

## Our Strategy

Firmly grounded in our core HCC business, our strategy includes considered, close-to-home diversification to offer existing and new customers a wider range of services.

Our vision is to build the market-leading non-standard credit company in the UK – with the customer at the heart of our business.

STRATEGIC PRIORITY	PROGRESS AND KPIS	FOCUS FOR 2018/19
Recruit new agents to add territories	We recruited 463 agents to commence territory builds since February 2017, as well as a further 117 to fill vacancies in existing territories.	Following exceptional growth in 2017/18 on account of the unprecedented market opportunity, we anticipate reverting to a more normal rate of growth of c.100 territories per year.
Enhance offer to HCC customers	Having been launched in February 2016, the Morses Club card had been adopted by 21,000 customers by February 2018. Offering greater security than cash and allowing online transactions, it has proved particularly popular among customers aged between 18 and 35 and accounted for £10.6m of gross loan balances as at February 2018.	We are looking to develop additional value-added products of relevance to our core customer base.
Grow online offer to grow size of addressable market	Our online lending activities were accelerated with the acquisition of Shelby Finance Limited in January 2017. The low-cost, low-risk, soft launch in March 2017 (under the new Dot Dot Loans brand) focused primarily around building the right IT infrastructure, linkages and risk models. Allowing us to offer an online credit option to a wider section of customers in the non-standard credit market, Dot Dot Loans had issued 2,000 loans at the end of the financial year.	The normalisation of our territory build programme will allow greater focus on the continued roll-out and refinement of the Dot Dot Loans proposition as it moves from customer test phase to the next development phase.
Increase efficiency and scalability through investment in IT infrastructure	Significant investment has resulted in an IT platform that has increased efficiency, supported underwriting controls and meets the challenge of future growth opportunities. This investment has resulted in increased automation, reduced overheads, increased agent productivity and more efficient compliance processes.	The IT infrastructure is focussed around ensuring that integration of the platform, mobility and digitised services operate to support a more complex customer offering.
Continue to work responsibly and ethically	Training and development are central to embedding compliant lending. All managers and agents receive a thorough induction and everyone in the organisation – from the CEO to the newest starter – participates in compliance and conduct related training every month.	Regulatory training provides the core skills for our teams and agents, with continual refresh of knowledge central to our learning culture. Development of people skills to ensure we deliver great customer outcomes is key to our strategic progress.

To complement our organic growth initiatives and accelerate our strategy, we continue to seek to make selected acquisitions in Home Collected Credit and the wider non-standard finance markets.

There were no acquisitions in the period, partly on account of market conditions and also our focus on territory build agents.

We believe that the Company is well placed to capitalise on sector consolidation opportunities, and this continues to be a key part of our growth strategy.