

# Creating value for our stakeholders

By making a difference in the lives of our customers with simple, personalised financial solutions, we generate further long-term value for all our stakeholders.

## What we do

We specialise in lending to customers that banks find difficult to serve and often overlook. We are successful because of our long history of close customer relationships and simple, transparent credit products which are tailored to meet our customers' needs and financial circumstances.

### Key resources

#### Talented people

Our ability to serve our customers well relies upon having highly engaged, skilled, committed and knowledgeable employees and agents who adhere to our values and ethics. This allows us to collaborate fully and earn and maintain the trust of our stakeholders. Our people are also the most important ambassadors of our operations, values and are the guardians of our reputation.

#### Technology

Our forward-thinking approach and scalable technology is fundamental to remaining at the forefront of growing digital lending, making robust credit decisions, driving efficiency through digitisation of traditional processes and communicating progressively with our field-based people. Leveraging data capabilities will also unlock significant opportunities.

#### Strong financial profile

We maintain a strong balance sheet and manage our financial resources effectively to sustain the business, fund investment in growth and modernisation, and to generate good returns for our investors. Our business model is based on borrowing long and lending short, which allows us to manage liquidity in challenging economic times.

#### Well-known brands

Our brands are well known and trusted by our 1.7 million customers in 11 markets.

## What makes us different?

Being the only business to offer both home credit and digital loans in our markets, we have a differentiated proposition from that of other credit providers.

### Home credit

We serve small-sum cash loans to those on lower incomes and our agents have high levels of contact with their customers to help them stay in control of their credit. We carefully assess customer creditworthiness and lend responsibly with our 'low and grow' strategy, offering new customers smaller loans until they demonstrate their ability to repay a loan. The home credit model with its large agent infrastructure is very hard to replicate.

### IPF Digital

Our digital business model meets the needs of a growing number of customers in our consumer segment who want affordable credit that can be managed online. We offer innovative and flexible products, with a great customer service.

► For more about our customers, see pages 12-13

► For more about stakeholder engagement, see pages 37-46

## How we deliver

Our returns are generated by lending responsibly while managing the business efficiently. Our home credit businesses generate 79% of Group revenue, primarily through the agent service model. IPF Digital is a less mature and evolving business, and contributes 21% of revenue.



## Value creation

We create value by building close, long-term relationships with our customers. As a trusted, responsible and successful business, we also make a valuable contribution to the communities we serve.

### Our customers

We enable our customers to access affordable credit for the things they need.

**c.£500**

credit issued per home credit loan

### Employees and agents

We help our people develop and have a fulfilling career in our organisation.

**22,000**

people across the business

### Regulators and legislators

We engage with regulators to support sustainable financial markets.

**45**

sector association memberships

### Communities

We enable financial inclusion and invest in our communities.

**£678,000**

invested in our communities

### Shareholders and investors

A successful business with a long track record of generating returns, albeit adversely impacted by Covid-19 in 2020.