Board a wealth of experience in investment banking, together with expertise in wider corporate governance and risk management, all within Prudential Regulation Authority (PRA)/ Financial Conduct Authority (FCA) regulated and directly supervised environments.

## Business Development Activities

Our overall strategy is to build a diversified UK high-tech speciality finance business. We have a clear plan for value creation through both organic and inorganic growth plus a portfolio of 'step out' growth initiatives which includes product diversification.

In particular, we have identified a range of initiatives that will help us grow the business organically, including:

- Further investment in digital integration and payments services for our intermediaries;
- Continue to focus on value-based services, leveraging the distinctive capabilities that we can bring to our clients; and
- Increasing penetration with existing intermediaries.

*We have a **clear plan** for  
**value creation** through both  
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# Interim Update

## Employee and HR Activities

PCL is committed to attracting, developing and retaining the best talent in order to achieve its strategic objectives. The key initiatives include:

- An employee engagement program which is focusing on training and development. This includes online training for all staff on our new electronic learning platform (Premium Credit Academy);
- Strengthening recruitment to reflect the complexity requirement, including development of the graduate programme; and
- Investing in building skills in important capabilities e.g. technology, data analytics, lean management and cost analytics.

PCL is committed to employment policies which follow best practice on equal opportunities for all employees, irrespective of sex, race, colour, disability or marital status. The company gives full and fair consideration to applications for employment from disabled persons, having regard to their particular aptitudes and abilities. Appropriate arrangements are made for the continued employment and training, career development and promotion of disabled persons employed by the company. If members of staff become disabled, the company continues employment, either in the same or an alternative position, with appropriate retraining being given if necessary.

PCL gives due regard to human rights' considerations, as defined under the European Convention on Human Rights and the UK Human Rights Act 1998.

We have over 380 employees working in Epsom, Dublin and at home. We employ individuals with diverse backgrounds and have a 47% female and 53% male gender split.

## Environmental Impact

PCL is engaged in financing of insurance premiums and instalment services and therefore its overall environmental impact is considered to be low. The main impacts of the Group are limited to universal environmental issues such as resource use, procurement in offices and business travel.

PCL complies with all applicable laws and regulation regarding the environment. We are committed to the reduction of physical waste within the business through improved efficiency and we are currently running a paperless project to reduce our carbon footprint. At our Head Office we encourage the use of mobile devices in meetings, upgrading to more energy efficient printers and reducing the number of available printers.

We continue to invest in implementing digital solutions that encourage our customers to adopt 'e-signing' for credit agreements and to use online portals to monitor and manage their accounts.

PCL operates out of two main offices located in Epsom and Dublin, and distributes its products through a network of partners. There is consequently an amount of business related travel between sites and to our partner's offices. The Group has commenced measuring this impact and seeks wherever possible to minimise this through the use of alternative technologies and continues to review all activities to identify opportunities to reduce our carbon footprint.

## Charitable Work

We have an active Corporate Social Responsibility (CSR) committee comprised of internal volunteers who represent the whole business at monthly meetings to drive our agenda forward. The team works closely with the local community and charities and encourages staff to support and participate in local community activities. We currently have a number of formal initiatives underway where our employees have been making a difference to our local communities including:


- Fundraising – supporting organisations within the local community, holding quarterly fundraising days;
- Food bank – we have an ongoing collection running for a local food bank and our target is to provide 430kg by the end of the year;
- Volunteering policy – developing a policy to support staff during work time; and
- Donations – we actively encourage our employees to donate Christmas gifts to local disadvantaged children.

*We want to be a great  
company to work for...  
with clear opportunities  
for development and  
career progression*



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