

Interim Report

2024

Creating opportunities through convenient payments



Our business

We are a specialist finance provider operating in the UK and Ireland.

Premium Credit provide instalment financing to corporates and individuals, supporting the purchase of insurance policies and other services. In 2023 we used our leading, integrated servicing technology to allow 2.6 million customers to pay for over £5 billion of services through a network of c. 3,000 partners.

Our customers

We enable our end-customers to purchase critical products, allowing them to make the annual cost of mandatory or important payments more affordable, by spreading them over regular instalments. In serving over two million individuals, SMEs and corporate clients, we focus on strong customer outcomes, as reflected by our customer satisfaction scores and our 'Excellent' rating on Trustpilot.

Our intermediary partners

Our intermediary partners, including insurance brokers, insurance providers, membership organisations, education and leisure facility providers, outsource the provision of instalment finance for their customers to Premium Credit. As a B2B2C provider, we have high brand awareness and strong, long-term partner relationships, which are multi-faceted across their sales, operations and IT functions. Partners choose to work with us because of our track record of reliable service, our innovative technology that delivers seamless journeys for them and their customers, and our strong focus on regulatory compliance.



Tara Waite
Premium Credit's Chief Executive Officer said:

"The demand for our products continues to increase in 2024, from both borrowers and intermediaries"





Our ESG approach in 2024

We are committed to being a force for good.

We are a purpose-led organisation, proudly supporting our community of customers and partners in creating opportunities through convenient payments.

Our purpose is underpinned by four corporate values: Stand Together; Stand Up; Stand True and Stand Out, which we apply to the way we operate every day as a responsible business employing over 550 colleagues across the UK and Ireland.

Our ESG approach is led through our Sustainability Committee, composed of senior leaders across the business and sponsored by the Chief Financial Officer. The Committee sets the focus areas of each of our four pillars (Our Planet, Our Colleagues, Our Customers & Partners, and Our Responsibility) and monitors delivery. The Sustainability Committee is a sub-committee of the Executive Committee, providing monthly progress reports that are shared quarterly with the Board.

In the first half of 2024, we have continued to make progress across all areas of our Sustainability strategy:

- Our Equality, Diversity & Inclusion Council continued to raise awareness of different topics for our colleagues through regular Spotlight events.
- We have carried out an ESG credentials audit on our top 20 suppliers by spend.
- We collated a large number of ESG ideas from our colleagues at a Town Hall event in January 2024, 13 of which are already live.
- We have defined additional KPIs for reporting our 2024 ESG results.
- We have updated certain policies to ensure compliance with anti-greenwashing rules.
- We have provided each colleague with one day to volunteer each year.



Silver Rated Sustainability Assessment.

Ecovadis helps us manage our ESG risk and compliance and drive impact by guiding sustainability performance improvement. The assessment gives us a clearer picture of our sustainability practices in four themes: Environment, Labour & Human Rights, Ethics and Sustainable Procurement.

We were delighted to once again be awarded a 'Silver' Medal in February 2024. Our Ecovadis total assessment score improved further, from 68 to 71, reflecting a higher score in the Ethics category.





Operating for the benefit of all our stakeholders

The Board acknowledges that the long-term success of Premium Credit depends on the interests of all its stakeholders.

The Board considers the needs and concerns of all stakeholders in its running of Premium Credit, which are taken into account in decision making.

The Directors engage proactively with stakeholders to understand their interests, ensuring informed decision-making. This drives the Company's long-term sustainable success through strategy development and implementation.

Customers

Our ability to facilitate our customers in spreading the cost of essential products such as insurance over instalments is vital, and we do so in a responsible and compliant way. We continue to invest in our customer solutions. Increased options through our virtual customer assistant, Prima, enables us to respond and act on customer queries 24/7. This helps supporting all customers, when they need us.

Intermediary partners

We have a diversified network of over 3,000 partners. These relationships are crucial because they provide access to our customers. We have regular meetings and performance reviews with them and provide insights through the use of data. We continue to ensure we adapt to their customers' needs, including supporting vulnerable customers and providing suitable forbearance measures.

Colleagues

We continue to drive a high-performance culture where colleagues feel engaged and empowered to deliver their objectives to support our customers and partners. Our Employee Net Promoter Score has increased from +24 to +29 in 2024 and we have completed the vast majority of the initiatives we had set ourselves based on colleague feedback. This has included improved benefits, the roll out of comprehensive development programmes, the introduction of a buddy system and the launch of 8 Employee Resource Groups.

Community

We recognise our responsibility to society and to the communities in which we operate. Towards the end of 2023, we updated our Sustainability Strategy to 4 new pillars, which then led to an increased number of actions. See more on our ESG journey on page 3.

Regulators

We work actively with our regulators as well as industry bodies and other relevant stakeholders to ensure our services remain at the forefront of compliance. All staff receive quarterly compliance training, with modules during the year including financial crime, anti-money laundering & bribery and competition law. The firm is implementing the Product Sales Data reporting Requirements via a formal project.

Debt investors

We are a regular debt issuer, notably of asset-backed securities, and our investors expect an appropriate return on investment as well as regular performance information. The business aims to deliver sustainable returns to its debt investors. We regularly engage with our investor base through investor presentations, deal roadshows and provide monthly reporting. In 2024 to date, we have issued a new tranche of public asset-backed securities and have increased the size of our Private asset-backed borrowing facilities.

Equity investors

Effective communication with shareholders is important to understand and meet their needs and expectations. We generate long-term value for our shareholders by ensuring all decisions made are aligned to the regularly reviewed and agreed strategy. We ensure this happens through engagement with the Executive Committee at regular Board meetings and through regular one-to-one meetings, sharing financial and non-financial information.





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 **CIPD People Management Awards 2023**
 Best organisational development or organisational design initiative.

 **Insurance Choice Awards 2023**
 Premium Finance Partner of the Year



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