

PFG | Provident
Financial Group

Understanding the big picture and our customers' needs

Capital Markets Day – 4 April 2017

Introduction

Peter Crook – Chief Executive

Today's presentation

Timing	Area	Presenter
10.30 – 10.50	Introduction	Peter Crook
10.50 – 11.50	Vanquis Bank	Chris Sweeney/Keith Coulter
11.50 – 12.05	Coffee	
12.05 – 13.00	Vanquis Bank (including Q&A)	James Webster/Jim Appleby
13.00 – 13.45	Lunch	
13.45 – 15.30	CCD (including Q&A)	Mark Stevens/Andy Parkinson/Luke Enock
15.30 – 15.45	Coffee	
15.45 – 16.35	Moneybarn (including Q&A)	Shamus Hodgson/Simon Law
16.35 – 16.45	Concluding remarks	Peter Crook
16.45 – 18.00	Drinks reception	

Our mission and strategy

To be the leading non-standard specialist lender in our chosen markets, acting responsibly in all our relationships and playing a positive role in the communities we serve

> Our mission is underpinned by four strategic objectives:

1. Growing high return businesses in non-standard markets:

- We have a long track record of successfully serving non-standard consumers
- Our expertise in marketing, underwriting, collections and managing all aspects of the customer journey allow us to maintain a significant competitive advantage whilst delivering high returns to shareholders
- Our businesses occupy leading positions in their markets
- We have significant organic growth opportunities
- We invest in businesses that can deliver a target ROA¹ of 10%+ or ROE² of 30%+

2. Generating high shareholder returns:

- Investing in high returns businesses means we can operate with a minimum target dividend cover of 1.25x
- We generate sustainable growth in profits and dividends to deliver increasing shareholder returns

3. Maintaining a secure funding and capital structure:

- We maintain borrowing facilities to fund growth and contractual maturities for at least the next 12 months
- We operate with a prudent maximum gearing ratio of 3.5x

4. Acting responsibly and with integrity in all we do:

- We operate in a responsible and sustainable manner, maintaining high levels of customer satisfaction in all our businesses
- We continue to invest in enhancing customer service and regulatory compliance

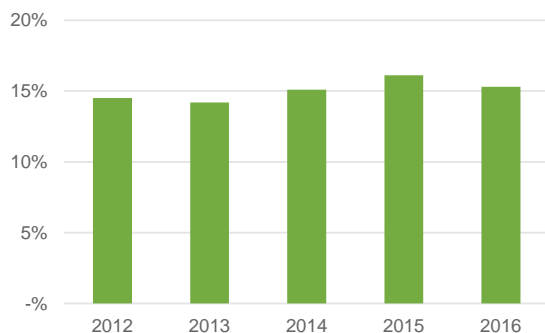
¹ Profit before interest after tax as a percentage of average receivables

² Profit after tax as a percentage of average equity (average equity is stated after deducting the pension asset, fair value of derivatives and the proposed final dividend)

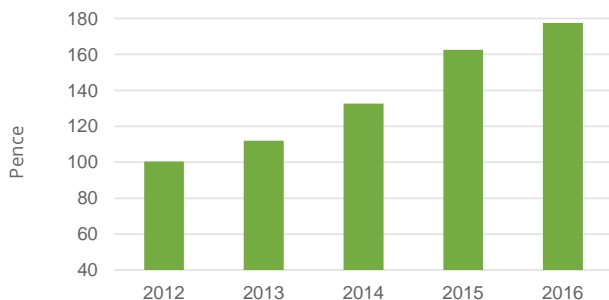
Our performance

Strong financial performance and shareholder returns

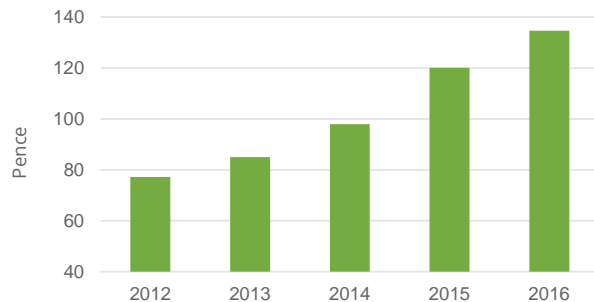
ROA¹



Earnings per share



Dividends per share



- > PFG has generated strong, profitable growth since demerger and through the credit crisis:
 - 5 year EPS CAGR = 14.7%
 - 2016 ROA¹ = 15.3%
- > We have adopted a progressive dividend policy based on distributing up to 80% of post-tax earnings:
 - 5 year DPS CAGR = 14.3%
- > We have delivered a 5 year TSR of 35% per annum
- > We have maintained our gearing level below the maximum target level of 3.5 times:
 - Current gearing of 2.2 times
 - Group is fully funded until October 2019
- > We generate sufficient capital to support planned growth and business development without compromising our progressive dividend policy

¹ Profit before interest after tax as a percentage of average receivables

Developing and growing our management talent

We have invested significantly in management since the last Capital Markets Day in 2015

VANQUIS
BANK



Chris Sweeney - MD



Keith Coulter - Cards



James Webster - Loans



Oliver White - FD
(starts 1 May)

moneybarn
credit you can trust



Shamus Hodgson - MD

*Internal promotion to replace
Peter Minter who has moved to Chairman*

High calibre recruits,
bringing strong financial
services expertise and
digital skills to
complement the existing
management team

Biographies are set out in the Appendix

PFG | Provident
Financial Group



John Straw - NED



David Sear - NED

Significant digital expertise

Satsuma™
loans.co.uk



Luke Enock - Online

Provident
EST. 1880
The loan that comes to you



Jonathan Vardon - IT

Developing our digital proposition

Strong focus on developing our digital proposition and how our businesses work together

- > The products and services we provide need to remain relevant in today's modern world where more and more customers wish to transact online and through their mobile phones
- > We have made good progress in developing our digital capability in 2016 and we will continue to focus on this area in 2017 and beyond:
 - Successful deployment of hand-held technology in home credit
 - Development of mobile apps in Vanquis Bank and Satsuma
 - Enhanced websites throughout the group
 - eSign and eID deployed in Moneybarn
 - Launching routing software and voice recording in home credit
 - Development of a group-wide customer prospects database (Provident Knowledge Universe)
 - Recent recruitment of two NEDs with significant digital expertise
- > Enhancing our digital capability means our businesses can work more effectively together, we are better placed to evidence regulatory compliance and we can serve and retain our customers better
- > We aim to be the leading digital non-standard lender in the UK

What you will hear today....



Vanquis Bank – Expanding the credit card and product proposition

Vanquis Bank today....

- > Leading provider of non-standard credit cards
- > Booked c.400,000 new customers per annum over recent years in an unchanged competitive environment
- > Highly scalable origination, underwriting and collections platform developed over 15 years
- > Performed robustly in the downturn and credit standards have not changed since 2009
- > Funded by a mixture of retail deposits and intercompany loan
- > Significant growth opportunities at target returns

Future developments....

- > A number of initiatives are in place to expand credit card distribution and materially increase new account bookings
- > Chrome branded card has been launched to address the nearer prime segment of non-standard market capable of delivering target returns
- > Good pipeline of opportunities to partner with other lenders, brokers and providers of retail finance
- > Testing of instalment loans proposition to credit card customers commenced with open market operations and guarantor loans to be piloted later in 2017
- > Capacity to increase retail deposits funding
- > Financial leverage results in new initiatives generating an ROA¹ > 10% or more delivering our target ROE² of 30%, which is highly value accretive and provides strong capital generation for distribution

¹ Profit before interest after tax as a percentage of average receivables

² Profit after tax as a percentage of average equity (average equity is stated after deducting the pension asset, fair value of derivatives and the proposed final dividend)

What you will hear today....

Home credit – Migration to a more efficient and effective operating model



Home credit today....

- > Market leader in a mature market with a core of c.2m consumers
- > Successful repositioning of the business since 2013 as a smaller, better quality business focused on returns:
 - Deployment of hand held technology
 - Reduction in agents from over 10,000 to c.4,500 from focus on agents who can devote more time to their agency
 - Reduction in employed headcount by over 1,000
 - Profits and now receivables growth
- > Robust performance through the cycle:
 - Credit quality has significantly improved since inflationary pressures experienced between 2010 and 2012
- > Self-employed model for agents has served the business well for many years

Future developments....

- > Migration to a more efficient and effective field organisation structure during 2017 supported by deployment of further technology:
 - Move from self-employed agents to employed Customer Experience Managers
 - Model is customer centric rather than agent focused
 - Deployment of route planning and voice recording technology
 - Significantly enhances control and regulatory compliance

What you will hear today.....



Satsuma – Well placed to deliver growth as a fully digital lender

Satsuma today.....

- > Highly recognised brand in online instalment loans
- > Focus has been on small-sum, short duration lending
- > Development of data and analytics skills under new leadership
- > Underwriting and credit standards now well developed
- > Cost effective distribution channels such as SEO and brokers have driven down the cost per account booked
- > Investment in IT platform to enhance the customer journey, including customer account login
- > Flow of further lending to established customers developing well
- > Step-up in volumes since Q4, 2016

Future developments....

- > Strong focus on developing digital capability in 2017, including launch of leading edge mobile app
- > Plans to expand the product proposition into larger sum, longer term lending and revolving credit products
- > Business expected to generate a small profit in 2017
- > Evidence that market consolidation has now begun

What you will hear today....



Moneybarn – Continued strong growth from developing the product proposition and distribution

Moneybarn today.....






- > Market leader in non-standard car finance
- > Strong broker introduced business
- > Access to group's funding lines following acquisition
- > Extended product proposition to lend up to retail value and reduced the minimum lend to £4,000 has reinforced primacy
- > Receivables more than doubled since acquisition in August 2014
- > Robust margins as a result of low default rates and security from the vehicle
- > Invested in headcount and platform to support growth and regulatory standards

Future developments....

- > Strong growth potential from increasing share of the underserved non-standard car finance market
- > Further development of light commercial vehicles proposition
- > Expansion into other asset classes
- > Development of the B2C proposition through enhancing digital capability and leveraging group-wide expertise

Our businesses

High return businesses with attractive growth potential

Business	2016 PBT ¹	2016 ROA ²	Products	Growth opportunity
	£205m	13.8%	Non-standard revolving credit cards (APRs 39.9%-59.9%)	<ul style="list-style-type: none"> ↑ Nearer prime revolving credit cards (APRs 24.7%-34.9%) ↑ Unsecured loans to credit card customers (£1k-£5k over 1-5 years, APRs 29.9%-49.9%) ↑ Open market unsecured and guarantor loans
 The loan that comes to you 	£115m	22.3%	Loans issued and collected in the home (£100-£2.5k, APRs 299%-535%) Online, small sum, short term unsecured loans (£100-£1k over 3-12 months, representative APR of 991%)	<ul style="list-style-type: none"> ↑ Move to a more efficient and effective operating model ↑ Longer, larger loans >£1k and over 12 months (APRs 49.9%-99.9%) ↑ Revolving credit lines (APRs 49.9%-99.9%)
	£31m	13.1%	Car and van finance (£4k-£25k, APRs 20%-50%)	<ul style="list-style-type: none"> ↑ Increase share of underserved non-standard vehicle finance market ↑ Expansion into other asset classes ↑ B2C opportunity
	£334m	15.3%		

¹ Prior to exceptional items

² Profit before interest after tax as a percentage of average receivables

Vanquis Bank

Chris Sweeney – Managing Director

Keith Coulter – Director of Cards

James Webster – Director of Loans

Jim Appleby – Operations Director

Overview and strategy

Chris Sweeney – Managing Director

Today's agenda



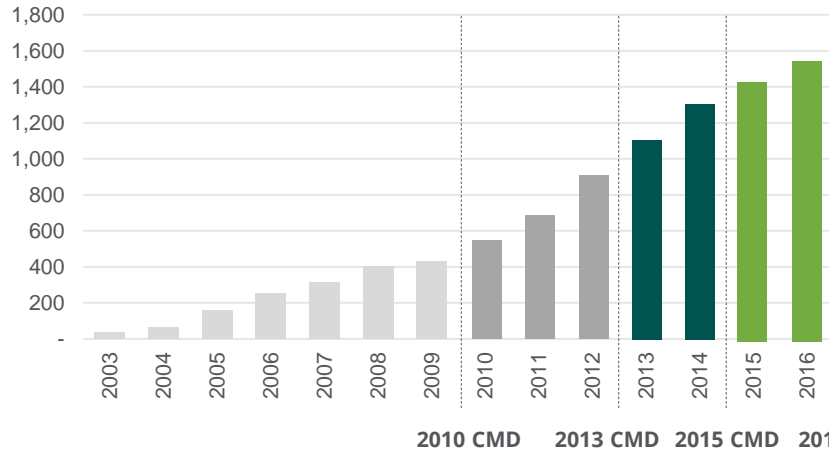
- > Overview and strategy Chris Sweeney
- > Credit cards Keith Coulter
- > Loans James Webster
- > Collections, digital and Fresh Start Jim Appleby
- > Concluding remarks Chris Sweeney



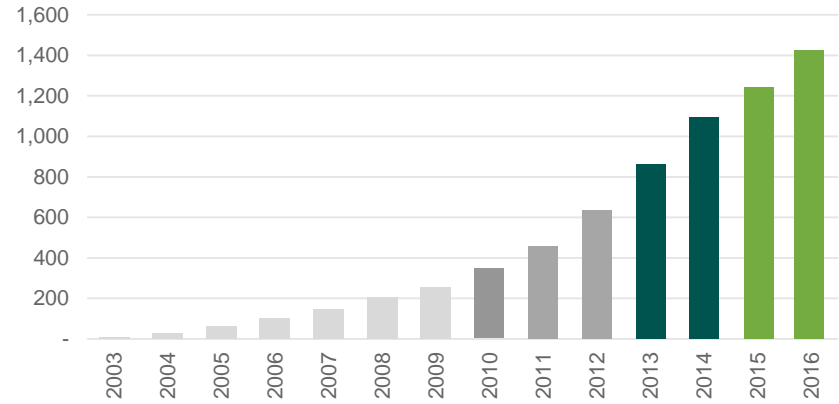
Our performance

Strong growth, high returns

Customers ('000)

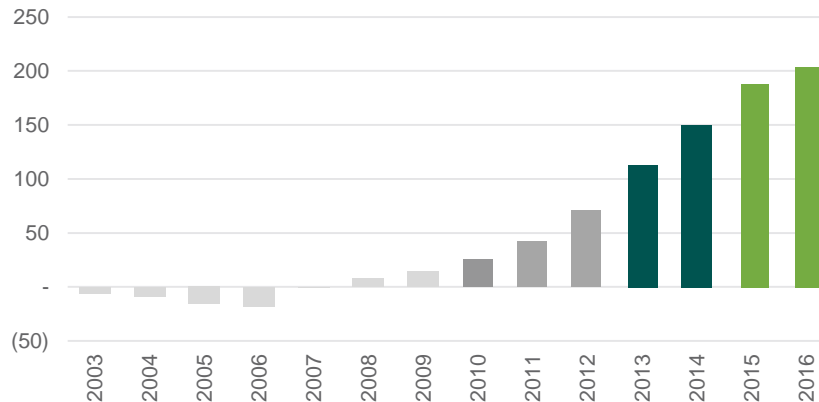


Receivables (£m)



2010 CMD 2013 CMD 2015 CMD 2017 CMD

Profit before tax and exceptional items (£m)



Our model

Proven expertise in our chosen market



A unique combination of:

- > Specialist in our chosen sector, remaining true to the under-served
- > Low and grow
- > Good core product set
- > Bespoke underwriting with 15 years of data and experience
- > High touch customer contact model
- > World class collections capability (now servicing the group)
- > MI and analytics a core competency



Our customers

Offering financial inclusion to underserved non-standard credit card customers by providing key services to those who may otherwise be financially excluded

A greater proportion of Vanquis Bank customers are:

- Living in rented accommodation
- In full or part-time employment
- Single, living as married, separated or divorced
- Regular social media users

At the time of acquisition

- 56% had no other card in their wallet
- For 43% it was their first card
- 14% were re-entering the market
- Based their choice of provider on being accepted, needing to build their credit rating or having a need for credit

	Vanquis Bank	Prime
Average credit line	£1,600	£5,000
Behaviour	Revolver	Transactor
Utilisation	67%	32%

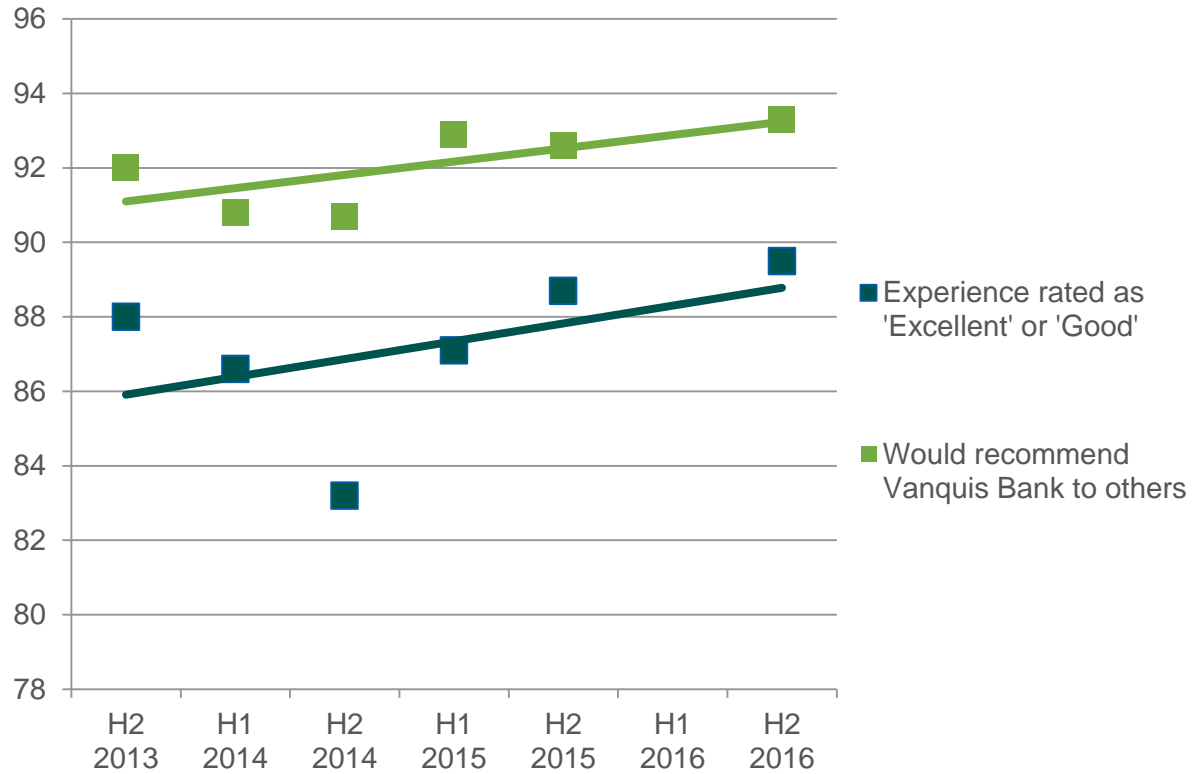
In the last 12 months, a Vanquis Bank customer is more likely to have:

- Had another child
- Got divorced/separated
- Changed jobs
- Moved house
- Bought a second hand car

Customer satisfaction

High levels of customer advocacy

Customer feedback recent trends



Source: Customer surveys

Strategy review – Logical expansion

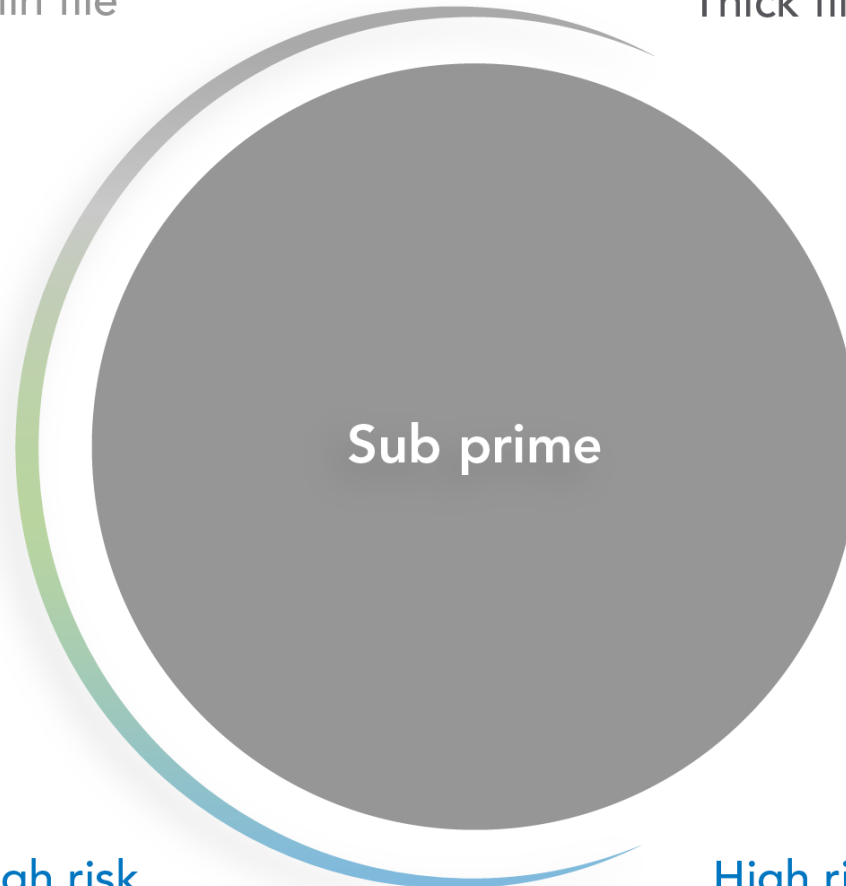
A traditional view of our market



A common misconception sees a homogenous and static market

Low risk
Thin file

Low risk
Thick file



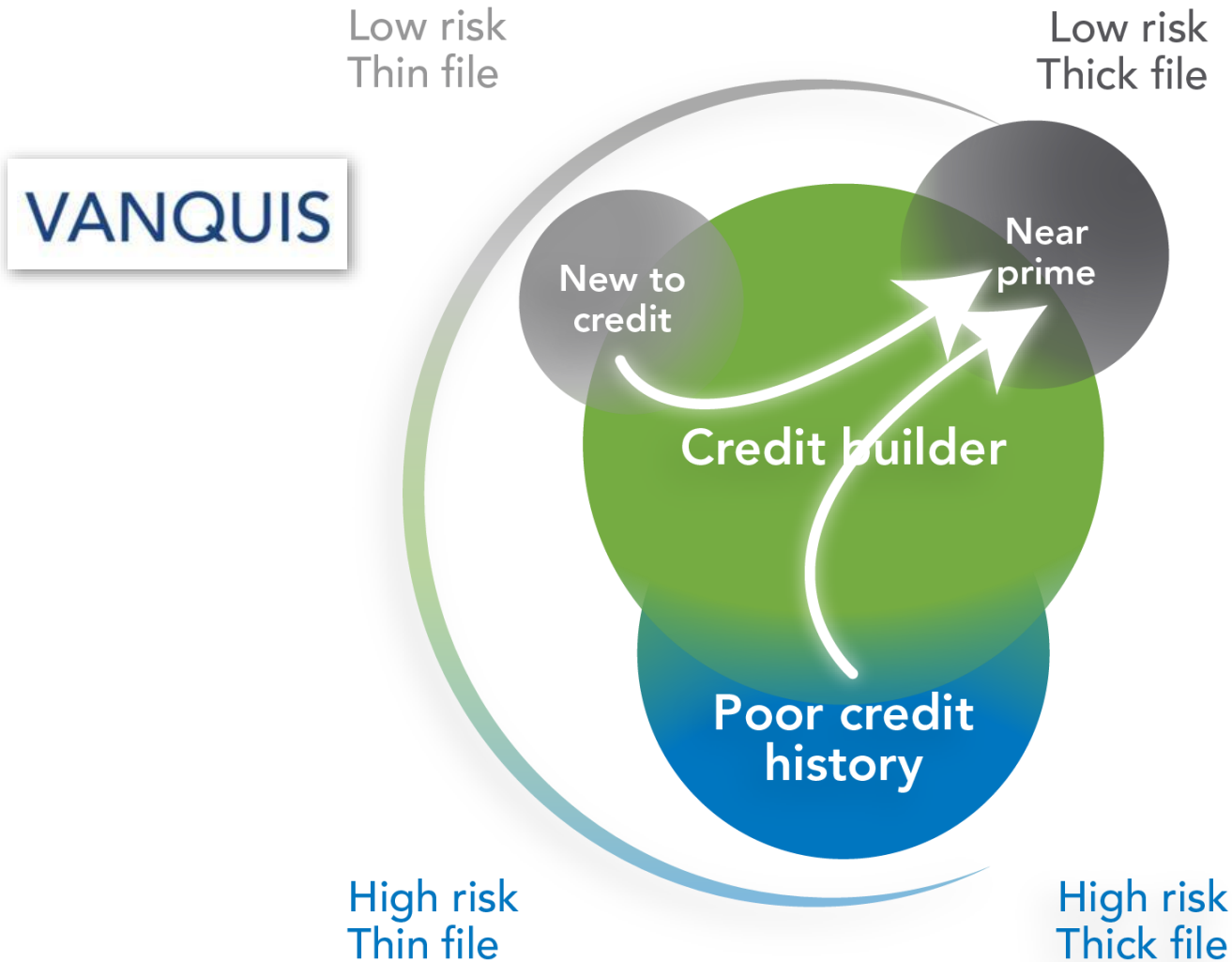
High risk
Thin file

High risk
Thick file

Our evolving market



A diverse and dynamic landscape ideal for an agile business that listens to customers and can support each individual on their journey



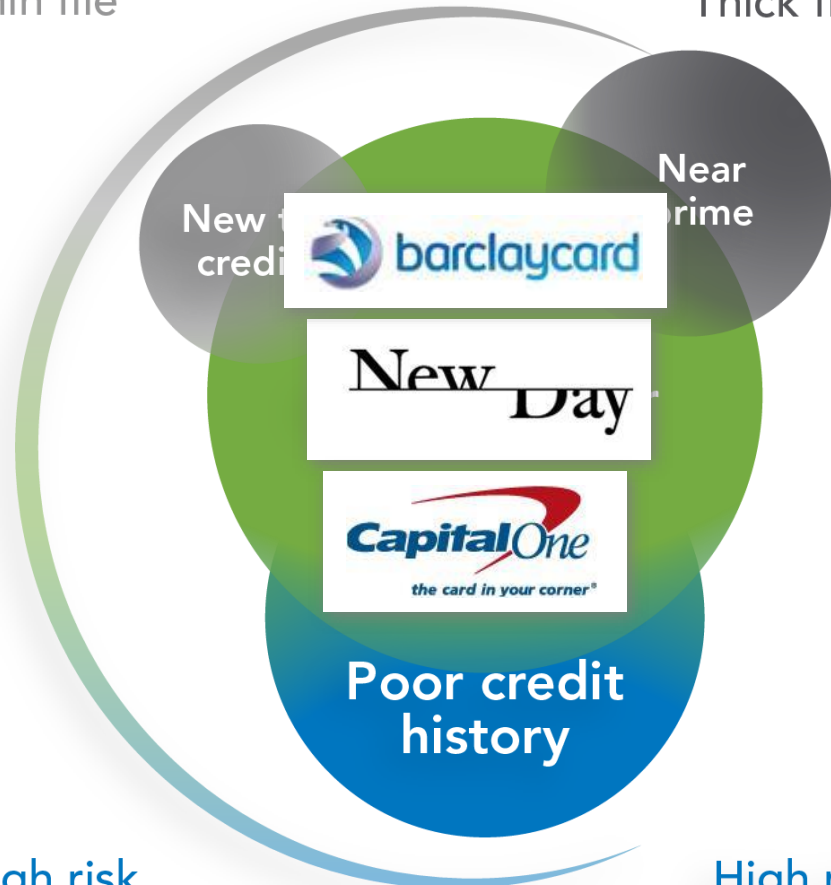
Competitor environment



Three main competitors continue to operate in the under-served market

Low risk
Thin file

Low risk
Thick file



New credit



Near prime



Poor credit history

High risk
Thin file

High risk
Thick file

Competitor environment



Our competitors are concentrated in one sector of our market

Low risk
Thin file

Low risk
Thick file



High risk
Thin file

High risk
Thick file

Competitor environment



Positioning our cards to meet a broader spectrum of customer needs



Chrome card

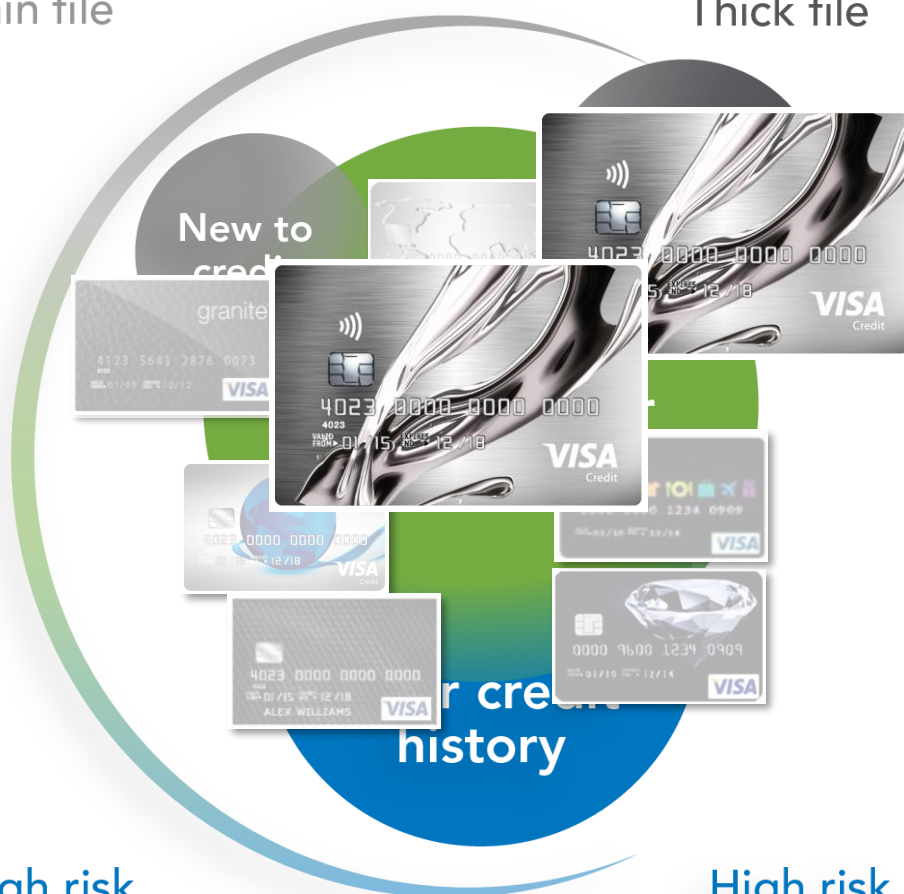
Our products are evolving as our customers' needs change



VANQUIS

Low risk
Thin file

Low risk
Thick file



High risk
Thin file

High risk
Thick file

Customer diversity

Opportunities to reach new and existing customers with higher quality and more appropriate products

> Listening to customers' evolving needs:

- Deeper personalisation
- Credit score building
- Managing major life events
- Confidence of credit application acceptance

> Payday interventions:

- Creating a gap in the market – 600k customers no longer able to access credit
- Similar potential impacts for:
 - Rent-to-own?
 - Logbook loans?
 - Unauthorised overdrafts?

> Supply shrinking but demand will persist



External environment

A complex environment that offers opportunities and distinct advantages to a specialist lender like Vanquis Bank

- > Economic uncertainty of Brexit
- > Competitors continue to develop their products and distribution
- > Digital innovation
- > New business models
- > Payment Services Directive 2 (PSD2)
- > Premium value added through rich data and detailed analytics
- > Detailed understanding of a customer's needs is essential
- > Ideal for an agile business with modern technology



Strategy review

VANQUIS
BANK

Creating a compelling plan to ensure continued sustainable growth

- > A strong core model and a well-established franchise
- > Confirmation of business model
- > More than just about driving customer volume
- > Maturing of the book offers greater Existing Customer Management (ECM) potential
- > Opportunities to adapt at the edges through incremental improvements that deliver material gains:
 - Diversification of product
 - Diversification of distribution
 - Share of customer wallet through Existing Customer Management
 - Development of digital capability

Strategy review

New management team



Chris Sweeney

Managing Director



Keith Coulter

Director of Cards



James Webster

Director of Loans



James Appleby

Operations Director



Gina Esposito

Legal & Compliance Director



Louise Musgrove

Human Resources Director



Chris Daniels

Chief Risk Officer



Oliver White

Finance Director

Starting 1 May

Strategy review

Investing for growth

VANQUIS
BANK**Priorities:**

- > Building people capability
- > Continued investment in second line oversight of risk and compliance
- > Customer Analytics and Value Management (CAVM) – expanding our analytics power
- > Provident Knowledge Universe (PKU) – optimising groupwide data
- > Investing in our brand – direct response TV advertising
- > Developing current and future prospective partnerships
- > Re-engineering our face-to-face acquisition channel
- > Building and expanding our loans proposition including investment in our lending platform
- > Digital journey – optimising service and customer experience

Vanquis Bank



A logical expansion based on seven pillars



Distribution



**Product
diversification**



**Decision
analytics**



**Customer
wallet share**



Loans



**Operational
excellence**



Digital journey

Credit cards

Keith Coulter – Director of Cards



Distribution



Product
diversification



Decision
analytics

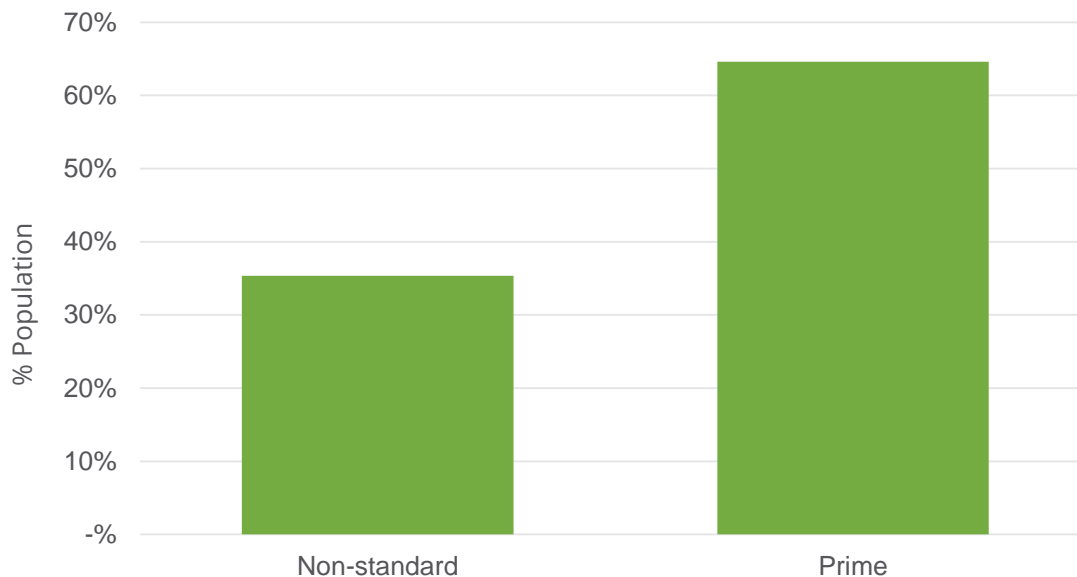


Customer
wallet
share

Analysis of the non-standard credit market

Sizing the non-standard credit market

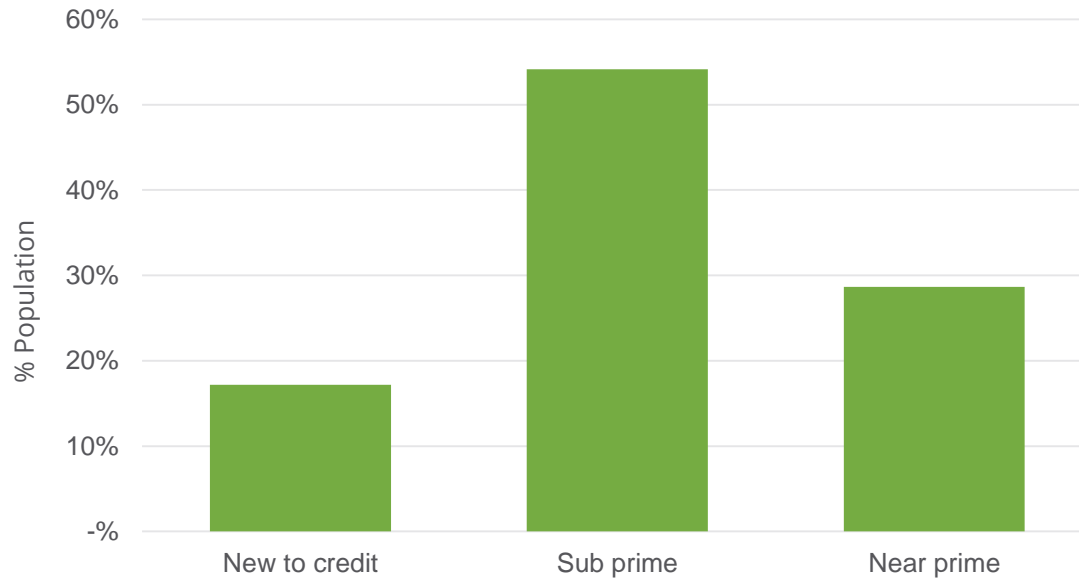
Over one third of the UK population is made up of individuals with a non-standard credit profile



Measure	Non-standard	Prime
Number of active credit cards	13.8m	32.1m
Number of cards opened In last 12 months	2.0m	2.9m
Number of major card Issuers	4	15-20
Return on assets	>10%	2-5%

Sizing the non-standard credit market

The non-standard credit market population can be segmented in to 3 distinct categories based on product holdings and performance



New to credit

Credit record of less than 12 months and few accounts

Sub prime

One or more occurrence of severe historic delinquency (bankruptcy, County Court Judgement, 3 or more missed payments)

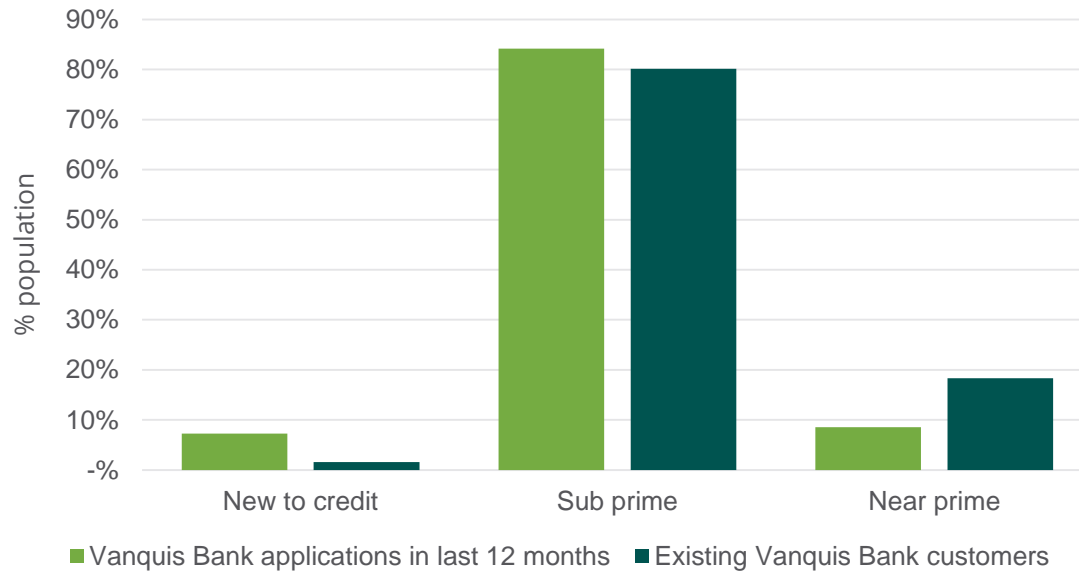
Near prime

One or more accounts with minor historic delinquency (1 or 2 missed payments)



Penetration of the non-standard credit market

The vast majority of Vanquis Bank applications and customers are sub prime although there has been a migration to near prime observed over time

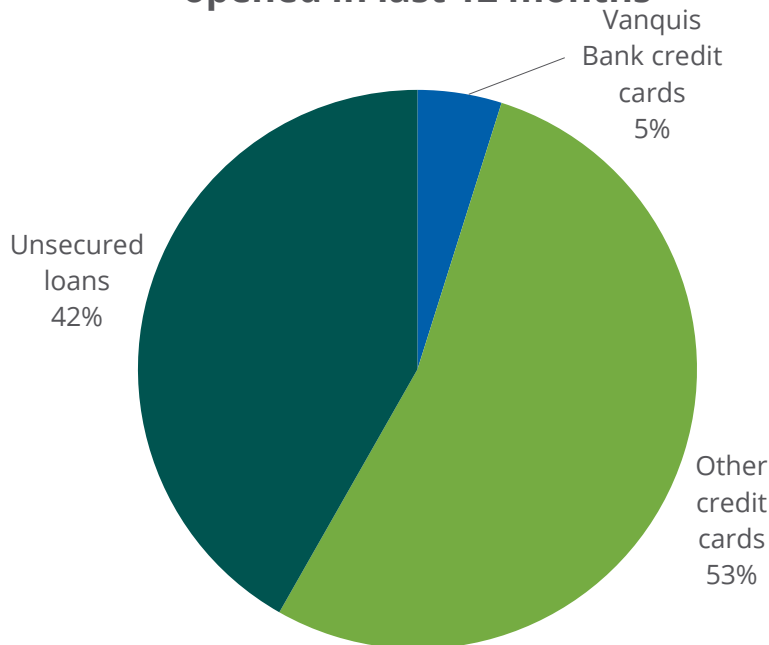




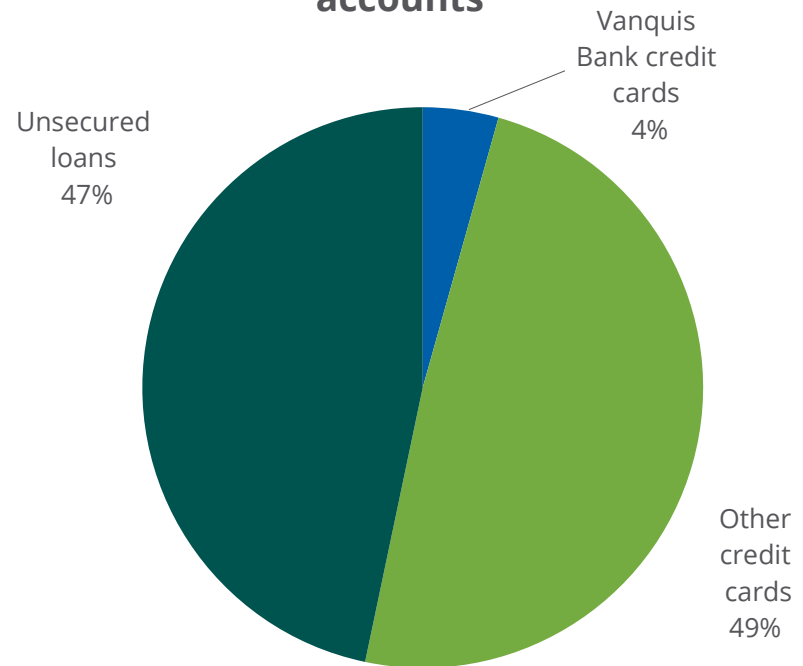
Segment market share: New to credit

Vanquis Bank has a proven track record in underwriting new to credit customers and there is a substantial opportunity within this sector

Market share of new accounts opened in last 12 months



Market share of total open accounts



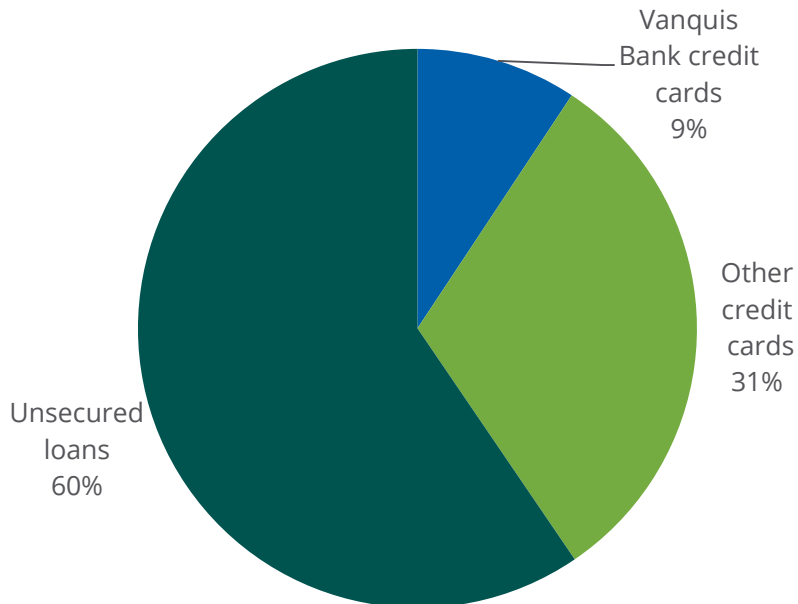
Source: Credit Reference Agency – September 2016



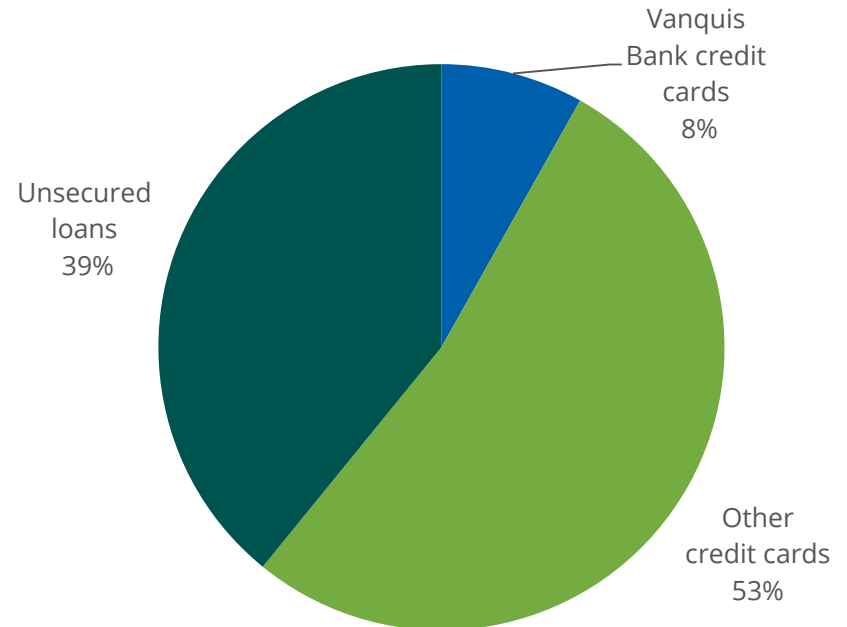
Segment market share: Sub prime

The opportunity for growth in new bookings and existing customers is significant within Vanquis Bank's traditional sector

Market share of new accounts opened in last 12 months



Market share of total open accounts

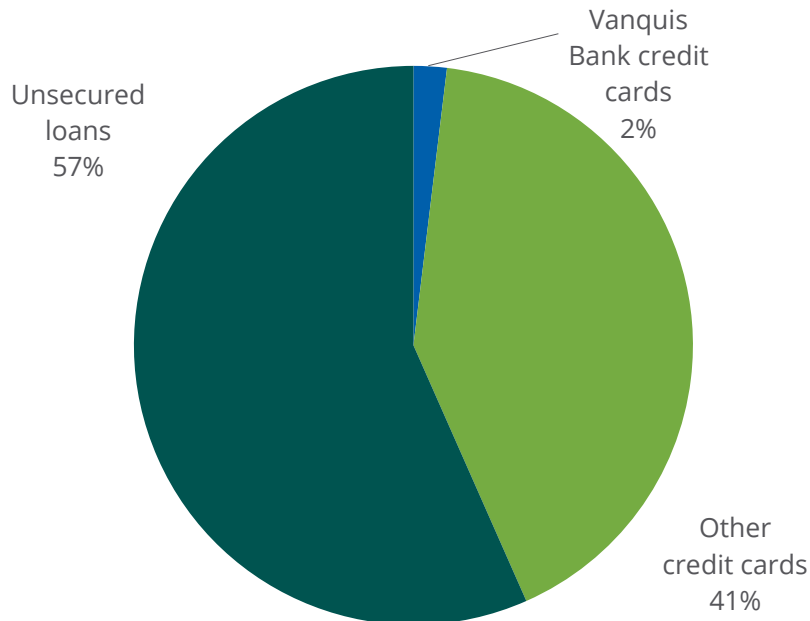


Source: Credit Reference Agency – September 2016

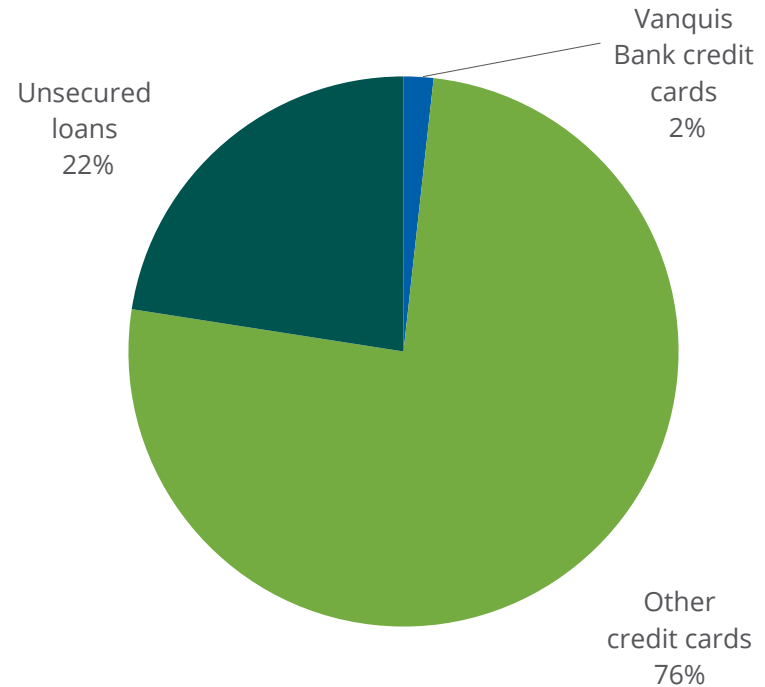
Segment market share: Near prime

With c.10m open accounts and over £20bn in unsecured lending the opportunity for Vanquis Bank in the near prime sector is immense

Market share of new accounts opened in last 12 months



Market share of total open accounts



Growth strategy

Growth strategy



We have established four pillars to our growth strategy



Distribution



Product
diversification



Decision
analytics



Customer
wallet
share

Distribution



Delivering a first class digital customer journey

A constantly enhanced and optimised digital customer experience



Home Insurance | Savings | Cookies & Privacy | Contact Us | Pay My Card | eVanquis

VANQUIS BANK

About Vanquis | Credit Cards | My Vanquis | Credit Advice | **Check Your Eligibility**

Check your eligibility for a Vanquis Card today!

- Use our eligibility check with absolutely no risk to your credit file.
- Online account servicing and email alerts.
- Check your eligibility using our new shorter form.
- Manageable starting Credit Limit of between £150 and £1,000*.

Representative **39.9% APR** (variable)

[Check Your Eligibility](#) [More Info](#)



Try our **NEW** eligibility checker

We've already accepted over **3,000,000** people! We could accept you too!


Received a Vanquis access code in the post? [Submit Code](#)

Acquire the power of Vanquis today with Express Check!

- Use our eligibility check with absolutely no risk to your credit file.
- Online account servicing and email alerts.
- Check your eligibility using our new shorter form.
- Manageable starting Credit Limit of between £150 and £1,000*.

Representative **39.9% APR** (variable)

[Check Your Eligibility](#) [More Info](#)




VANQUIS BANK

ACQUIRE THE POWER OF VANQUIS CLASSIC

REPRESENTATIVE **39.9% APR** (VARIABLE)

Start building your credit today with the Vanquis Classic Credit Card

[CHECK ELIGIBILITY](#) [LEARN MORE](#)

SCROLL DOWN TO LEARN MORE

Received an offer in the post? [SUBMIT](#)

- > Twice the number of credit card applications start with a quotation enquiry rather than a full credit search
- > We have developed a bespoke eligibility service to provide customers with a risk-free enquiry journey
- > Uplifts of up to 30% have been experienced in customer resonance with the new solution

Expanding our online marketing reach

Being at the right place at the right time for our customers in 2017



Social media channels like Facebook and Twitter driving twice as many customers in 2017 than 2016



Price comparison sites driving three times as many customers in 2017 than 2016

Trusted digital partners



Credit Cards smart search

Bespoke customer proposition



Build your credit
Chrome Credit Card 29.3% APR

Representative APR (variable) **29.3%**

Apply now & save

<p>Chrome Credit Card 24.7%</p>	N/A	N/A	<p>Representative</p> <p>24.7% APR</p> <p>(variable)</p>	<p>£0.0</p>
<p>What you get</p> <ul style="list-style-type: none"> Start with a manageable credit limit of £250 up to £1,000 You could build your Credit Limit up to £4,000 over time <p>Keep in mind</p> <ul style="list-style-type: none"> The APR is dependent on your personal circumstances You cannot apply if you already hold a credit card that is issued by Vanquis Bank <p>Representative example: Representative 24.7% (variable), based on a spend of £1,000 at a 24.7% p.a. (variable) interest rate. Experian is a credit broker and not a lender.</p>				

Representative Example:
 Representative Example: Representative 29.3% APR (variable) based on assumed borrowing of £1000. Rate of interest 29.3% (variable annual). Postal address: Vanquis Card Customer Service, P.O. Box 399, Chatham, ME4 4HQ.

View all offers

Direct mail specialism still relevant in a digital world

Multi channel marketing, targeting and attribution ensure Vanquis Bank effectively communicate with customers

Offline postal invite

Customer completes journey online

VANQUIS | VISA

GET A RESPONSE IN 60 SECONDS

CONGRATULATIONS Title (2) Surname (5)

You've been **Pre-Selected** to Apply for the Vanquis Bank Visa Card where managing your account couldn't be easier with our App and Online Account Management. Reply online using your access code **JWidMar17** and you could be approved today.

We've already helped over 3 Million* people in the UK get the credit they deserve, we could help you too!

- You'll start with a **manageable** Credit Limit of up to **£1,000**.
- You could build your **Credit Limit up to £4,000** over time**.
- Control of your account with **24/7 Online access**.

This card is a great way to build or rebuild your credit when you use your card sensibly and make your payments on time. Not doing so could harm your credit rating and make obtaining credit more difficult**.

Please reply now at www.vanquis.co.uk/access, enter your personal code **JWidMar17** and you could be approved today.

We look forward to welcoming you to Vanquis Bank very soon.

Yours sincerely,
Catharine Lewis,
Customer Service, Vanquis Bank.

APPLY NOW! 60 SECOND RESPONSE

GO TO
vanquis.co.uk/access
and enter your access code **JWidMar17**

YOU COULD BE APPROVED TODAY

Representative **39.9% APR** (variable)

* Credit Cases are not suitable for those with bankruptcy or defaults, and those with late payments could have severe consequences and make obtaining credit more difficult.



VANQUIS BANK

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About Vanquis | Credit Cards | My Vanquis | Credit Advice | [Check Your Eligibility](#)

Check your eligibility for a Vanquis Card today!

- Use our eligibility check with absolutely no risk to your credit file.
- Online account servicing and email alerts
- Check your eligibility using our new shorter form.
- Manageable starting Credit Limit of between £150 and £1,000*

Representative **39.9% APR** (variable)

[Check Your Eligibility](#) [More Info](#)

We've already accepted over **3 000 000** people! We could accept you too!

Received a Vanquis access code in the post? [Submit Code](#)

CREDIT BUILDING WITH THE VANQUIS VISA CREDIT CARD

To build your credit rating and be considered for credit limit increases, use your card sensibly, stay within your credit limit and pay your monthly minimum payment on time. Not doing so could harm your credit rating and make obtaining credit more difficult.

[Find out more](#)

Reviews & Testimonials From Our Customers

As of December 2015 we have accepted over 3 million people* in the UK! Everything that we do at Vanquis revolves around our customers, you can read some of our happy customers' experiences here...

[Find out more](#)

Getting the Right Credit Card For You

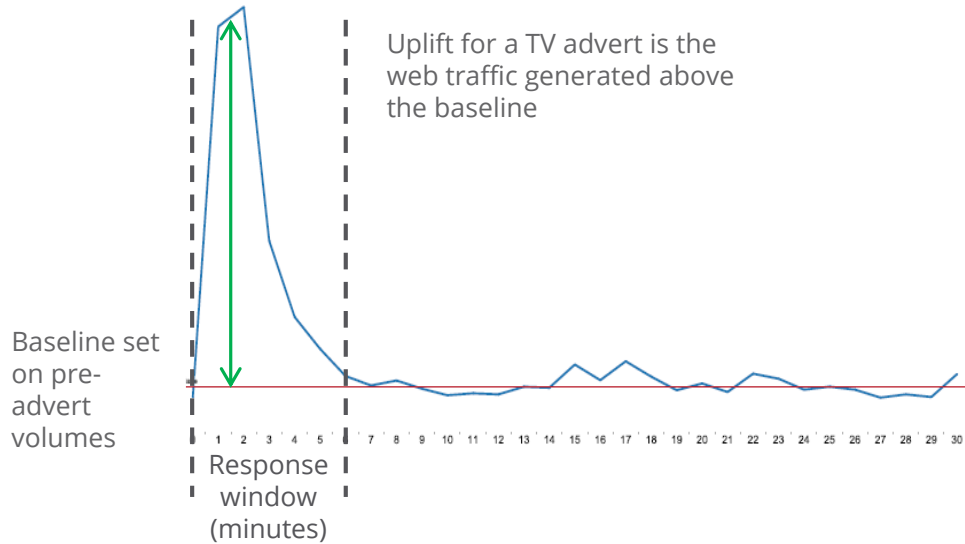
Whatever your financial situation, at Vanquis we'll carefully consider all your circumstances to determine the credit you need and can afford. Take a look at these credit profile examples to see which seems the most like you.

[Find out more](#)

- > Online journey quicker for customer to complete application process
- > Significant uplift in customer response seen with bespoke journey

Analytical approach to optimise TV spend

TV advertising generates quantifiable new customers and enhances our direct response marketing



- > Direct response is measured across TV channel, day of the week and spend
- > Defined cost per account calculated and optimised
- > Recognition and brand association metrics are building with each campaign

Evolution of TV advert



Analytical approach to optimise TV spend



TV advertising generates quantifiable new customers and enhances our direct response marketing

Evolving our TV advertising: Phase one: Vanquis Bank's first TV advert - H1 2016



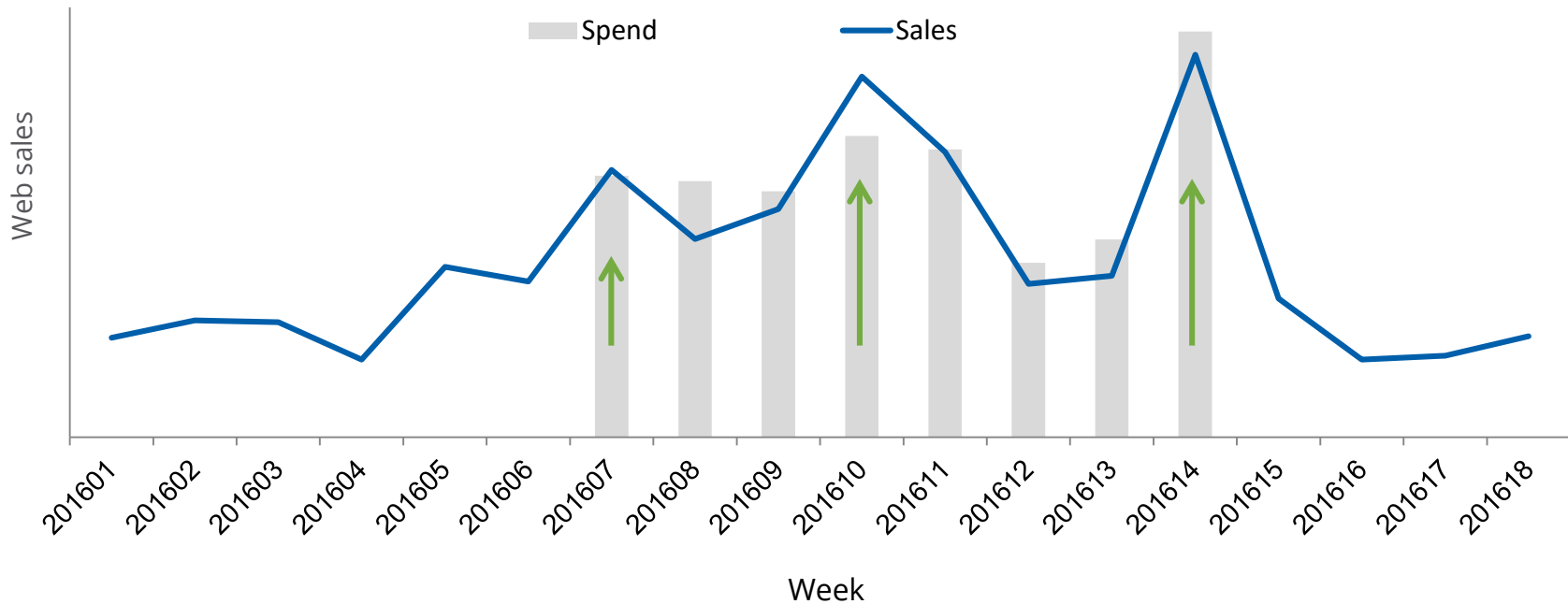
VIDEO

Analytical approach to optimise TV spend



TV advertising generates quantifiable new customers and enhances our direct response marketing

Evolving our TV advertising: Phase one: Vanquis Bank's first TV advert – H1 2016



- > Short-term sales impact quantified post-launch
- > Brand awareness tracking established via surveys of weighted samples representing UK population
- > Benchmark created for future campaigns

Analytical approach to optimise TV spend



TV advertising generates quantifiable new customers and enhances our direct response marketing

Evolving our TV advertising:

Phase two: Themed TV advertising – Q4 2016

Phase three: Continuing the theme – 2017

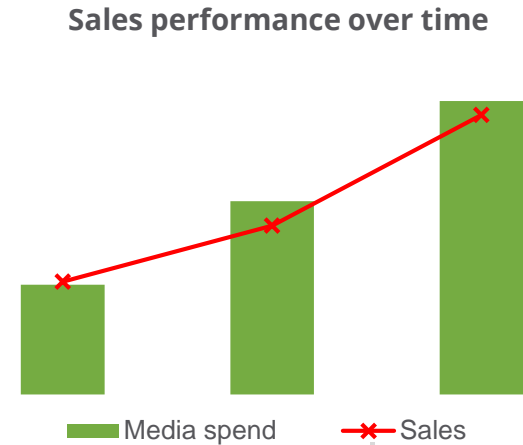
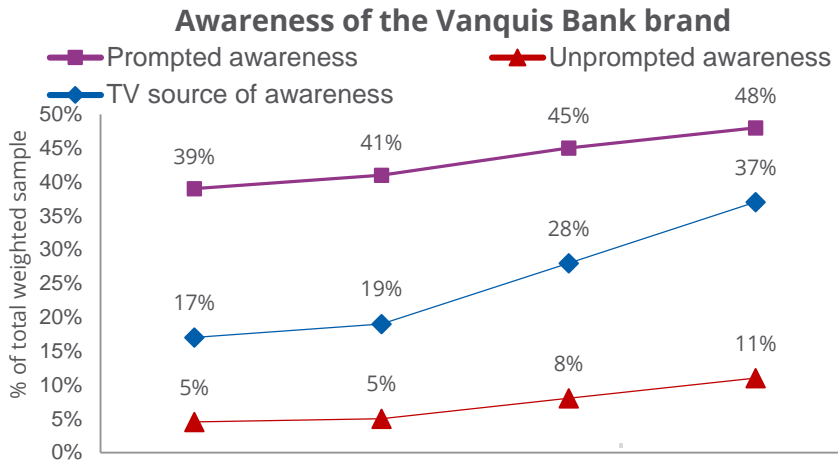


VIDEO

Analytical approach to optimise TV spend

TV advertising generates quantifiable new customers and enhances our direct response marketing

Evolving our TV advertising: Measurable improvement in awareness and new customers



Pre TV



Weighted sample to represent UK population



- > Continual improvement observed in performance; more budget allocated and sales grown further
- > Existing pool of data leveraged to optimise budget across station, time, region and frequency
- > Continual optimisation plan with A/B-like testing implemented through 2017

Partnerships



Step-changed distribution capability through collaboration with complementary organisations to access more of our target audience, when they require credit

1. Retail

- > Retailers as strategic distribution and proposition partners
- > Provide credit to consumers when they need it through well-proven models

2. Prime lenders

- > Banks and card issuers that don't have appetite or capability for the under-served audience
- > Existing customer base/flow can be offered a purpose-built proposition

3. Distribution partners

- > The growing world of FinTech – technology, distribution and proposition partners
- > Existing flow of under-served customers to tap into (and growing)

Enabled by Vanquis Bank's strength in credit decisioning and investment in customer-centric technologies



Re-engineering our face-to-face acquisition channel

Keys to success

- > A scalable, robust solution with enhanced controls at each stage to ensure the best experience for prospective customers



Face-to-face has been redeveloped for rapid growth

VANQUIS
BANK

Significant capability investment in an enhanced customer centric journey in pilot stage



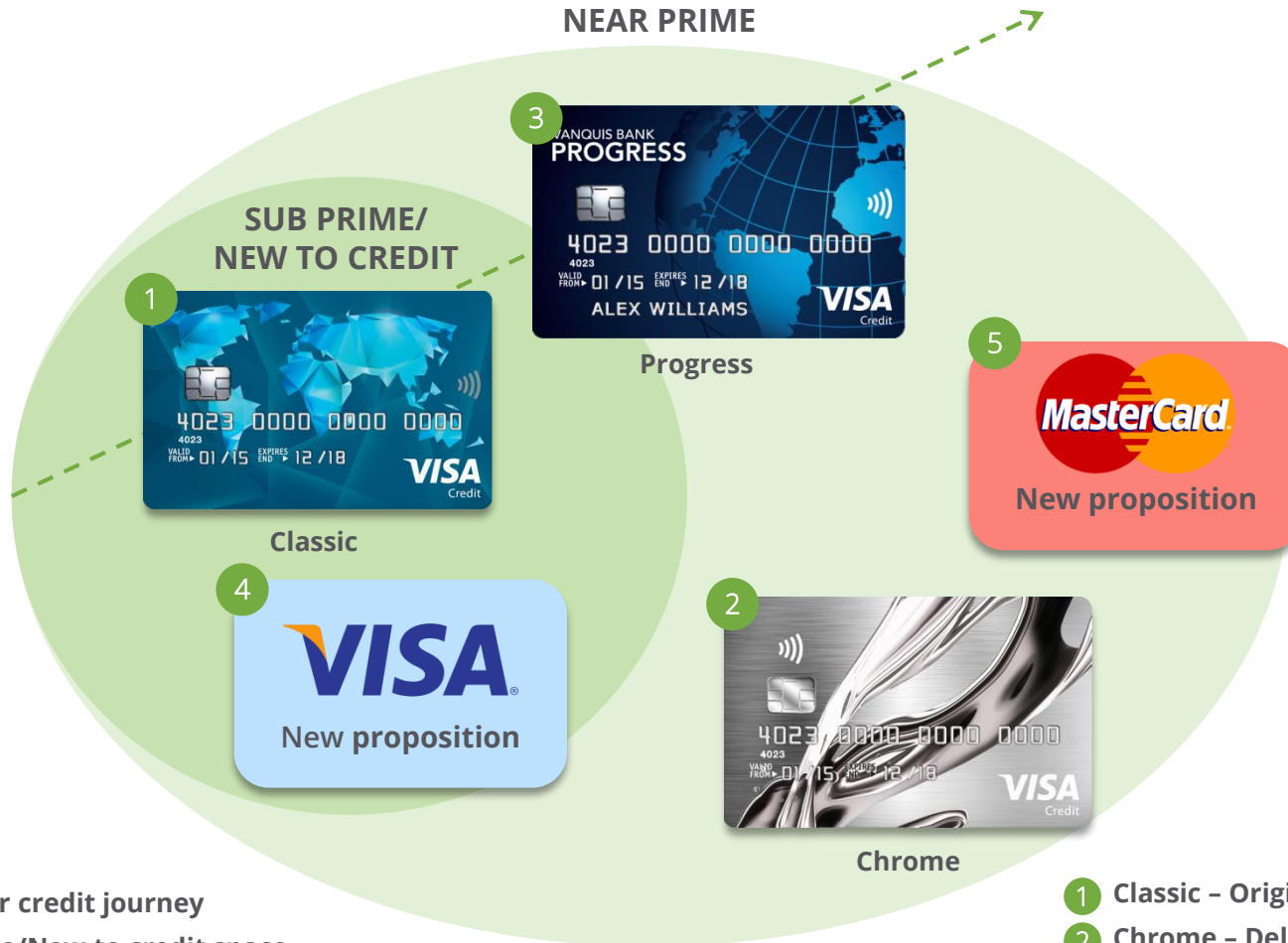
VIDEO

Product diversification



Becoming the provider of choice

Transforming Vanquis Bank into a provider of choice



- Customer credit journey
- Sub prime/New to credit space
- Near prime space

- 1 Classic – Original offering
- 2 Chrome – Delivered H2 2016
- 3 Progress – Launched April 2017
- 4 VISA – Launching H2 2017
- 5 MasterCard – Launching H2 2017

The Chrome credit card

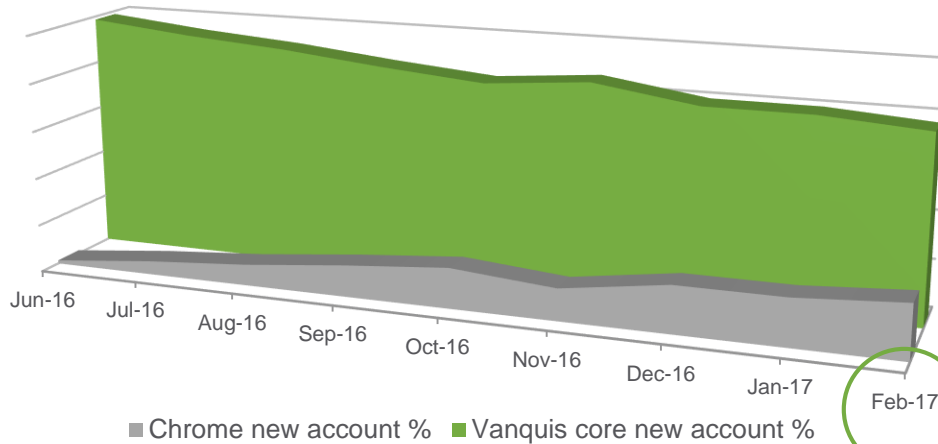
The Chrome credit card was the first step in widening our propositional offering, targeting the near prime space with a lower headline APR



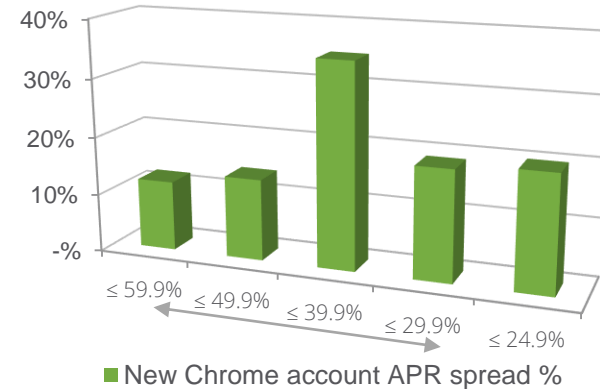
The Vanquis Bank Chrome credit card

- > Launched June 2016, headline APR 24.7% – 29.9%
- > Down-sells ranging up to 59.9%

Chrome accounting contribution to new customer growth....



...but still managing risk across our book with down-sells





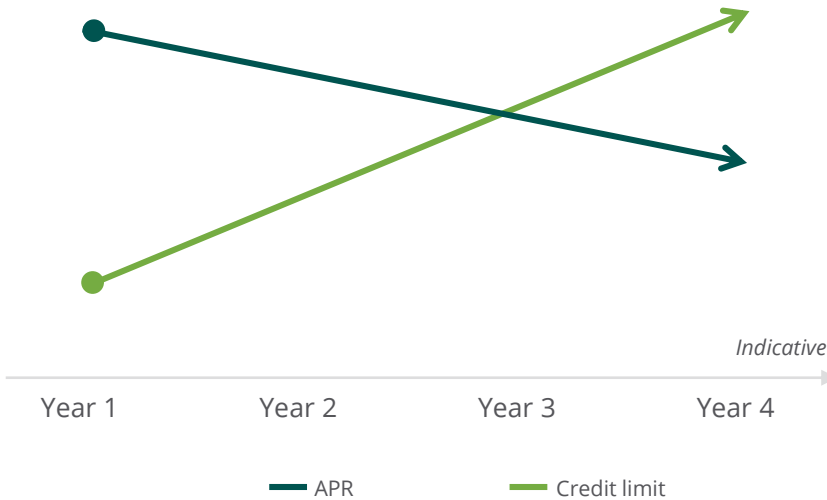
The Progress credit card

The second step in our product evolution, is the new Progress credit card which provides a path from sub prime to near prime



The Vanquis Bank Progress credit card

> As the customer manages their account well, their interest rate reduces and credit limit increases



Designed to...

- 1 Answer a core customer need in the non-standard space of achieving progression
- 2 Be transparent and upfront with the customer requirements to reduce their interest rate
- 3 Act as a bridge to the near prime space, helping prevent a customer's need or desire to switch

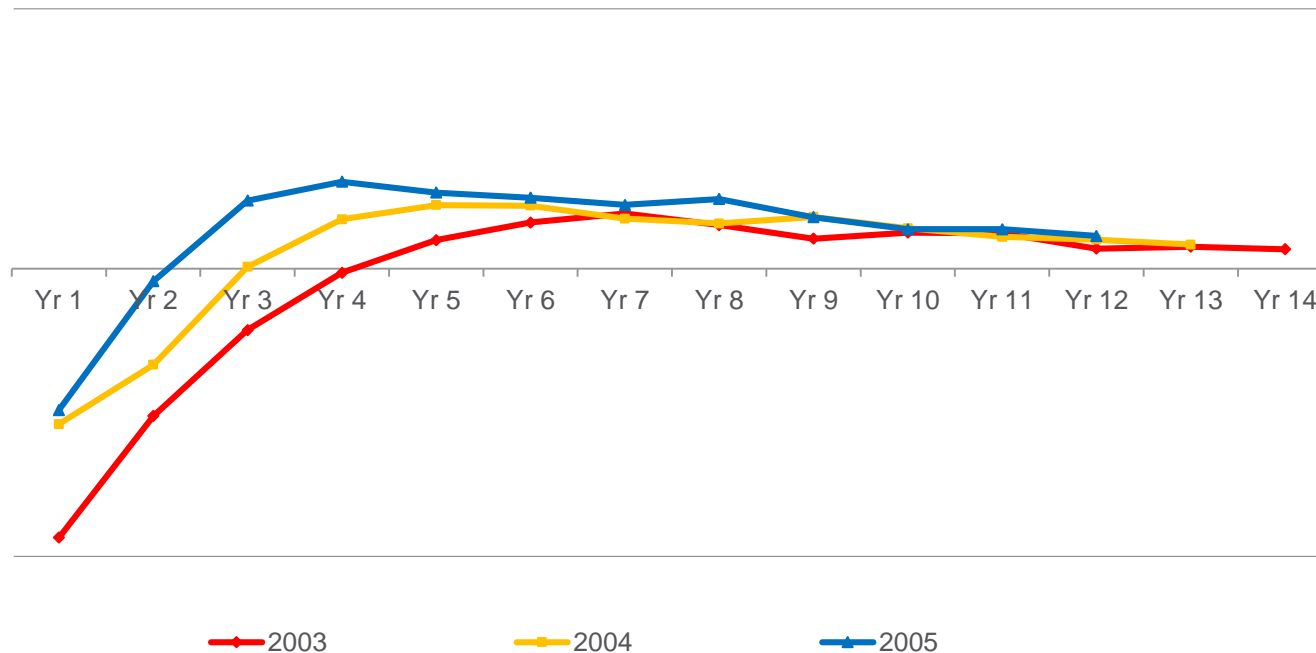
Decision analytics



Decision analytics drive improved results

New entrants face a fundamental barrier to entry - early vintages take a long time to move to profitability

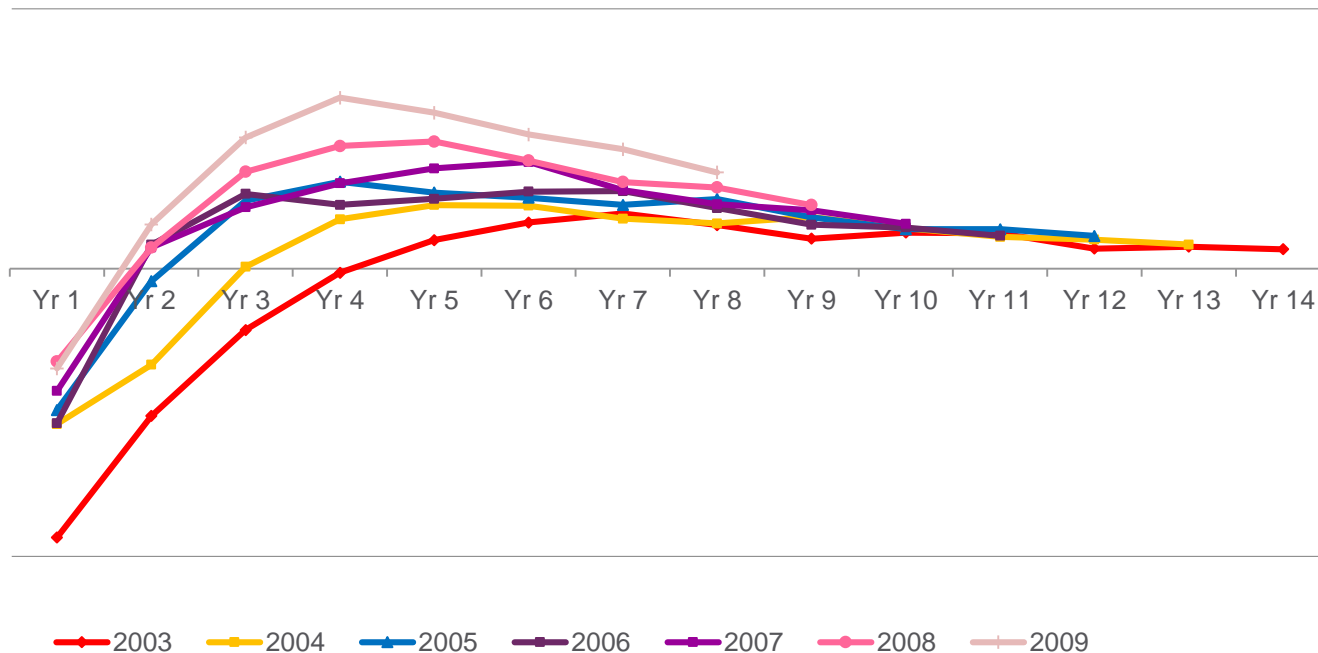
Profit per original booked account (£)



Decision analytics drive improved results

Vintages move to profitability more quickly as the business develops its learning and gains leverage

Profit per original booked account (£)

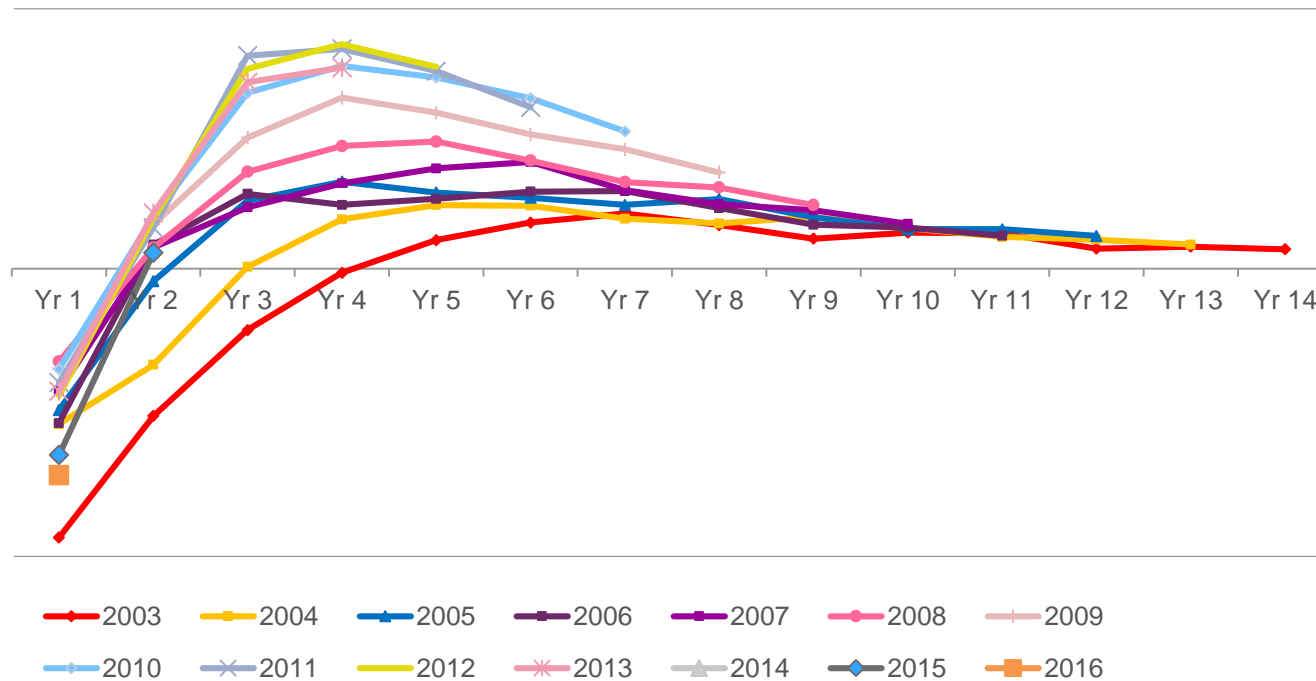


Decision analytics drive improved results



Newest vintages have higher initial cost but accelerate to profitability much faster

Profit per original booked account (£)

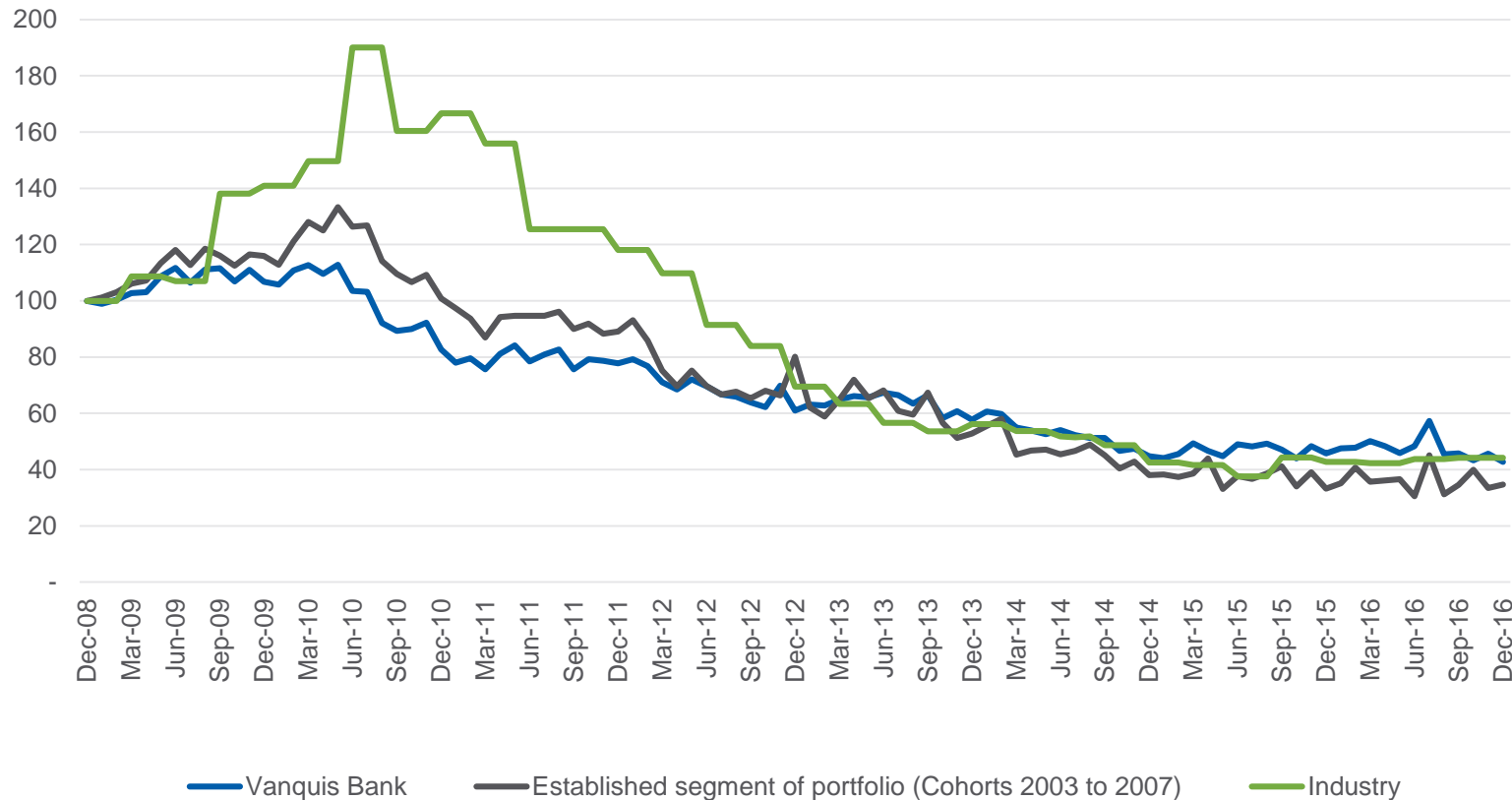




Decision analytics enable sustainable results

Robust performance through the downturn and less volatility for both established cohorts and the portfolio as a whole

Gross charge off % gross receivables index





Decision analytics drive consistent margins

High utilisation is a key driver in Vanquis Bank's stable returns

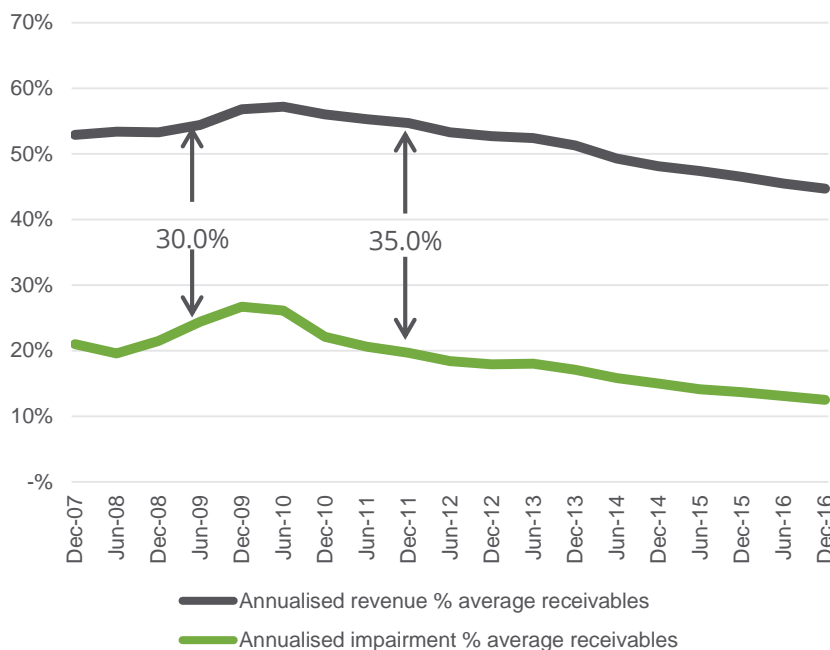
	Typical prime card customer	Typical Vanquis Bank customer
Average credit limit	£10,000	£1,600
Average utilisation	25%	70%
'Good' account balance	£2,500	£1,100
Revenue yield	20%	45%
Revenue per 'Good' customer	£500	£495
# of 'Good' customers to offset one "Bad" (1)	18	2.9

> A prime portfolio requires a much larger number of good customers to cover the losses incurred from a single bad customer

(1) Assumes a customer goes bad with a utilisation of 90%

Decision analytics drive consistent margins

Risk-adjusted margin (RAM)



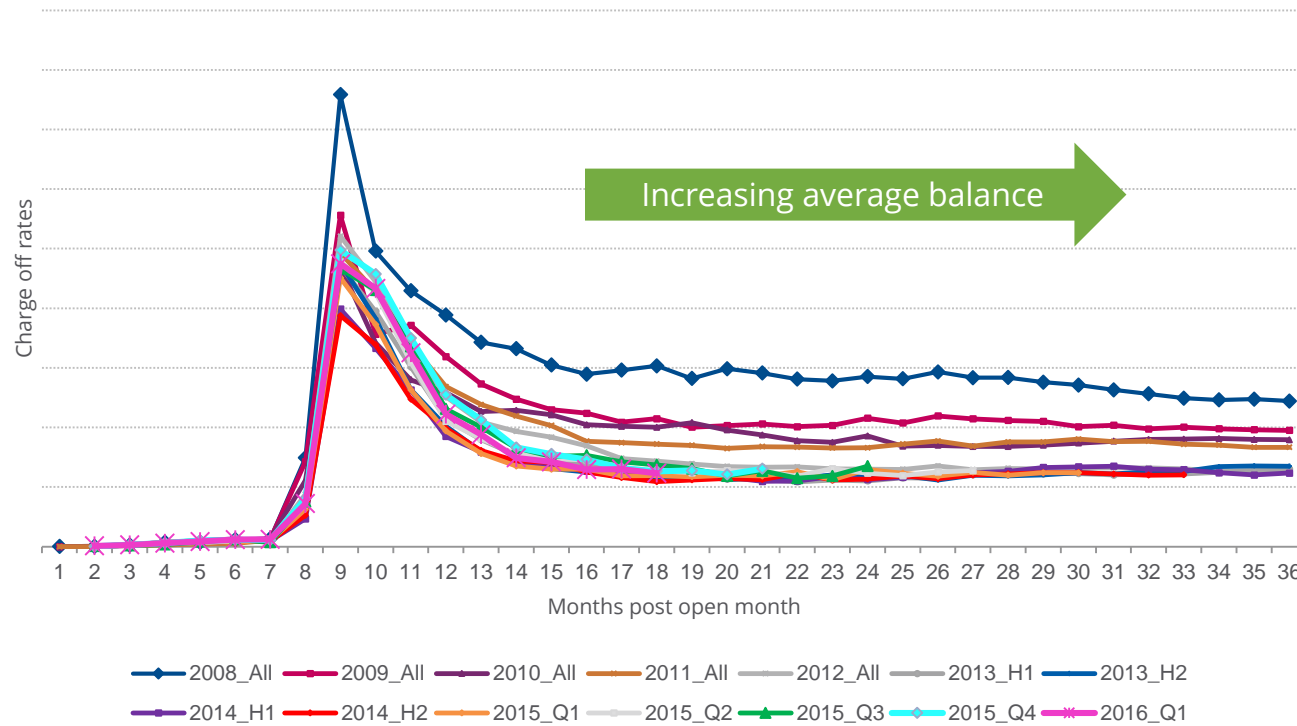
- > Business model supports stability of RAM:
 - 'Low and grow' strategy
 - High credit line utilisation significantly reduces volatility of credit losses
- > Vanquis Bank delivered a RAM above 30% during UK economic downturn between 2008 and 2010
- > RAM expanded as UK employment market improved:
 - Consistently tight credit standards
 - New business is only booked which is expected to meet minimum threshold returns

Decision analytics enable low and grow



Predictable charge-off performance combined with targeted line increase to best customers

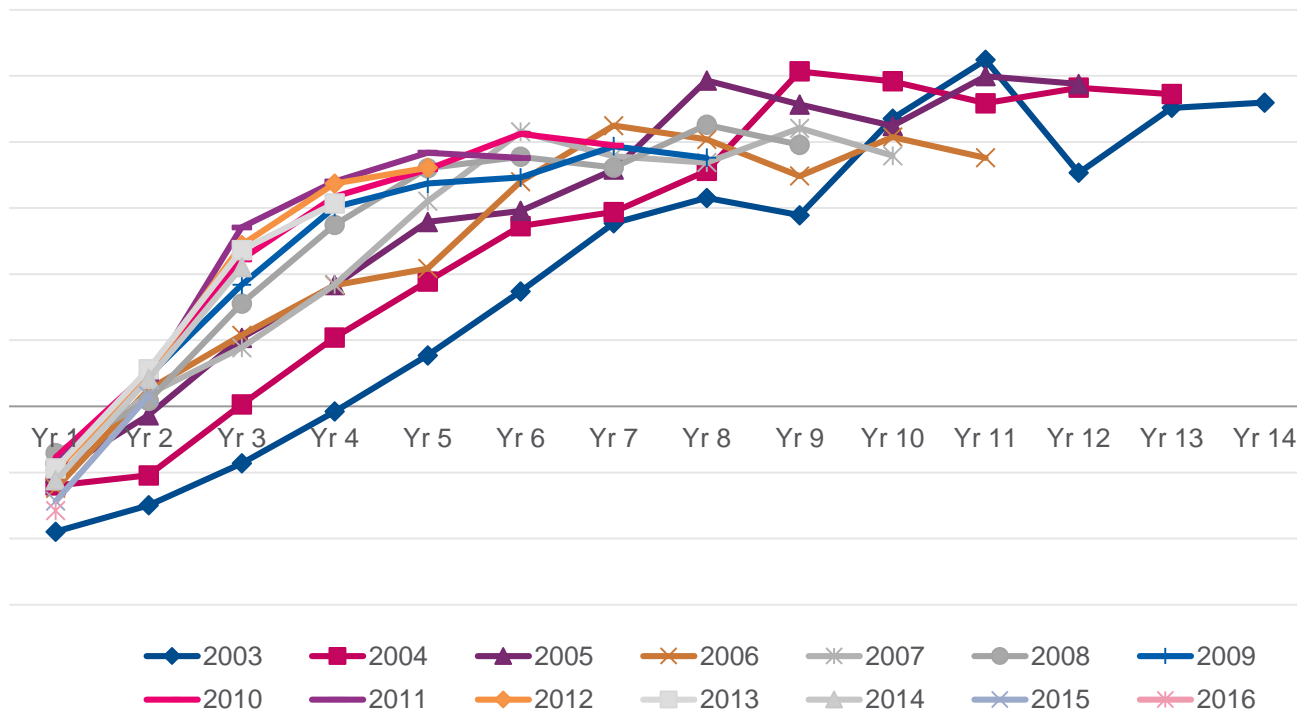
Vintage charge off rates (spot annualised - 3m average From 27m+)



Decision analytics drive results

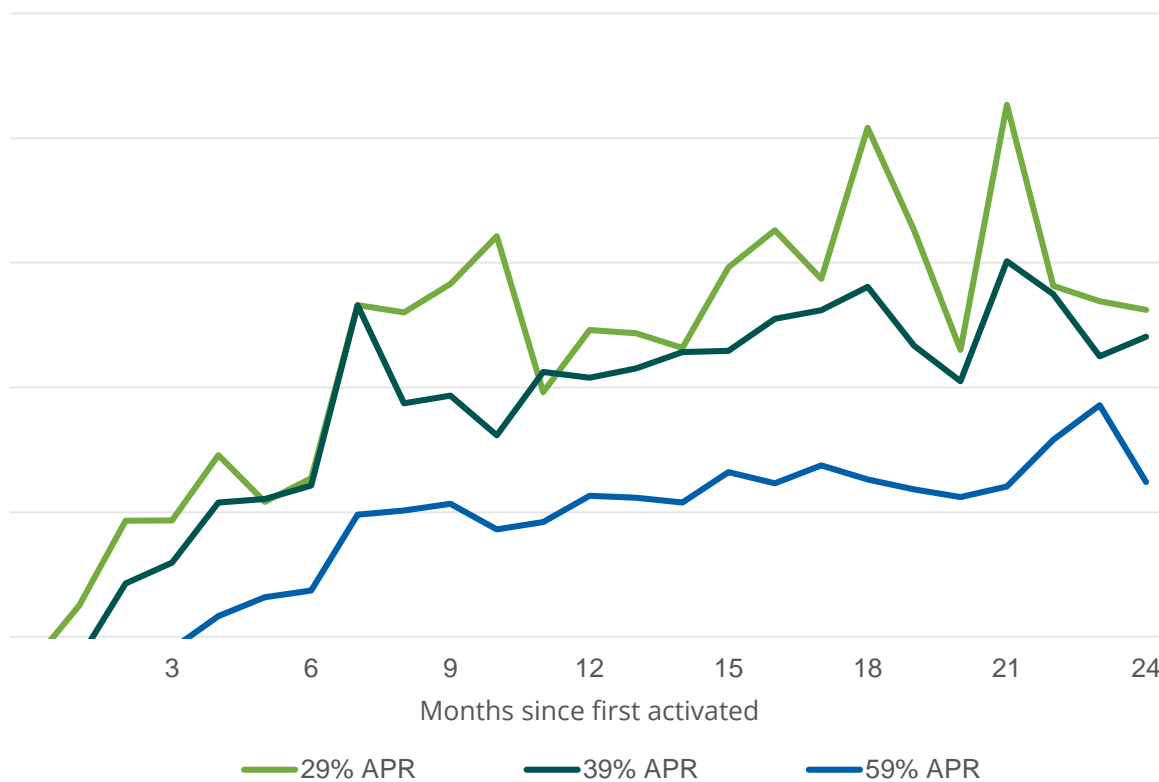
Low and grow strategy success is demonstrated by growth in absolute profit per account

Profit per open account



High returns across all price points

Risk-adjusted return as % of impairment

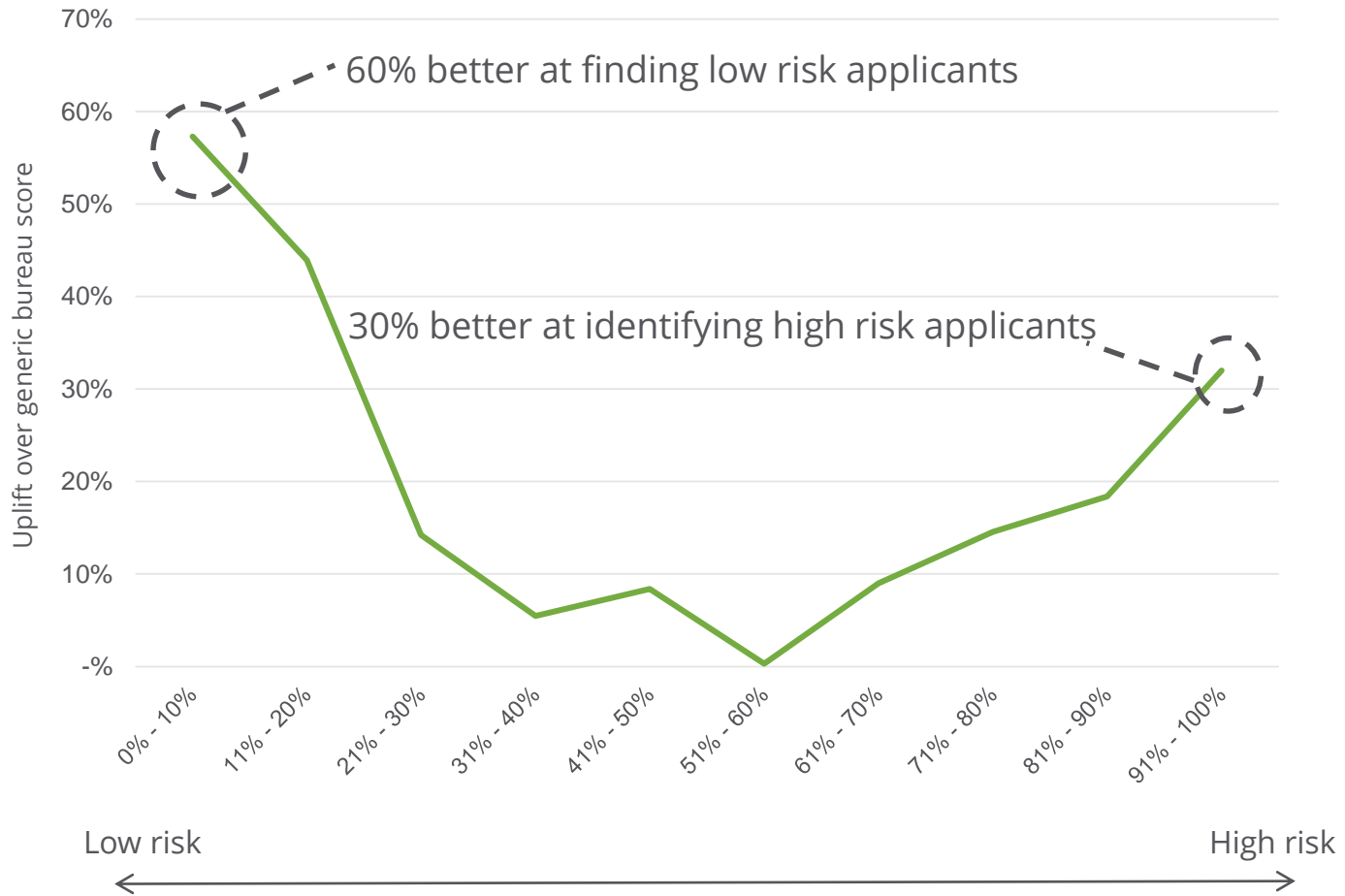


> Margins are consistent and carefully managed through all price points

Powerful bespoke underwriting



In-house decision analytics is a strategic differentiator in the acquisition of new customers



Enhanced analytics for existing customers



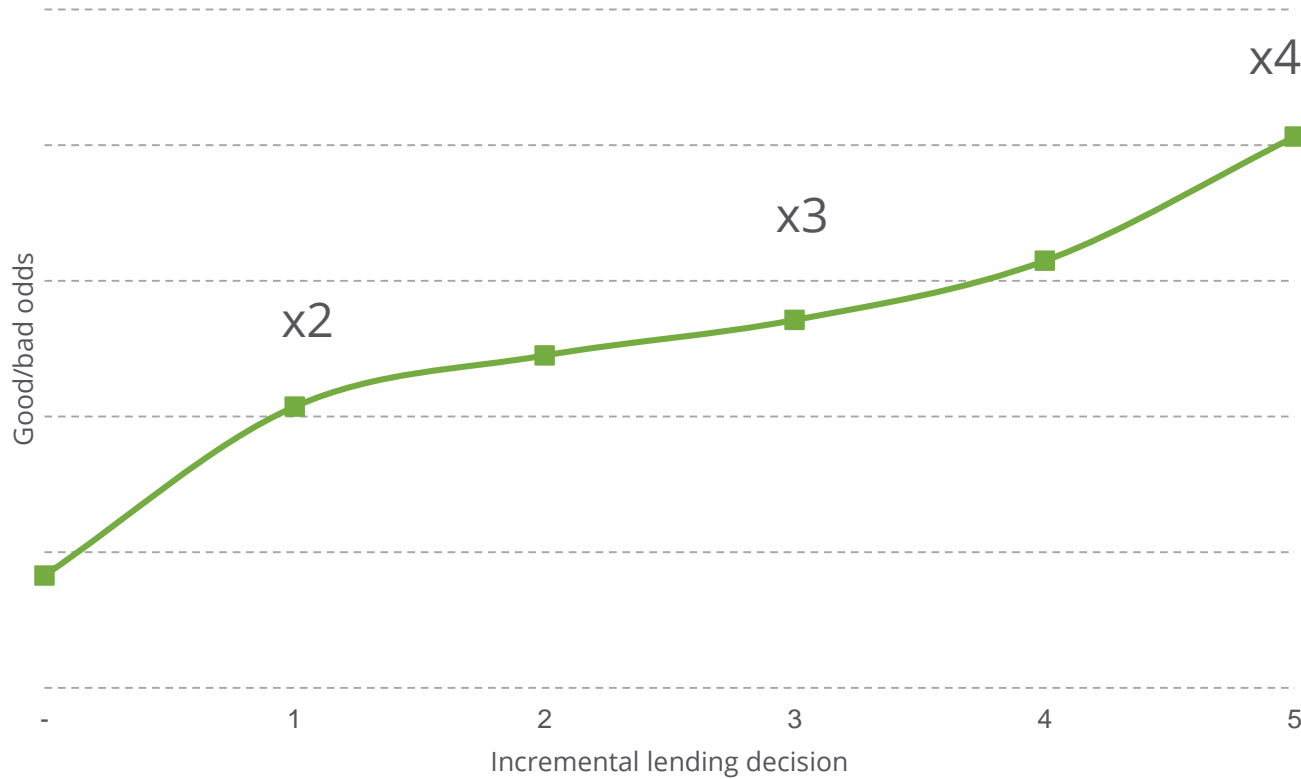
Applying advanced analytical techniques and fully utilising account performance and bureau data, we are able to make decisions for our customers



Enhanced analytics for existing customers



Follow-up lending decisions are 2 to 4 times more powerful than initial underwriting



Continued investment in decision analytics



Maintain world-class standards for our decision analytics

- > **Account level profit** – Actuarial profit results and drivers reconciled to the general ledger
- > **Customer decision hub** – Enabling next best profit action for each customer (strategy for each customer)
- > **Profit forecasting model** – Account level assessment of future behaviour and performance
- > **Vanquis Customer Analytics Platform (VCAP)** – Cloud-based big data platform supporting massive scalability and machine learning analytics
- > **Provident Knowledge Universe (PKU)** – Industry leading repository of consumer data for all UK adults

Provident Knowledge Universe

A data-led strategic competitive advantage within our market

Single customer view	Group customer profit		
	Group prospect history		
	Group customer view		
Group data	Moneybarn	Prospects	Contact history Scores Transaction data Account level profit Behaviour
		Customers	
	Provident Satsuma	Prospects	
		Customers	
	Vanquis Bank	Prospects	
		Loan customers	
Card customers			
External	Third party prospect lists		
Bureau	Monthly snapshots of full UK population (51m) <ul style="list-style-type: none"> • Deeper understanding of UK market • Rich data source at a granular level 		

- > UK market-wide coverage
- > Un-matched repository of RELEVANT data for credit decisions
- > Managed on Vanquis Bank's new big-data and scalable analytics platform
- > Supports simulation modelling of credit and marketing strategies
- > Track both competitive and consumer driven market changes
- > Single view of customer/customer-level decisions

Customer wallet share

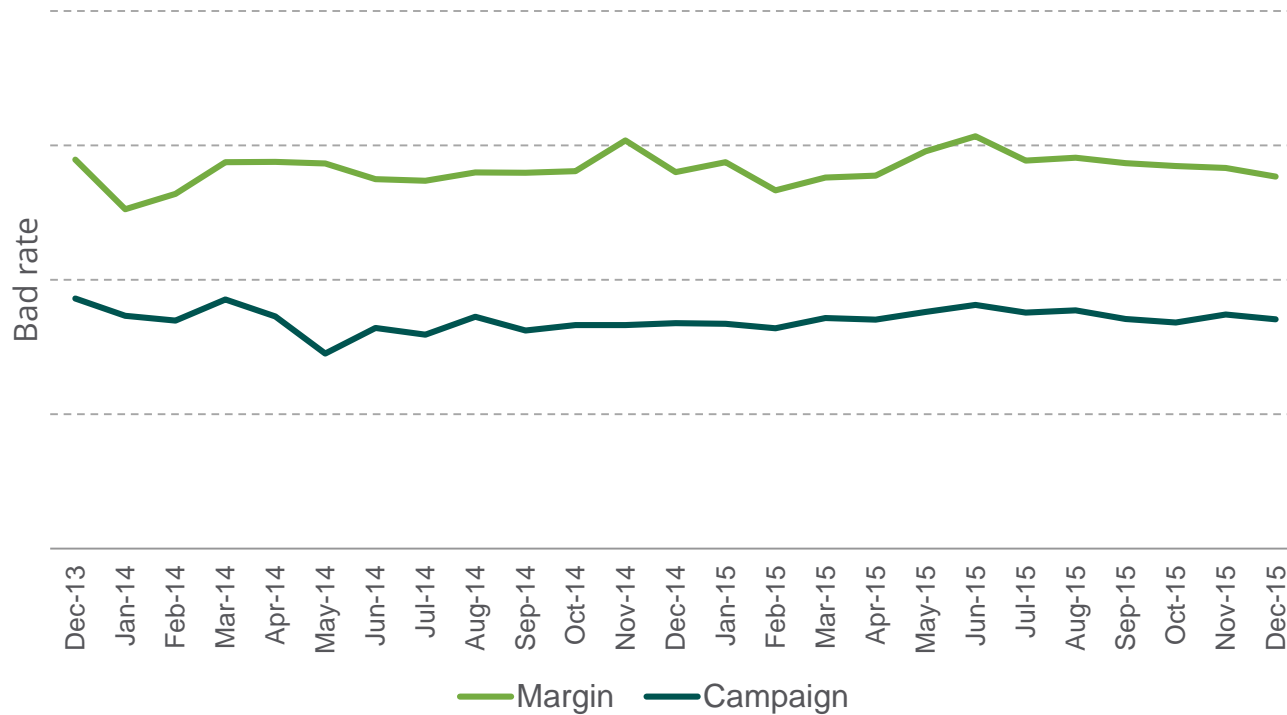


We know how to lend to existing customers



Over 70% of new lending each month is to existing customers, with consistent performance

Stable and predictable line increase campaigns

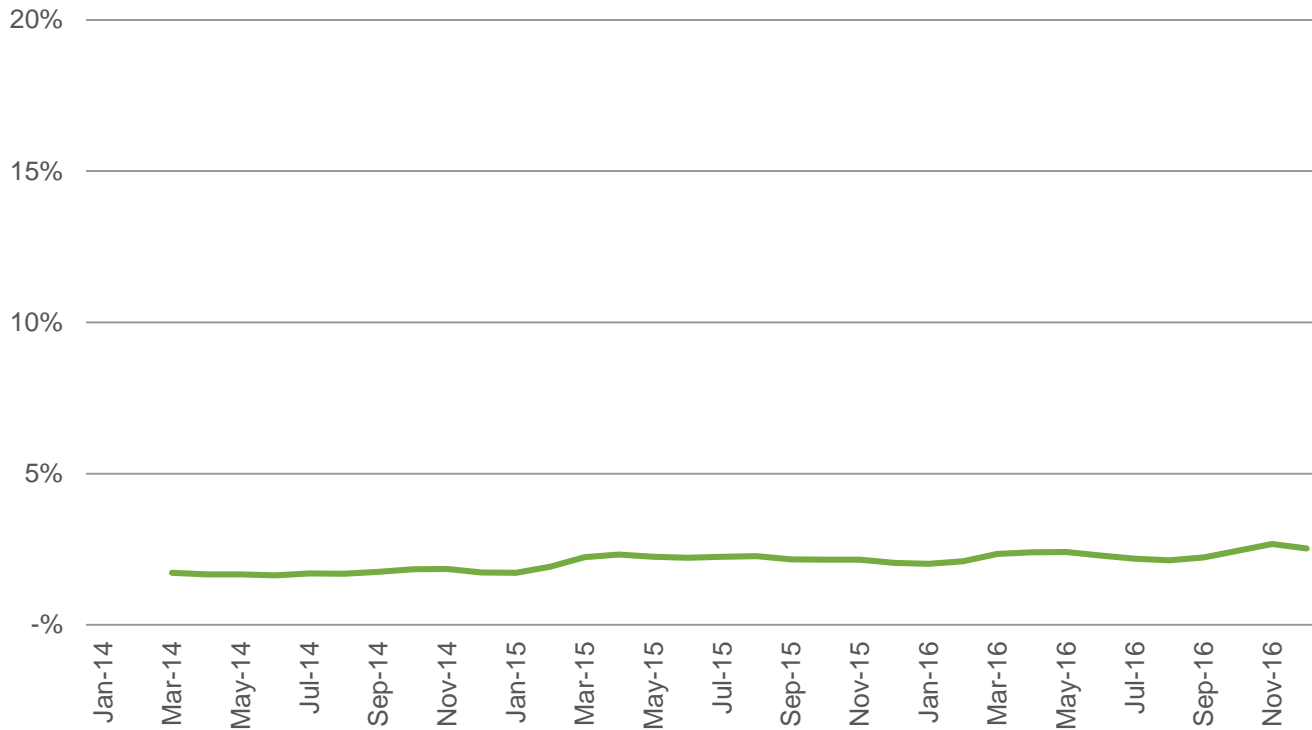


Strong customer loyalty



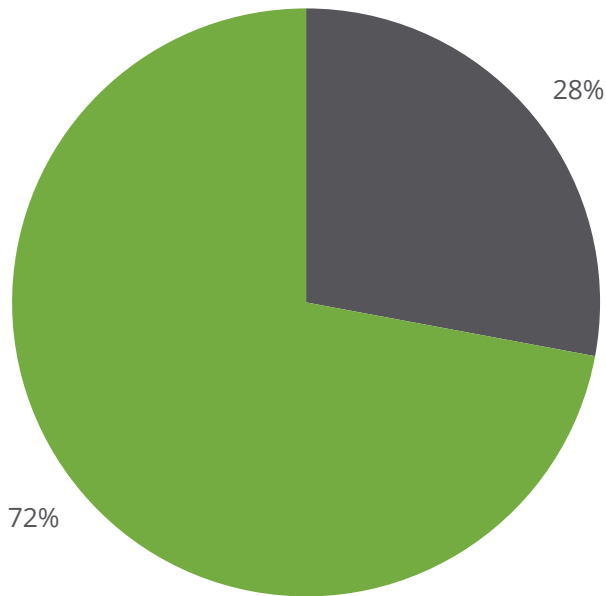
Consistently strong satisfaction feedback supported by low levels of voluntary attrition

Low customer voluntary attrition



Increase market share

Significant opportunity to extend our reach in the non-standard revolving credit market



■ Existing Vanquis Bank customers ■ Near-prime cards

- > Grow limits and balances prudently based on decision analytics and customer affordability
- > Balance transfers and fixed pay options
- > Average balance per customer to increase to over £1,000

Summary



Distribution



Product
diversification



Decision
analytics

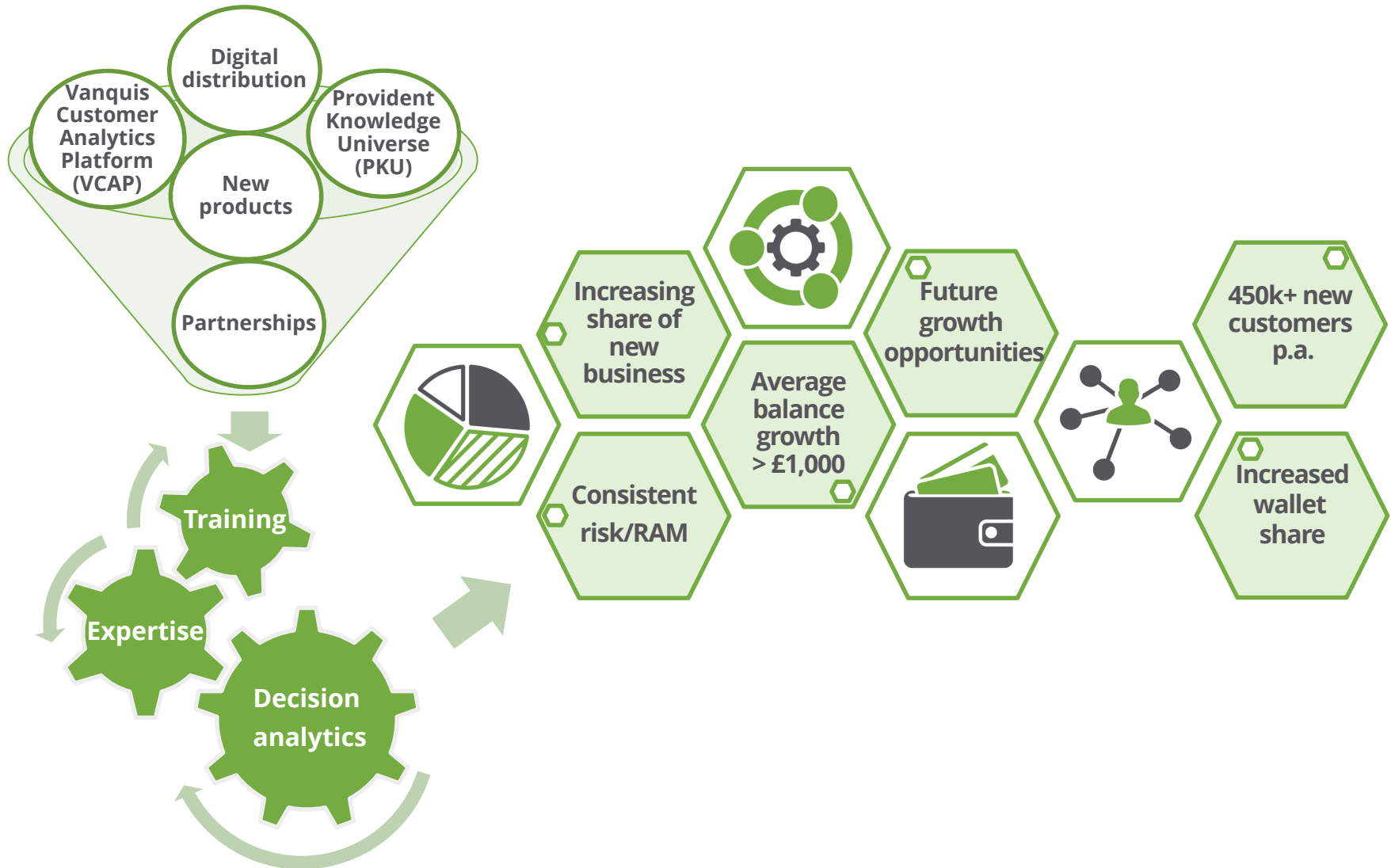


Customer
wallet
share

Summary



Vanquis Bank's existing capability will be enhanced through data assets, technology and customer propositions



Loans

James Webster – Director of Loans



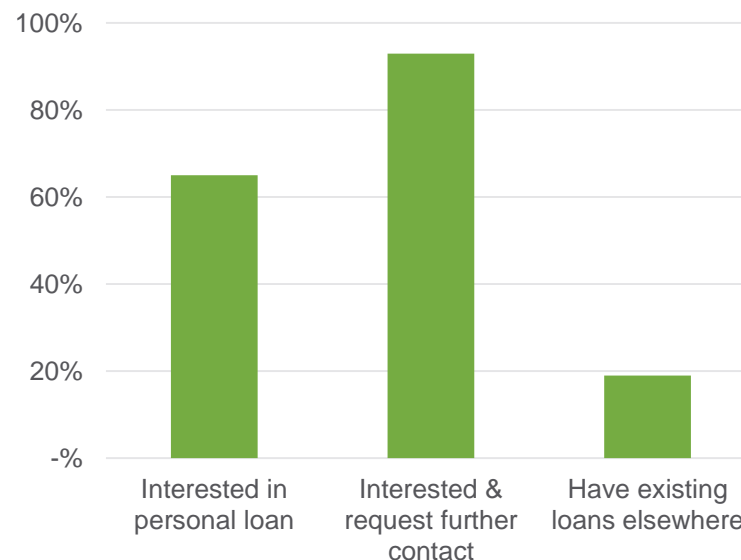


Outcome of customer research

Strong demand for unsecured personal loans from the Vanquis Bank customer base

- > Research with Vanquis Bank customers during service calls undertaken in 2016 highlighted:
 - 65% of customers had a high interest in a Vanquis Bank personal loan
 - 93% of those who were interested would seek further contact

- > In addition, customers told us that they:
 - Wanted to fund the purchase of a vehicle, home improvements or large one off purchase
 - Expressed a desire to have a broader relationship with Vanquis Bank
 - Require flexibility when selecting loan amounts and terms



Business case



Excellent opportunity to displace customers' existing provider of unsecured loans

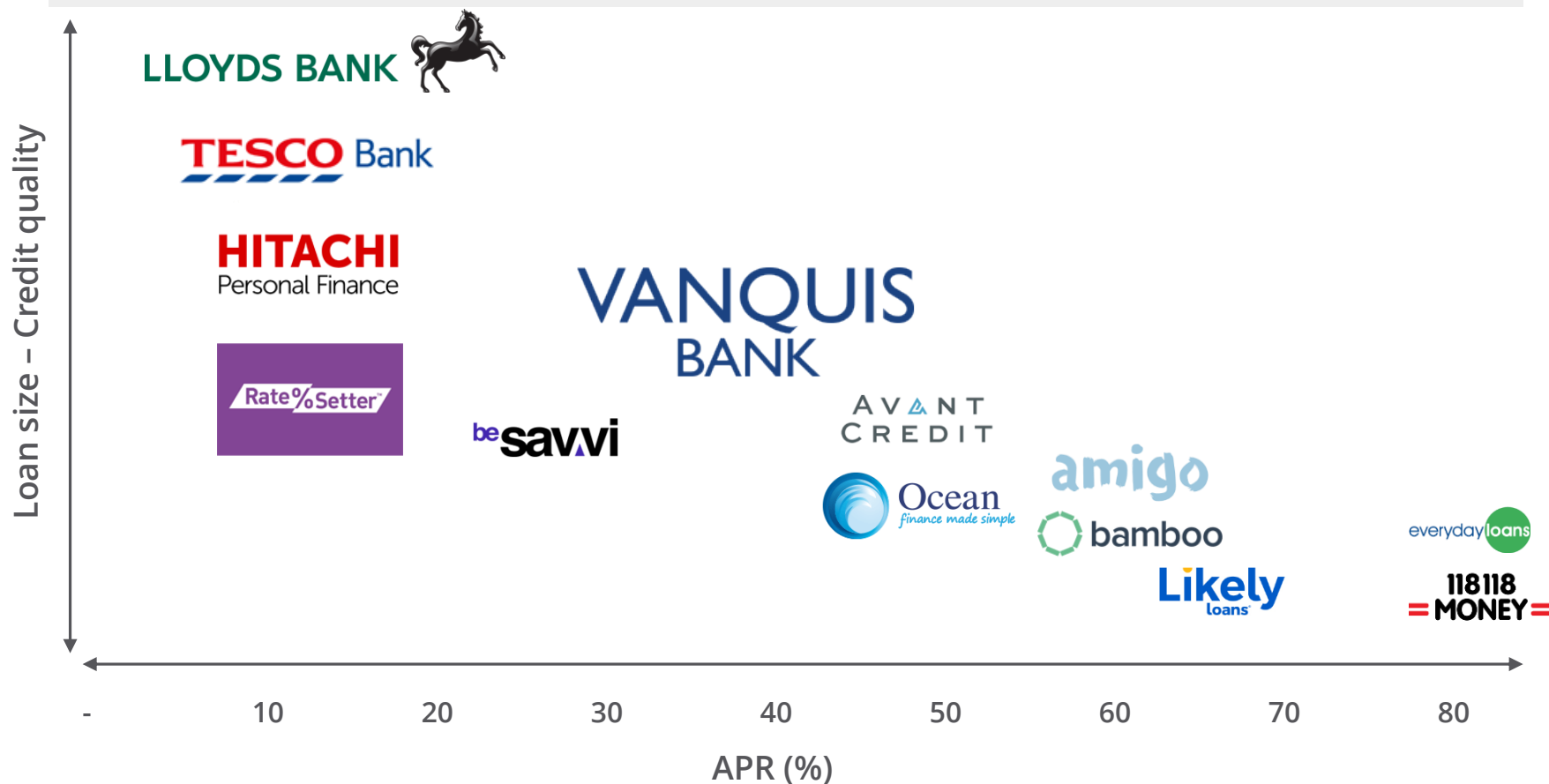
- > Vanquis Bank's customers hold a total of £1.6bn in unsecured personal loans
- > Logical for Vanquis Bank to expand unsecured product range to better meet customers' needs
- > Gives customers more options for their unsecured lending requirements
- > Builds Vanquis Bank as their trusted lending partner

Marketplace



The non-standard market for larger unsecured loans is underserved

- > Vanquis Bank will occupy the 29.9% to 49.9% APR space
- > Loan sizes will be between £1k and £5k with 1 to 5 year terms

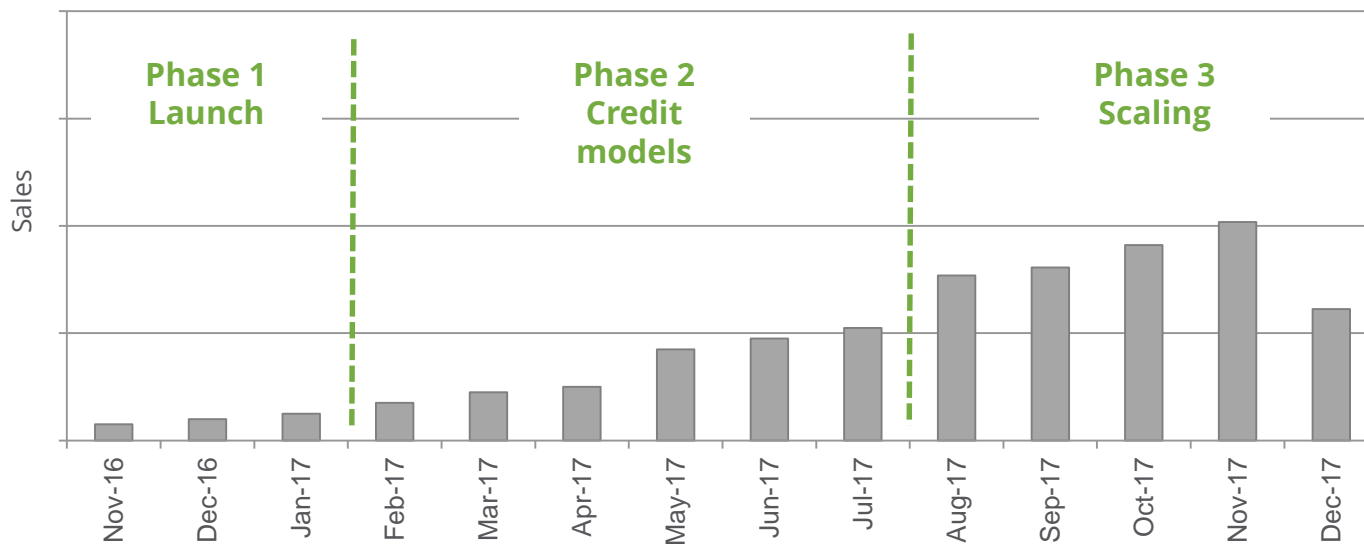


Timetable for the pilot

Plan to run loans pilot through to the end of 2017 with phased testing

- > Launched November 2016
 - > Pilot cross-sell to existing Vanquis Bank customers
 - > Book 13,000 accounts during the pilot phase
 - > Open market and guarantor testing Q4
- | | |
|----------------|---|
| Phase 1 | Sales rates, product suitability, affordability, payment rates, process |
| Phase 2 | Credit underwriting and models, top-up second loans |
| Phase 3 | Scaling up marketing and processes, expand product range |

Loans pilot - Sales and key phases



Target operating model

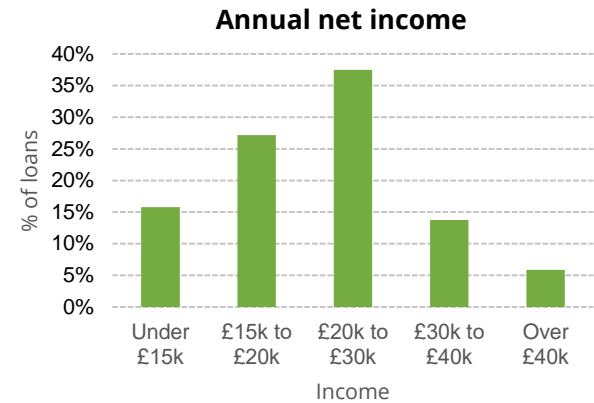
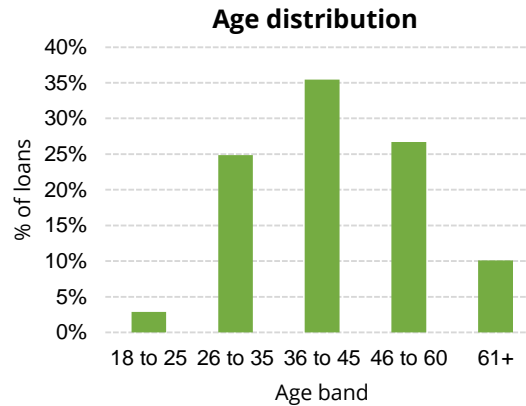
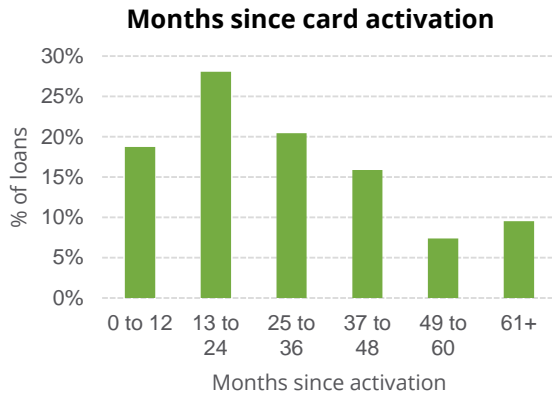
Leveraging existing capability

- > Customers pre-selected for loans offer
- > Deep, rich pool of customer data and payment behaviour, supports making qualified loans offer
- > Leverage existing Vanquis Bank infrastructure, collections, operations, underwriting
- > Established channels for communication and conversation with our existing customers
- > Team working in integrated agile work stack, fast build times and rapid testing
- > Building seamless digital journey
- > Prepare for open market testing



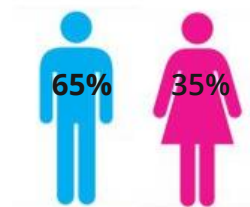
Customer profile

Based on loans booked to date

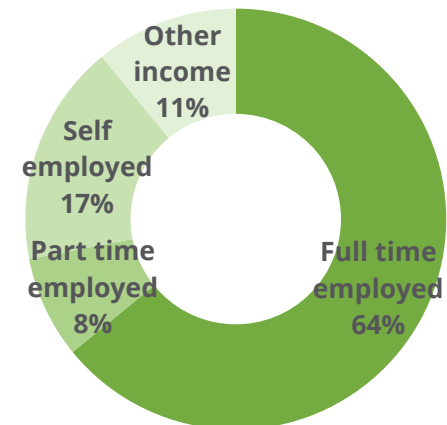


> Typical customer:

- 65% male
- Average age of 44
- Take home income of £23k per annum
- With Vanquis Bank for 3 years
- 64% full-time employed
- Good track record of managing their credit card payments with Vanquis Bank



Employment status

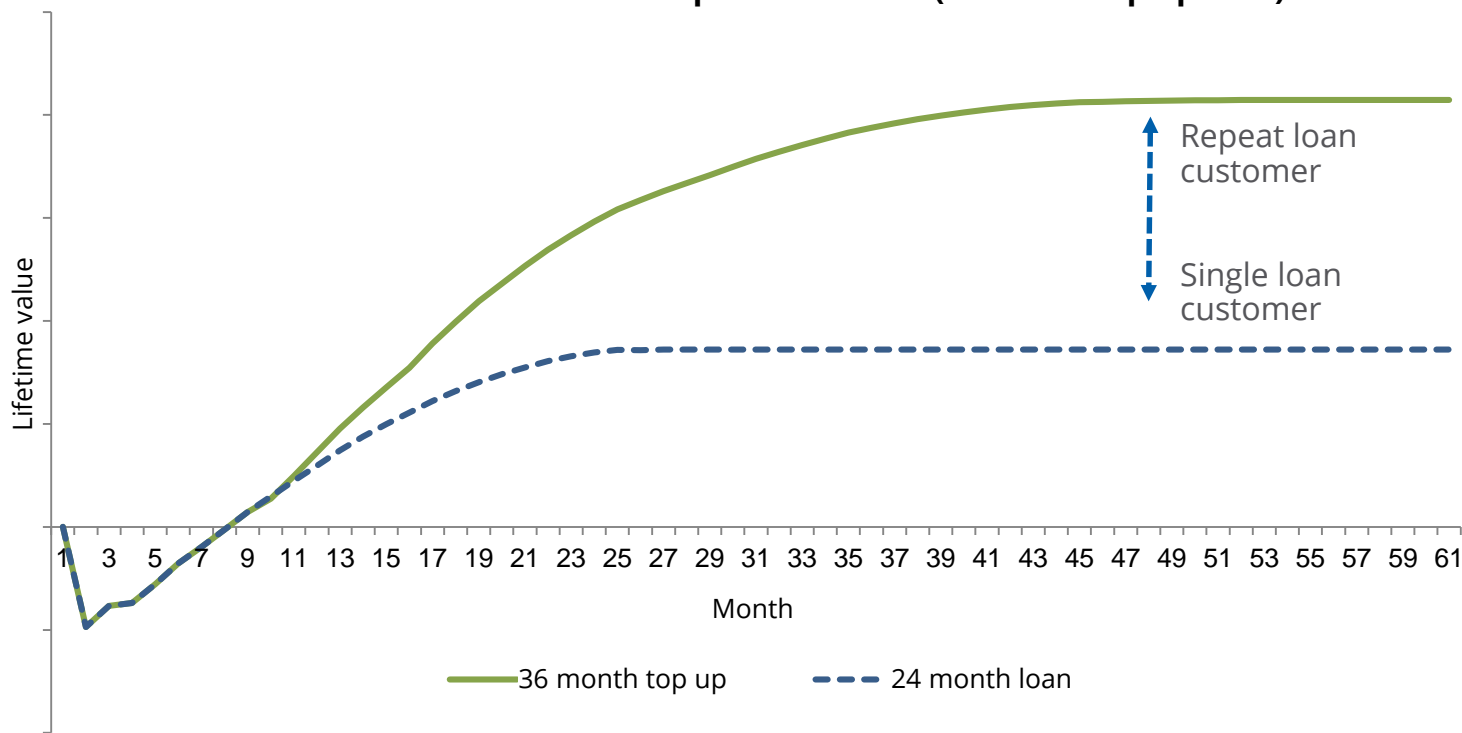


Cross-sell to existing customers

Marginal contribution pricing for risk

- > Cross sell exhibits minimal 'J-shaped curve' due to low sourcing costs:
 - "Low and grow" principles, pricing for risk and returns
 - Additional top-up options for eligible customers providing further value and options to customers

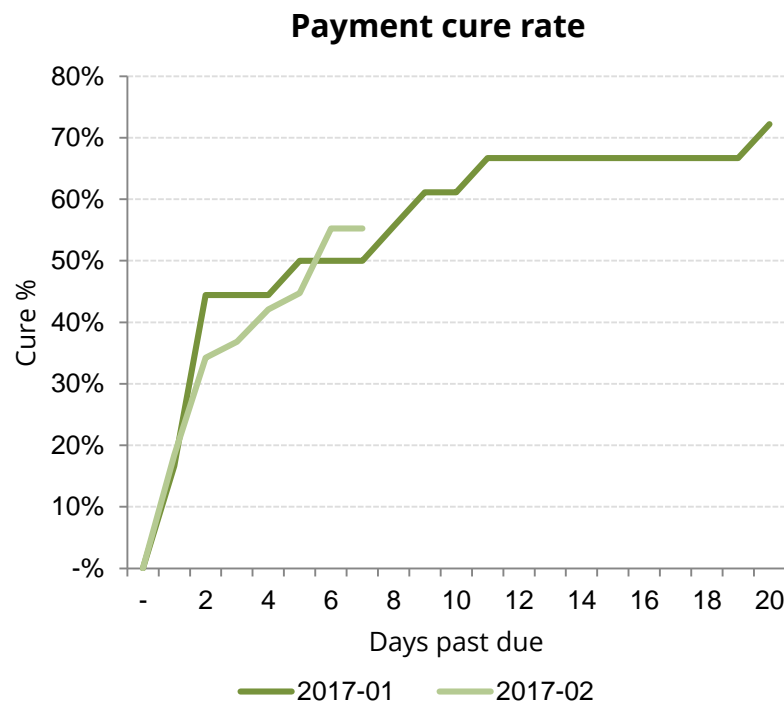
Contribution - Initial loan and repeat customer (with one top up loan)



Underwriting

Development of underwriting through the pilot phase

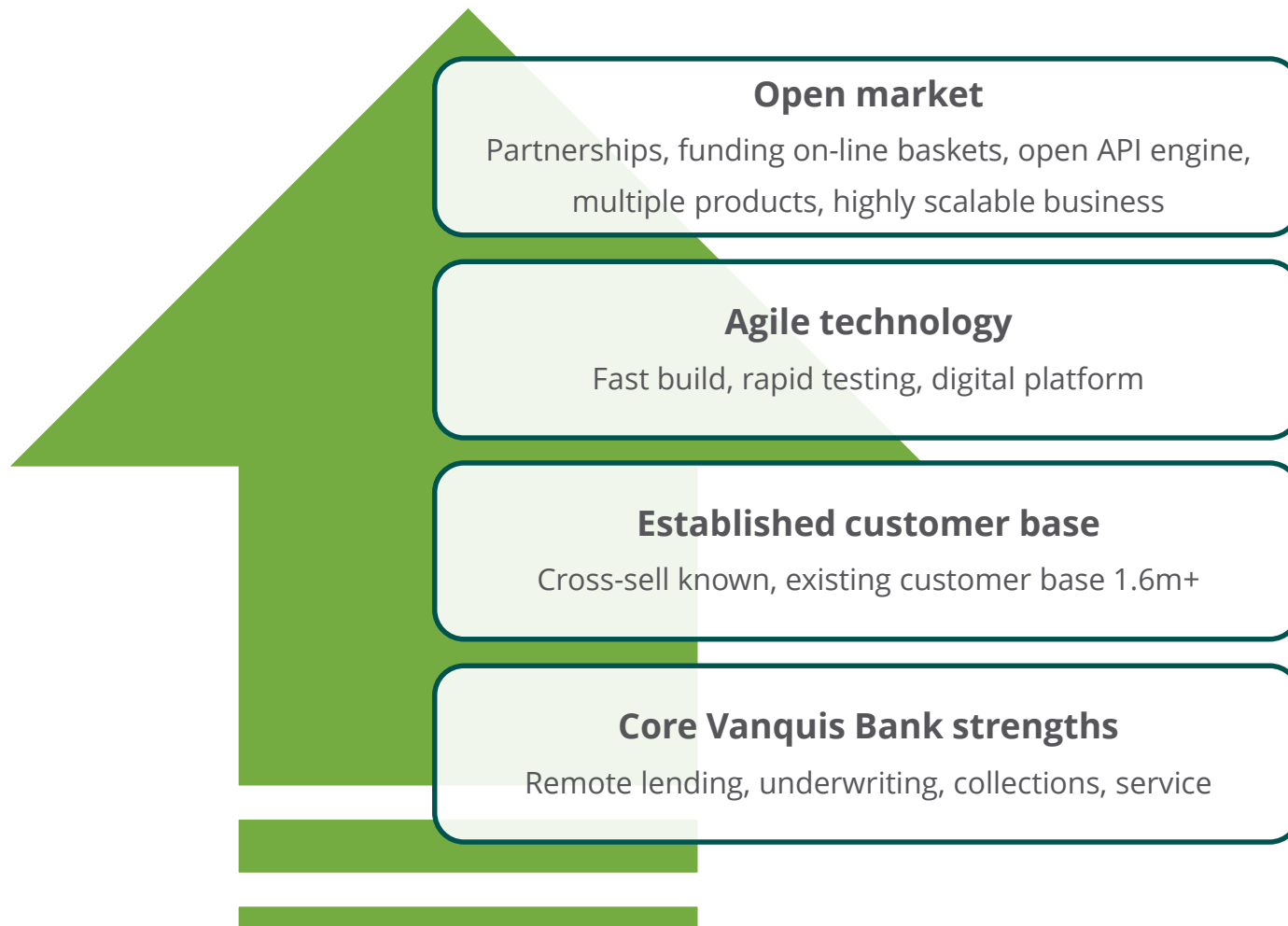
- > Pilot launched with phase one underwriting:
 - Selected Vanquis Bank credit card customers for initial testing
 - Pre-screened against payment history and bureau data
 - All customers complete an affordability assessment to verify loan eligibility
 - Collections process leverage existing Vanquis Bank infrastructure and payment systems
 - Initial data mining indicates good prediction candidates for building the first generation credit model



Roadmap



The roadmap to open market operations has been developed



Operations and digital

Jim Appleby – Operations Director



Operational
excellence



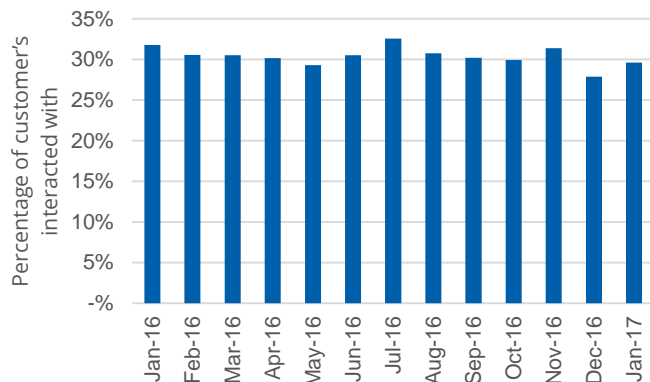
Digital journey

Operating model

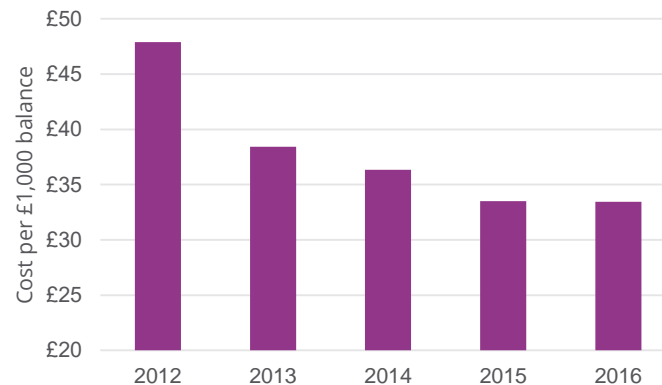
Our high touch operating model is essential in supporting customers new to credit or wanting to repair their credit

- > 1,100 FTE across three sites in Bradford, Chatham and South Africa
- > Stable and committed team (60% of staff >24 month tenure) has permitted the development of a deep understanding of the customer base
- > Non standard customer understanding initially developed within the arrears management function with the leadership team, skill set and operating techniques from collections now permeated across all areas of the operation
- > Significant investment in proactive and reactive customer support through the card lifecycle but with the customer base showing interest in more ambient channels
- > Modest medium-term focus on operating costs but with significant potential for reduction in the near term

High touch contact model from account boarding through to arrears handling



Focus on costs whilst investing in optimising the customer experience



Rich data set

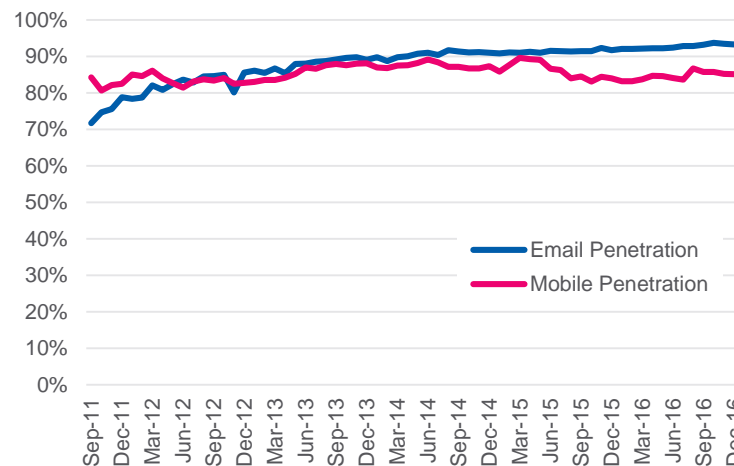
The foundation of the operating model is maintaining accurate data

- > **On-boarding** – Contact information is a feature of underwriting prior to any account on-boarding
- > **Constant validation** – Data is updated at all customer touch points in acquisitions, customer service and arrears management to ensure accuracy is maintained throughout the account cycle
- > **Prioritisation** – Analytic tools are in place to capture, promote and shuffle numbers within an account to ensure the most relevant data is the one used for customer contact attempts
- > **Single customer view** – In house trace tools utilise a group wide operational data store to ensure all group and bureau data supports data accuracy

Frequent monitoring of data accuracy and cleansing delivers low null contact rates



Consistently high coverage of customer demographic data available for contact

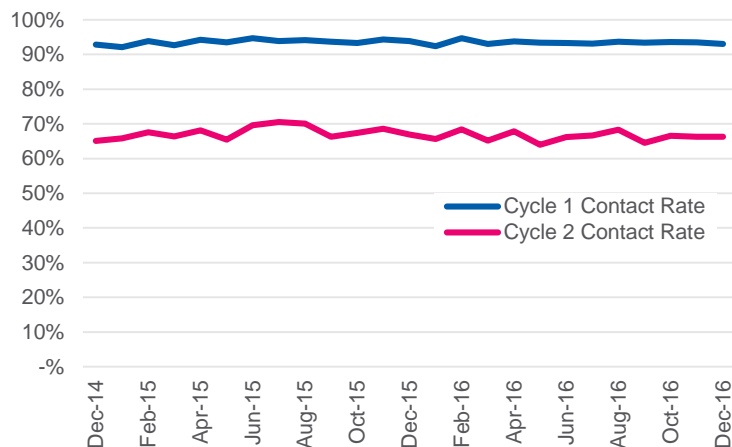


Arrears management

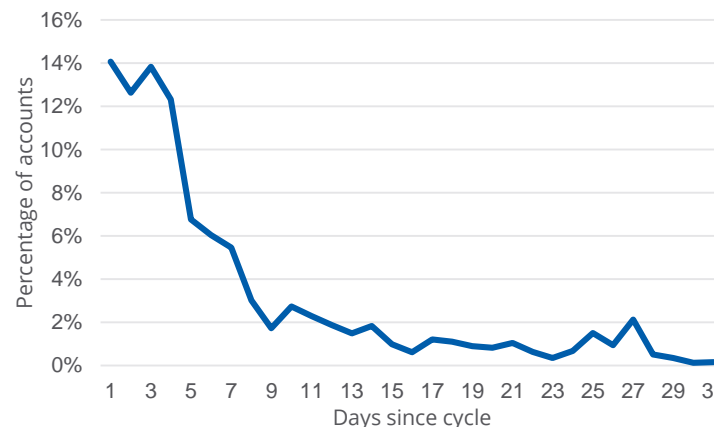
The collections operation has been built around a customer centric arrears management function

- > **Significant investment in pre-arrears** – c.15% of the collections operation is now targeting customers that have yet to fall into collections, which is a level of investment significantly higher than the rest of the market
- > **Early support** – Significant investment is made in early arrears to support customers that are new to credit and to provide early solutions to enable early resolution
- > **Customer outcome** – Our primary focus is to support customers in the way they need to be supported to ensure they are able to responsibly build their credit profile
- > **The right outcome** – Intensive and specialist colleague training enables Vanquis Bank to have the right conversation with every customer and ensure the right solution is provided

Expert collections contact strategies ensure interaction with nearly every customer



Collections makes contact with the majority of customers within the first 7 days





Compliance and oversight

Significant recent investment in oversight across the operation drives a compliant well controlled operation

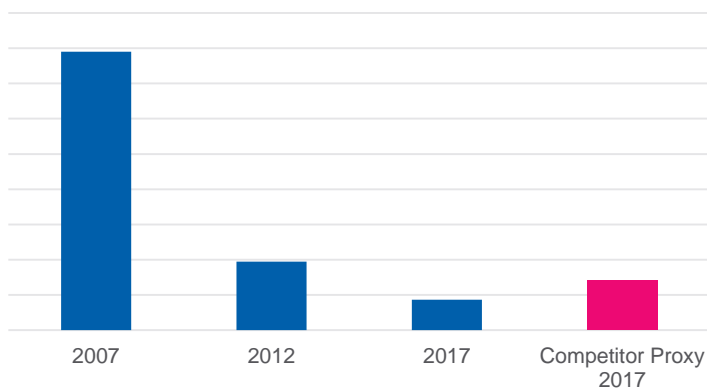
Customer focused contact

- > Best time to contact – Contact propensity algorithms drive best contact time and channel for each customer, optimising contact and reducing customer friction
- > Partnerships – With Samaritans, StepChange, MAS, MAT and Income Max to provide best possible support
- > Third party review in 2016 placed Vanquis Bank as top quartile for collection contact compliance

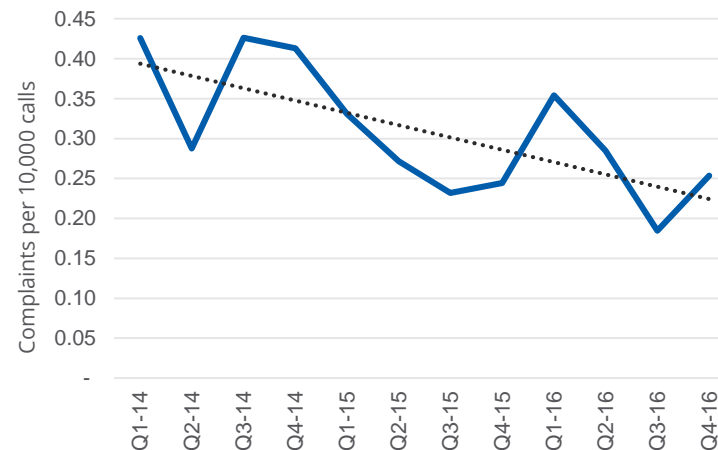
Focus on complaint root cause

- > Insight drives our continuous improvement programme through root cause analysis and wider customer experience initiatives
- > Extremely limited customer complaints linked to collections contact with every one reviewed and analysed
- > Account level contact reviewed daily to ensure adherence to a very well articulated policy

Reduction in dialler calls made to customers by better targeting and opening up channels



This has delivered a significant reduction in customer contact related complaints



Customer outcomes

Tried and tested analytical targeting models now supported with best in class speech analytic tools to assure appropriate customer outcomes and progressive operating model

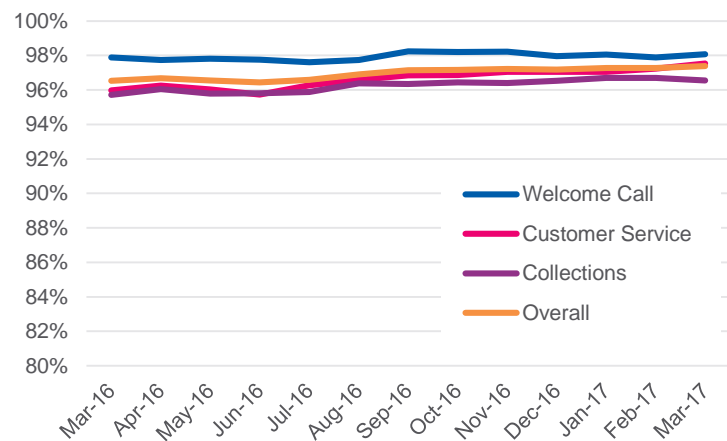
Continuous customer feedback

- > Customer insight is proactively sourced throughout the customer lifecycle
- > All negative responses are followed up and learning incorporated into future contact/processes
- > Feedback will be moved to near real time enabling intra day feedback to agents

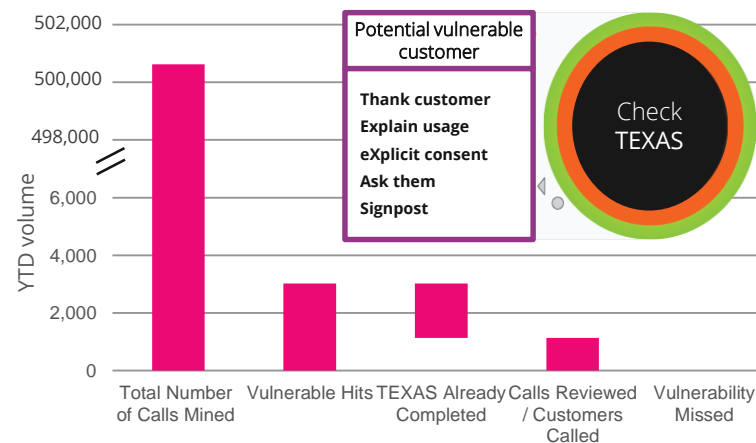
Investment in speech analytics

- > 100% of calls are being 'mined' and monitored in the operation (migration from <1% of calls monitored)
- > Any potential customer detriment can be corrected and with internal processes challenged
- > Move in 2017 to real time 'live' monitoring

Customer satisfaction consistently above 96% across all business areas



Speech analytics identification of vulnerable customers



Digital

Customers in arrears are proactively engaging with us through non traditional channels

- > **Channel preference** – Supporting customers through their preferred channel of engagement including voice, SMS, email, online and mobile
- > **Matching the channel to customer** – Digital channels typically service low risk customers with less complex needs
- > **Cost per channel** – Targeted migration to more efficient channels – non-voice agent interactions are c.1.5 times more efficient than voice
- > **Customer convenience** – Non-voice channels enable customers to engage at a time and pace that suits them, either with an agent or by self serve

Thank you, so that I can look into available options, please tell me how much you can afford to pay?

02/02/2017 20:51

Next month 130 and the next 6 months 150

I can set up a short term arrangement for £130.00 a month for the next 3 months. Are you able to make your first payment before 14/02?

Customer @
02/02/2017 20:55

02/02/2017 20:59

Can you take my payments on the 16th?

I can set up a continuous payment authority to take £130 from your registered debit card each month for the next 3 months on the 16/02. Would you like me to do this?

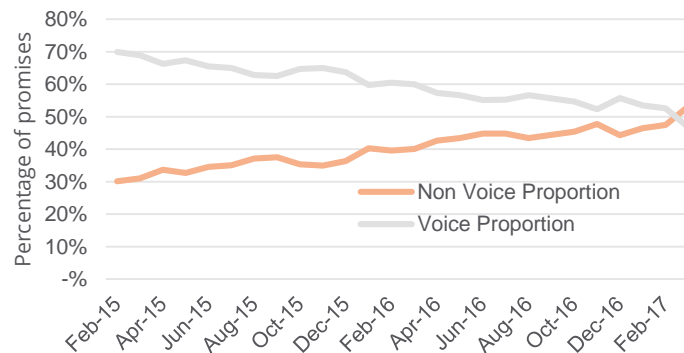
Customer @
02/02/2017 21:04

02/02/2017 21:25

Yes

Customer @ 02/02/2017 21:30

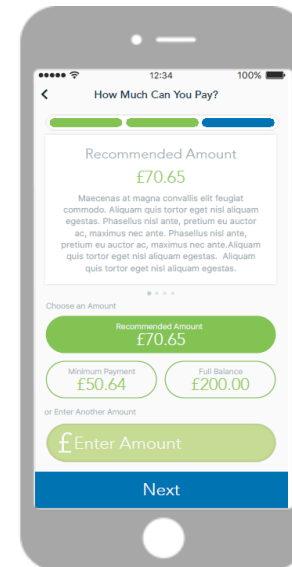
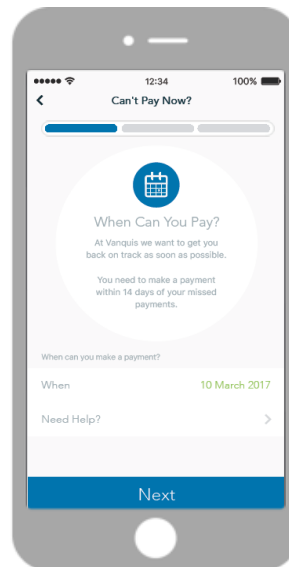
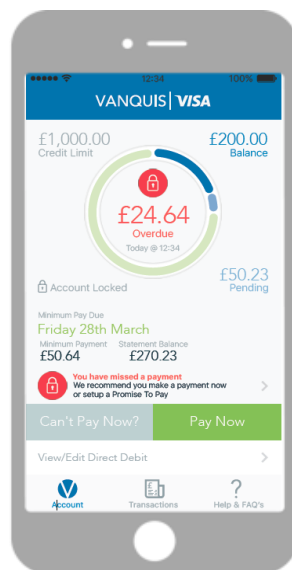
Promises through digital channels have overtaken voice promises for the first time



Digital

Customer arrears journey being built through the new app to further support customer interaction through channel and at time preference

- > **Mobile app release** – Phased migration of c.400,000 existing mobile users to our new mobile app with enhanced functionality
- > **Reducing customer friction** – Developing digital solutions to give customers enhanced self service capability and access to forbearance tools
- > **Supporting strategic agenda** – Continued investment in digital development for the Member get Member Scheme, loans offering, balance transfer, white labelling and Payment Services Directive 2 (PSD2)
- > **Digital bank** – Building foundations to support bigger digital aspirations



Digital



Customer arrears journey being built through the new app to further support customer interaction through channel and at time preference



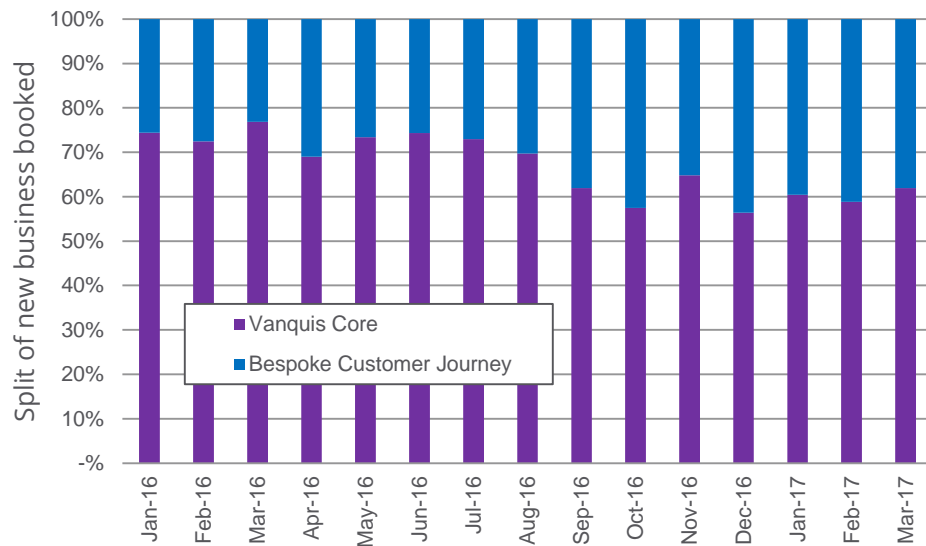
VIDEO

Digital

We have built an operating model that is highly flexible to the product/channel of origin of the customer

- > **Branded servicing** – Customer experience across all channels is tailored to the brand the customer recognises
- > **Digital white labelling** – A mobile solution designed with a low cost, white label capability
- > **Inbound intelligence** – Alerts let agents know who the customer is before they speak, allowing the conversation to be tailored from the very start

Changing split of card brand supported by voice and digital experience





Working with other group companies

Scale benefits gained through centralising group arrears management into Vanquis Bank

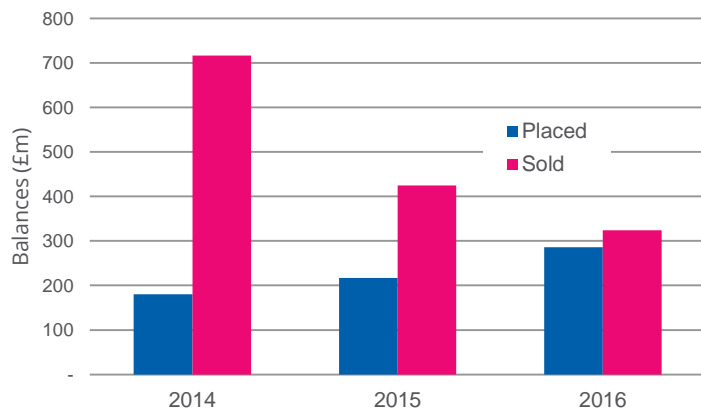
Debt broker

- > Debt sales for Vanquis Bank, CCD and Moneybarn delivered through Vanquis Bank since 2014
- > The scale of group asset sales is comparable to other large financial services business driving strong interest and longer term commitment from purchasers
- > Highly compliant model supporting the customer journey through to specialists in collections activity

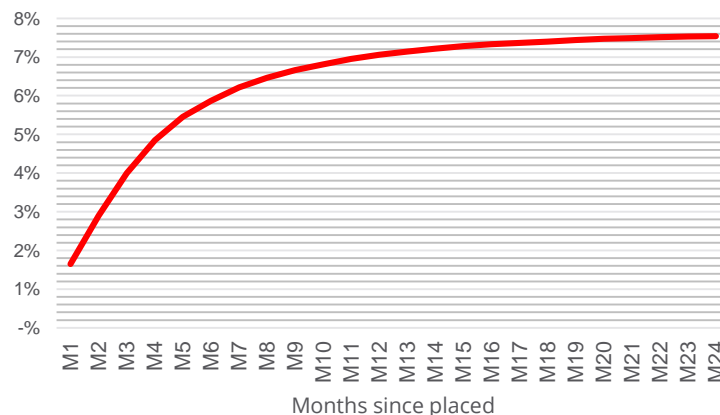
Collections agency

- > First party collections developed for Satsuma from inception, benefiting from all Vanquis Bank arrears IP
- > Satsuma customers supported with Vanquis Bank's highly evolved forbearance processes
- > Scale benefits realised through agency placement of debt for customer support, focus and costs

Agile model enables the allocation of assets to be flexed between placement and sale



Strong liquidation rate on accounts placed with an external agency



Fresh Start



The development of a debt purchase business (Fresh Start) has allowed consolidation of customer data and debts into a single entity

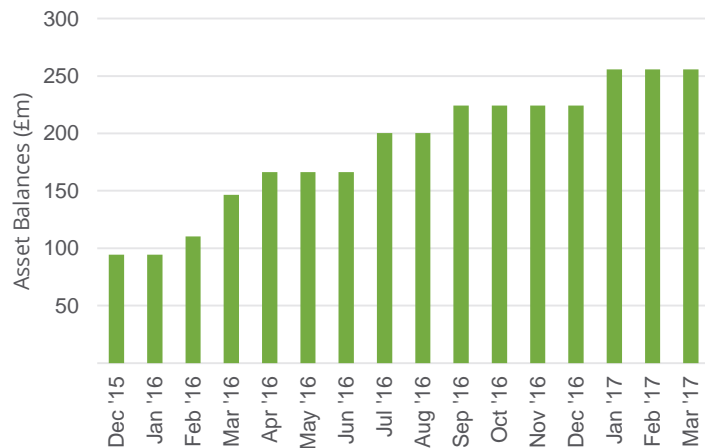
Group data

- > Cross group programme to permit data sharing with customer match rates of 10.5%
- > Debt purchase licence granted to Vanquis Bank with initial debt purchase activity tested with selected group debt
- > Matched Vanquis Bank customers within the CCD sale portfolio which is a more supportive customer journey

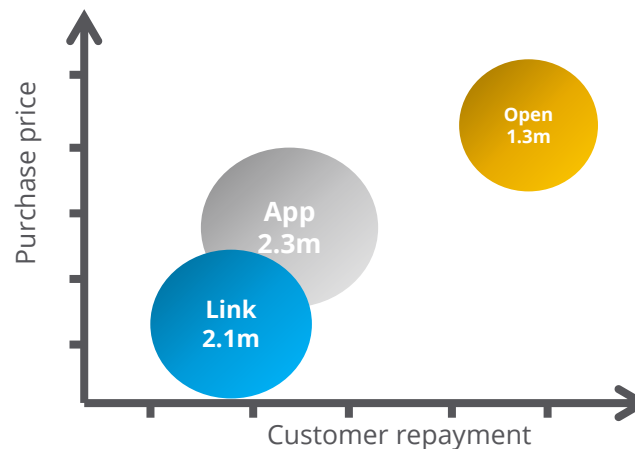
Market potential

- > Working in harmony with the broader purchasers there is a place where Vanquis Bank offers a better customer journey (first external purchase made in 2016 and total purchased asset now exceed £0.25bn)
- > Customer universe is significant with open (11%), link (14%) and application (17%) within typical portfolios
- > Strategic partnerships with three key debt sellers

Fresh Start has successfully grown the debt purchased portfolio in a controlled manner



Harnessing the vast pool of customer and application data for future purchases



Fresh Start



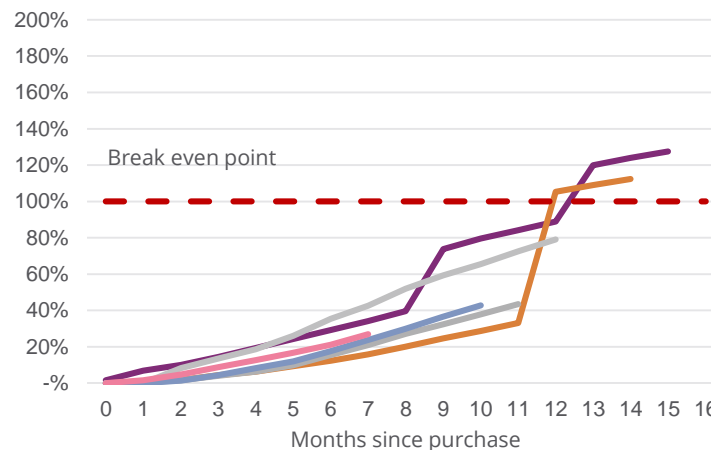
The ultimate aim of Fresh Start is to resolve outstanding debt and provide the customer with access to a lending product to support financial rehabilitation

- > Our targeted debt purchase approach means we better understand the customer at point of purchase – tracked internal performance versus a specialist debt purchaser supports this hypothesis
- > Of the application link population, 24% will re-apply to us within the next 12 months providing a contact opportunity and a further ability to link to new customer data (in-house purchase data is also improving underwriting models)
- > Single customer view is supported across the organisation which provides a supportive model to customers that could be in financial difficulty and is also used to aid further responsible lending decisions
- > Target break even for files purchased to date is strong and compares well to core debt purchasers

Test portfolio liquidation performance



Strong tranche performance with purchases showing good trends





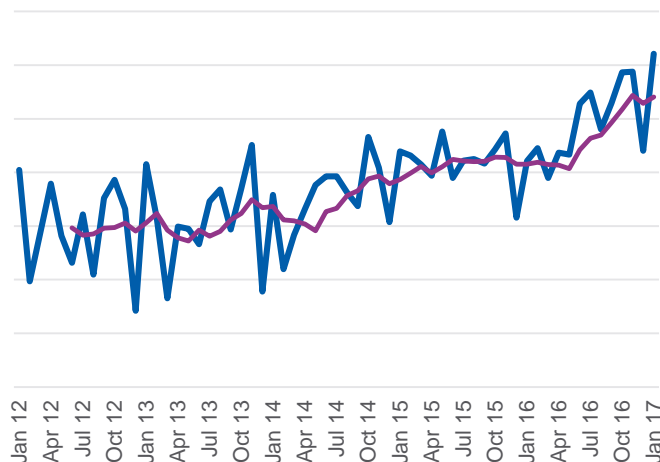
Creating benefits for the rest of the business

Techniques and understanding gained within arrears management has permeated across the rest of the Vanquis Bank operation to enhance the customer and prospect experience

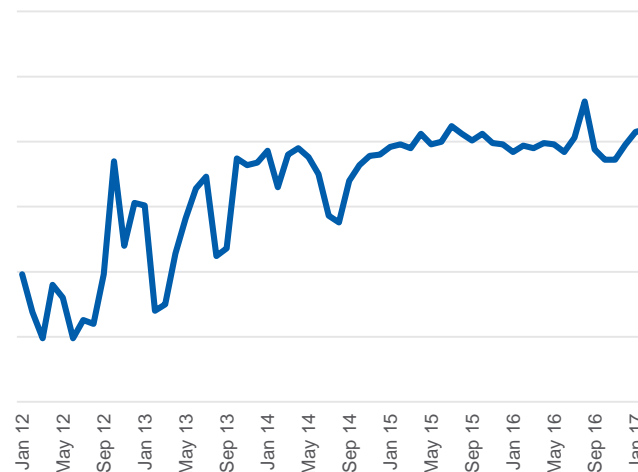
- > Welcome call supports the booking process, improving the understanding of the customer and providing additional data to assess customer affordability at point of application
- > During 2016, we have focused on the application funnel post initial scoring which has improved approval rates by 10 percentage points (worth 50,000 accounts per year at a very low cost to acquire)
- > Best in industry contact strategies from collections are deployed to maximise contact through the application journey, including welcome calls within 60 seconds of application
- > Trace capabilities used to maximise Know Your Customer/Anti Money Laundering match rates which is vital for thin file customers – Improves booking rates and also lowers the CPA on sunk-cost channels improving the account level NPV and permitting lower cut-offs in the future

Vanquis Bank

Approval rate for customers passing initial scorecard has steadily improved since 2014



The new accounts contact rate has remained stable over the last two years



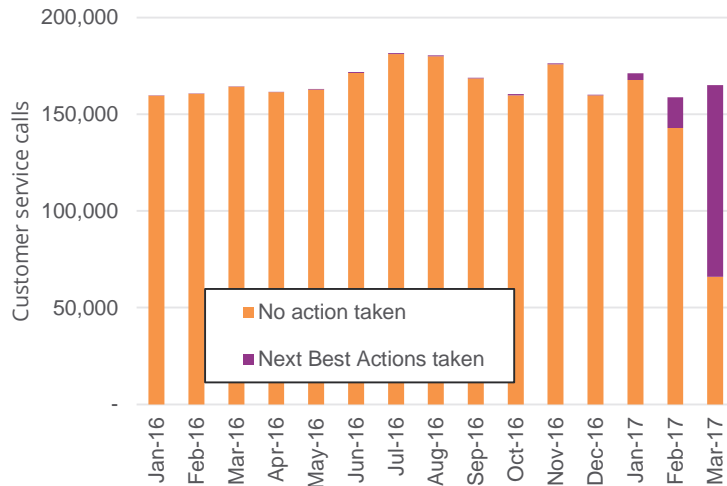


Continuing to develop our capability

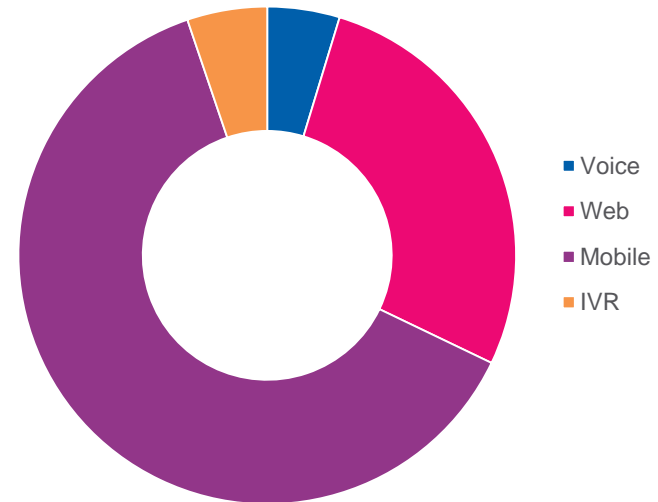
New capability being built in 2017 will give us a deep analytical understanding of our customers and direct agents to facilitate the most relevant experience at the point of service

- > **Bespoke customer journeys** – Through all voice touch points driven by rich data source
- > **Case management** – Complex scenarios including vulnerable customers are automatically detected and directed to specialist teams
- > **Next best action** – Customers are now proactively offered the right steps to build their relationship with us

60% take up of next best action through customer services



Huge opportunity to roll out next best action to 25m customer interactions per year



Concluding remarks

Chris Sweeney

Vanquis Bank

Summary



Distribution



**Product
diversification**



**Decision
analytics**



**Customer
wallet share**



Loans



**Operational
excellence**

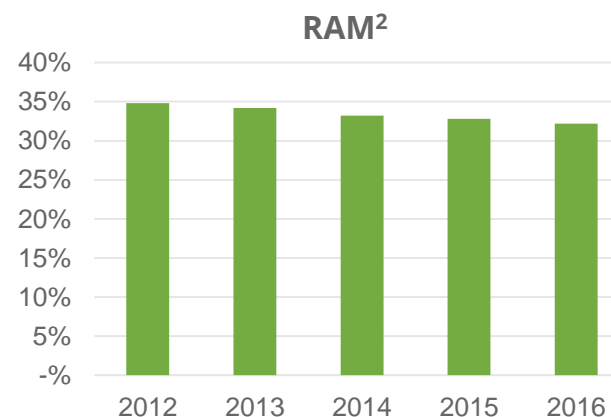
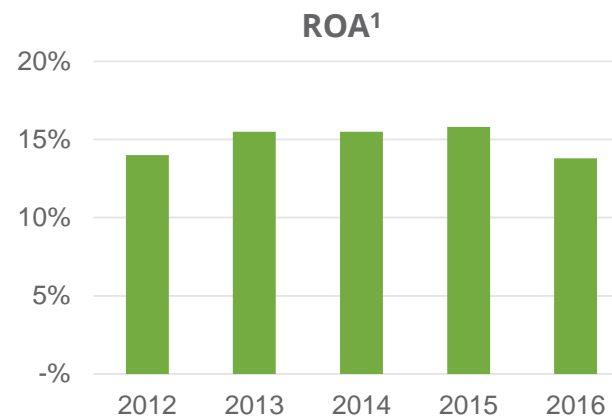


Digital journey

Returns

Delivering high returns

- > Vanquis Bank delivered an ROA¹ of 13.8% in 2016:
 - Includes £15m impact of corporation bank tax surcharge
 - Moderation in RAM² to 32.2%
- > Guidance for RAM² to moderate towards 30% for 2017:
 - Based on stable delinquency
 - Expected growth of presence in the nearer prime segment of the market (RAM² of 20%-25%)
- > 30% RAM² 'target' was established in 2007 when the business was much smaller:
 - Target receivables of £300m delivering an ROE³ of 30% at that time
- > Vanquis Bank now has significant operational leverage
- > There are incremental growth opportunities at an ROA¹ of 10%-12% which is consistent with the group's minimum ROE³ threshold of 30%+
- > Future blended ROA¹ expected to be in the range of 12%-13%



¹ Profit before interest after tax as a percentage of average receivables

Revenue less impairment as a percentage of average receivables

Growth potential

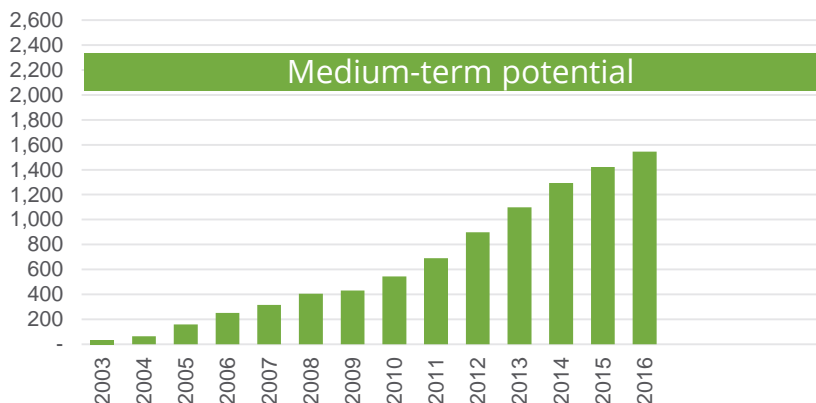
Upgrade to medium-term potential

> Customer numbers of between 2.0m-2.3m with an average balance of between £1,000-£1,100 (up from previous guidance of 1.5m-1.8m with an average balance of £1,000):

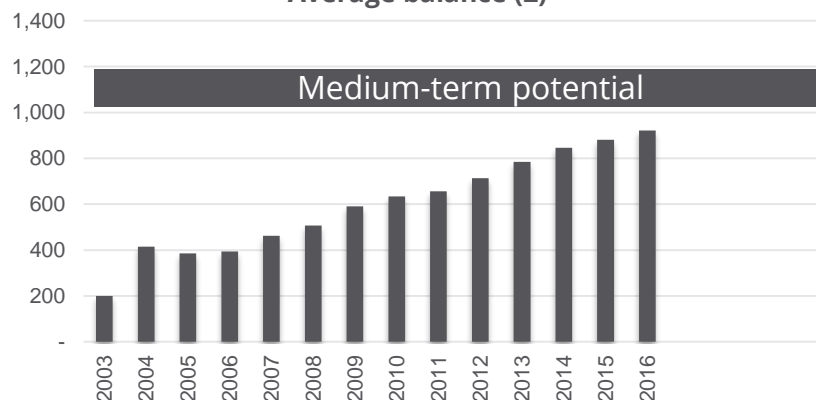
- Assumes unchanged underwriting, economic conditions and competition
- Lower end of range consistent with current volumes of c.450,000 per annum and average customer life of 4.5 years
- Upper end of range reflects identified opportunities to increase distribution beyond 450,000 per annum

> Loans opportunity of between £200m-£250m in the medium-term at an ROA¹ comparable to the credit card business

Customers ('000)



Average balance (£)



¹ Profit before interest after tax as a percentage of average receivables

Conclusion

Continued strong growth potential

- ✓ **Growth potential** – broadening our franchise in credit cards and beyond
- ✓ **Sustainable** – persistent focus on our customers and their needs
- ✓ **Logical expansion** – a robust and executable strategy
- ✓ **Investment** – prioritised investment in 2017 and 2018 to support medium-term growth ambitions
- ✓ **High returns** – consistent performance
- ✓ **Enhanced capability** – the result of careful and structured investment

CCD

Mark Stevens – Managing Director
Andy Parkinson – Home Credit Director
Luke Enock – Online Director

Today's agenda

- › Progress against strategy Mark Stevens
- › Home credit Andy Parkinson
- › Satsuma Luke Enock
- › Concluding remarks Mark Stevens

Progress against strategy

Mark Stevens – Managing Director

Background

CCD was not fulfilling its potential in 2013

- > Profits had declined consistently over a 10 year period:
 - Focus on customer numbers at the expense of returns
 - Impairment rising sharply
 - Negative JAWS on operating costs
 - Limited investment in technology, people, and processes
- > Customer preferences changing with their options increasing
- > CCD not responding to those changes or the new market opportunities
- > New management team appointed September 2013:
 - Defined turn-around strategy
 - Communicated strategy at Capital Markets Days in November 2013 and April 2015
- > Excellent progress on execution, particularly in home credit
- > 3 consecutive years of profit growth, whilst absorbing significant regulatory investment and Satsuma start up losses

CCD strategy

Our new strategy has 2 elements – We become a lending business not just a home credit business

1. Update home credit and drive for returns

- > Investing in people and technology is a key enabler...
 - ...of standardising best practice
 - ...of improved collections
 - ...of market-leading compliance
 - ...of material cost reduction
 - ...of better customer service

**Leaner, better-quality, more profitable
business relevant in the digital age**

2. Win in online loans

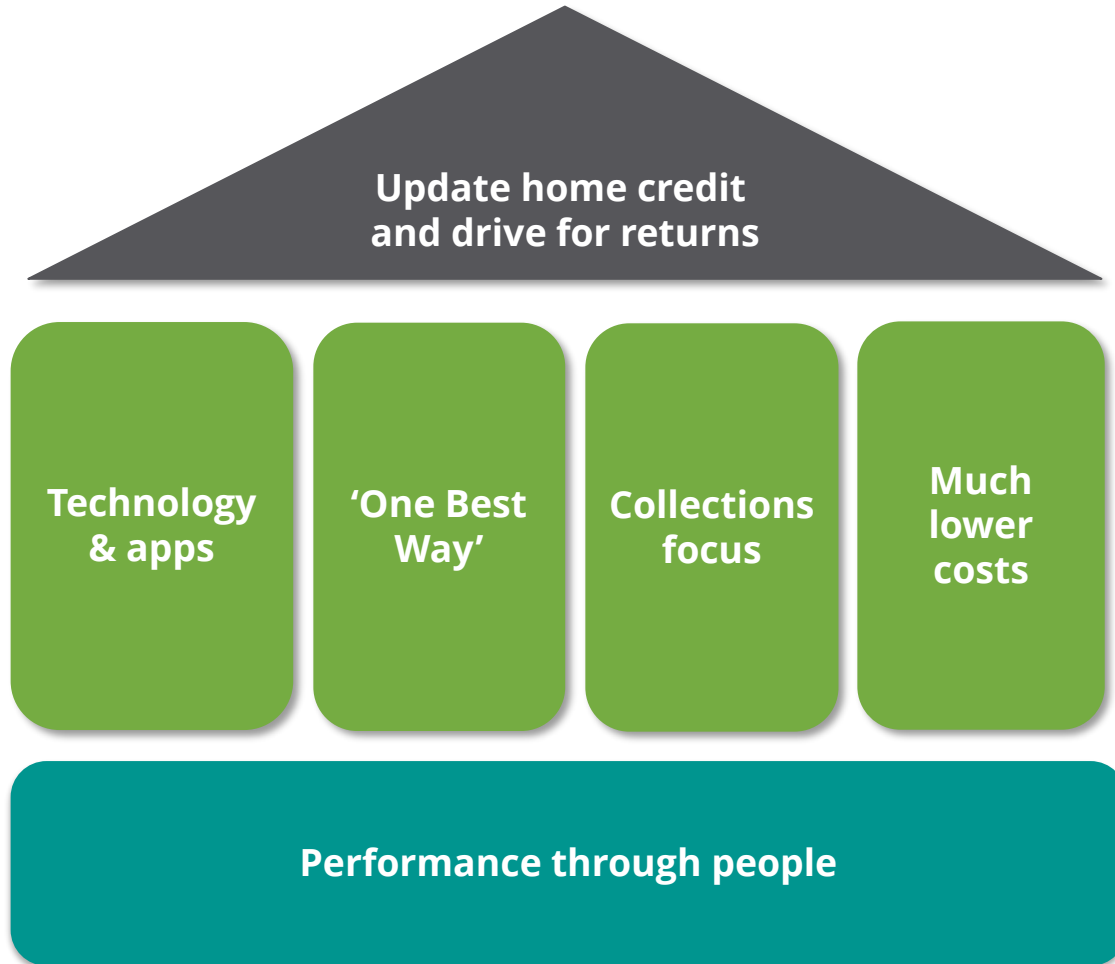
- > Applying the proven home credit DNA
- > Targeting customers in the space between home credit and Vanquis Bank
- > Using the best capabilities of CCD and Vanquis Bank to get the right model
- > Benefitting from payday dislocation and clear, tighter regulation
- > Achieving returns as good as home credit

Top 3 market position in 3 to 5 years

Update home credit and drive for returns



Since 2013 we have created a leaner, better-quality, modern, more profitable home credit business

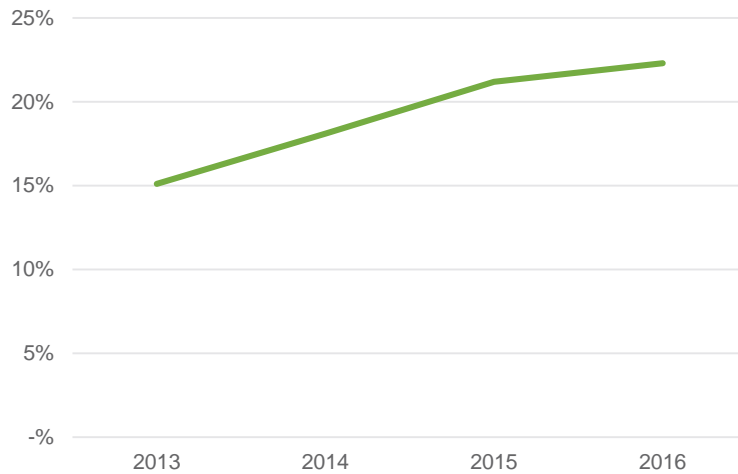




Home credit – Drive for returns

Driving a rapid step-change in returns

CCD ROA¹



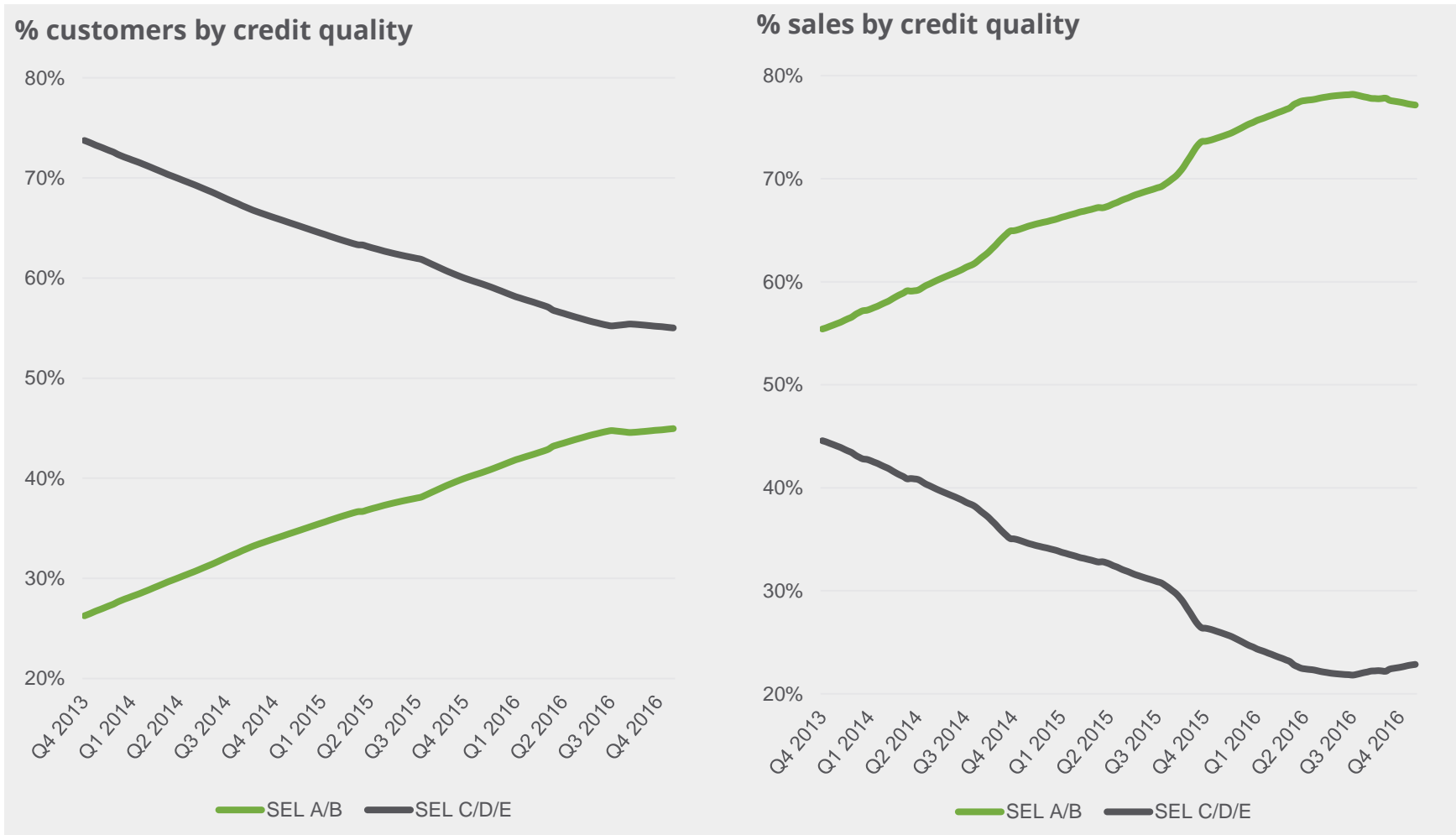
¹ Profit before interest after tax as a percentage of average receivables

- > CCD return on assets increased from 15.1% in 2013 to 22.3% in 2016
- > Driven by:
 - Improvement in risk-adjusted margin from 58.9% in 2013 to 78.4% in 2016
 - Significant cost reduction
- > Reversal of long-run downward trend

Home credit – Strong customer base



By focusing on and creating a higher quality, more credit worthy customer base

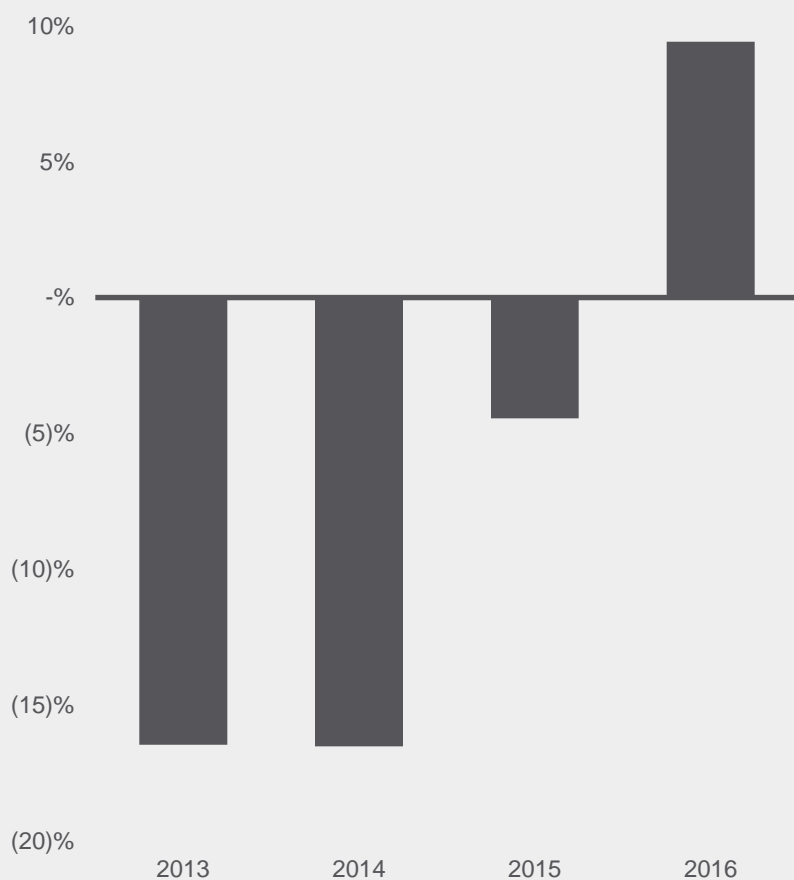


Home credit – Growing from a strong base

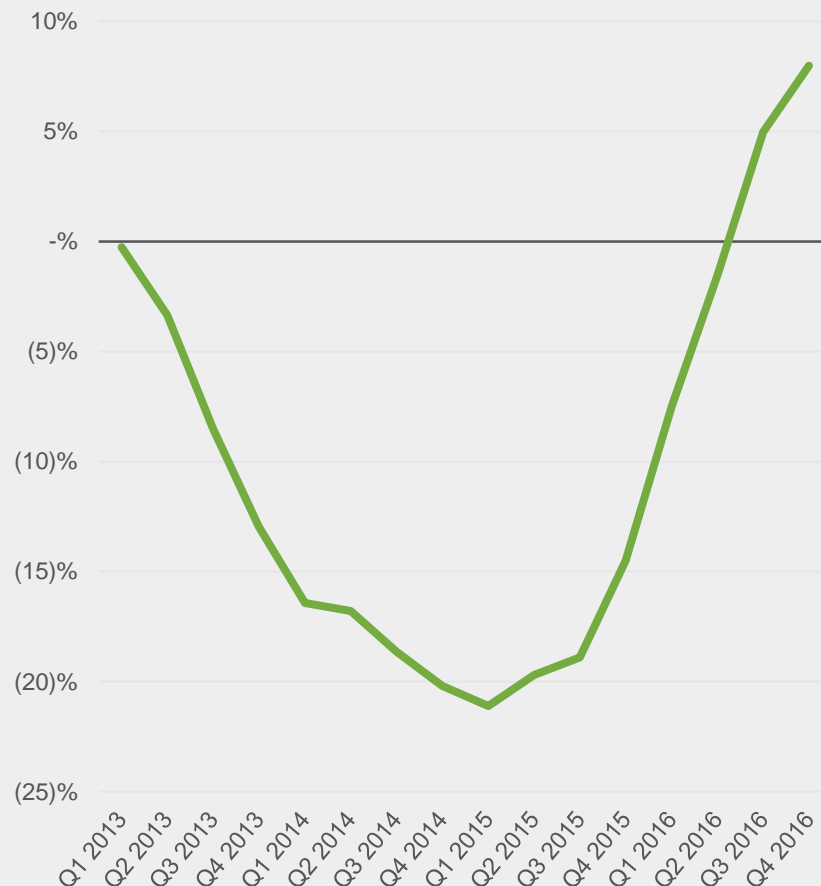


Which enabled renewed growth of sales and receivables in 2016

YoY % sales growth



YoY % receivables growth



Home credit – Growing from a strong base

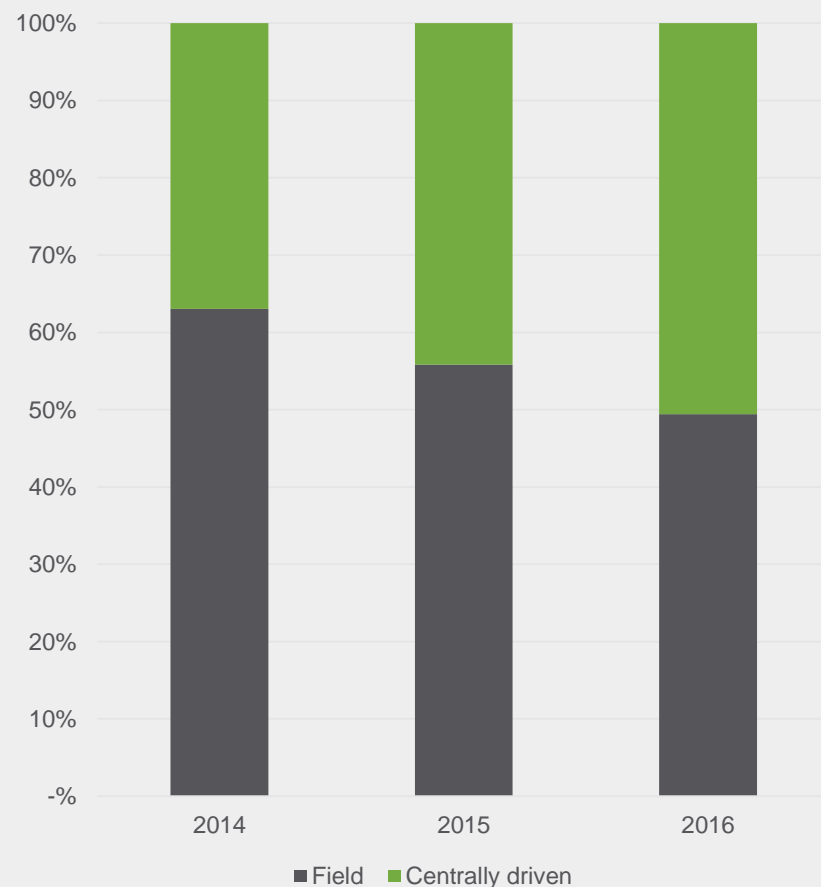


Additionally, the new customer franchise is strong, especially from central marketing activity and new partnerships and intermediary relationships

New customer volumes ('000)



New customer split % by channel

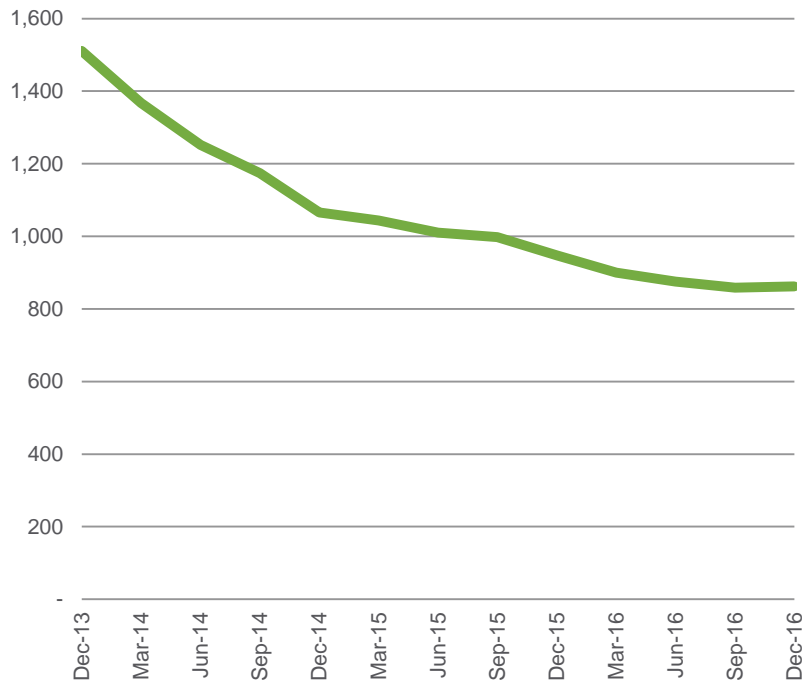


Home credit – Strong customer base



As a result, overall customer numbers are stabilising and will grow over the medium term

Customer numbers ('000)



- > Customer numbers stabilised in the second half of 2016
- > The decline in customer numbers has been driven entirely by the planned reduction in SEL grades C, D and E

Home credit



A unique customer proposition

- > Home credit creates financial inclusion for low income households with its unique proposition:
 - Affordable weekly repayments
 - Fixed and guaranteed costs with no additional fees or charges
 - In-built flexibility
 - Face-to-face relationship
- > Weekly home visit creates discipline and helps customers manage their finances
- > Proposition is ideally suited to customers with temporary, part time or seasonal work, and customers whose identity or income cannot be remotely verified by online lenders
- > We have over 135 years of successfully serving customers in the home credit market:
 - High levels of customer satisfaction with a net promoter score of 58 (but customer expectations are changing)
 - Robust performance through the economic cycle
 - Mature market which is in modest decline
 - Proven track record in recent years of innovation and improving returns

Home credit



In 2017 we are transforming the UK model, building on the work to date

- > The self-employed model with part-time agents is no longer optimal
- > Continually increasing customer expectations and technology advances provide a compelling opportunity to deliver a more efficient and effective business
- > Regulatory requirements are (rightly) driving a need to continue to improve how we evidence high levels of control
- > In 2017, we are enhancing the home credit model in four ways:
 - Serving customers through c.2,500 fully-employed Customer Experience Managers (CEMs)
 - Creating c.160 dedicated arrears specialists – Customer Account Managers (CAMs) – to provide forbearance for customers
 - Deploying further technology, include route planning and voice recording
 - Streamlining the field management structure in the UK to reduce management costs
- > The new model is expected to be fully operational from July 2017
- > This change represents a continuum of the excellent progress made since 2013



Home credit

This transformational change directly addresses the limitations of the historic model, and puts Provident well ahead of all other home credit providers

Limitations of historic model

Benefits of new model

- | | | |
|--|--|--|
| <ul style="list-style-type: none"> > Potential conflict between regulatory requirements and self-employed status | | <ul style="list-style-type: none"> > No conflict |
| <ul style="list-style-type: none"> > Limited control over customer experience/service | | <ul style="list-style-type: none"> > Complete control |
| <ul style="list-style-type: none"> > Limited control over operational KPIs (sales, collections, new customers) | | <ul style="list-style-type: none"> > Complete data driven control |
| <ul style="list-style-type: none"> > Hard to evidence customer interactions in the home | | <ul style="list-style-type: none"> > Voice recording |
| <ul style="list-style-type: none"> > High management costs driven by low spans of control | | <ul style="list-style-type: none"> > Lower costs enabled by routing and scheduling |

Home credit



And the change has only been made possible by the progress over the last 3 years

Apps	Agency rationalisation	Data and analytics	One Best Way
<ul style="list-style-type: none"> > Lending app > CLIP app > Prospects app > Balancing app > Complaints app > Flash app 	<ul style="list-style-type: none"> > c.9,100 to c.3,800 UK agencies > Average customers per agency from 125 to 170 > Average agent commission from £13k to £20k > Closer to new model 	<ul style="list-style-type: none"> > Centralised control > 9 new business scorecards > 3 behavioural scorecards for further lending > Centralised marketing through multiple channels 	<ul style="list-style-type: none"> > Move from de-centralised autonomy to centralised standardisation

Satsuma



The development of Satsuma has been measured

- > High-cost, short-term credit (HCSTC) market significantly impacted by new regulation:
 - £2.0bn credit issued in 2014 reduced to £1.1bn in 2016
- > Market over served with 10-15 active competitors:
 - Though evidence that consolidation about to begin
- > Focus on speed to market led to initial platform not flexible or scalable:
 - Now implemented scalable platform built around customer experience
- > Measured pace resulted in excellent credit capabilities and a deep understanding of the relative economics of different customer acquisition channels
- > High levels of customer satisfaction – Feefo rating of 4.75 out of 5 in March 2017
- > Now have strong management in all the key positions

Satsuma



But the component pieces are now in place after a strong 2016

P&L drivers 2016 versus 2015

1 Cost to recruit

- > Acquisition cost per customer 66% lower

2 Average loan size

- > Average loan size c.30% higher for new business and c.25% higher for further lending

4 key drivers of the P&L

4 Re-serve rate

- > Further lending rate 50% higher

3 Collections performance

- > Impairment % revenue reduced by 24 percentage points

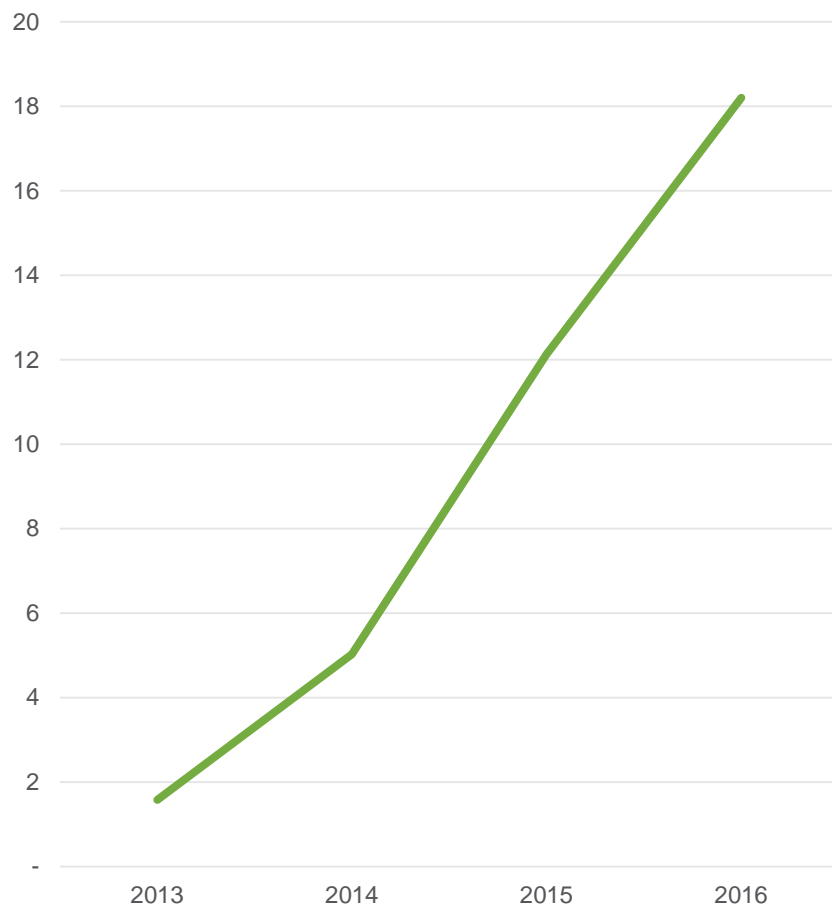
...RAM 2.5x higher than 2015 and close to that achieved in home credit

Satsuma



And we are pushing on to scale, with a very clear strategy for the future

Receivables (£m)



- > Satsuma receivables grew 50% in 2016 and are now above £20m
- > Currently estimated to be 4th in the HCSTC market based on receivables
- > On track to meet November 2013 commitment of top 3 within 3-5 years (on receivables)
- > On track to be top 3 on new business flow in 2017

Home credit

Andy Parkinson – Home Credit Director

Introduction

Strategy overview



- > Our strategy is a continuation of journey we have been on since 2013:
 - We focused on collections and quality to drive the business for returns
 - We have increased centralised control of the business (moving from being personality led to process driven)
 - We have introduced standardisation through One Best Way
 - We are now data and tech led
- > The self-employed model was right for then, our new fully-employed model is right for now
- > The new model will allow us to take full control of the customer relationship, putting clear blue water between us and the rest of the market
- > This will be enabled by the next phase in our data and technology journey, increasing control and generating further operational efficiencies and evidencing compliance in the home
- > And, importantly, laying the foundations for sustainable growth in our customer franchise and so our profits

Introduction



Let's start with a refresh – what is home credit?

- > The market is mature but the opportunity remains large:
 - c.1.8m customers used home credit in 2016 with c.£1.5bn of credit issued
- > Cash is issued and collected face-to-face in the customers home, typically weekly
- > This allows the model to serve a higher risk customer profile, perhaps because there is a degree of uncertainty in income
- > Typically the products have a fixed interest charge, agreed up front and no fees:
 - Recognising that some customers may not be able to make all their repayments on time and as such they may take longer to repay their borrowings
- > Home credit is typically served through self-employed agents, whose earnings are entirely based on the collections they make (though some may earn more for adding new customers)
- > In this model agents are relatively autonomous generalists, handling sales, collections and early care arrears

Introduction








And so how are we breaking the mould?

- > The proposition will remain the same:
 - Cash issued and collected face-to-face in the customers home, typically weekly – although we will look to modernise this
- > As will the product:
 - Fixed charge interest, agreed at the outset and never any fees
- > We will still be there to lend a helping hand for customers who are excluded from mainstream finance due to their personal circumstances
- > Our new model will be different because:
 - We will take control over the customer relationship through our fully-employed field force
 - Our field force will be salaried and so will not be incentivised on anything other than customer experience
 - We will introduce role specialisation to ensure that customers get the service and expertise that they deserve

Introduction



Now is the right time for us to update the model

-  **Technology has evolved** – this enables a significant shift in the cost equation through improved spans of control and centralised management of field operations
-  **One best way** – Home credit is better managed and we now have a very solid foundation for future change
-  **A track record of transformation and performance delivery** – we are now well-equipped to deliver change from a capability perspective
-  **The regulatory space has changed** – control of the customer relationship needs to increase, and our field team must become our biggest strength
-  **HMRC** – self-employed status inhibits us from taking full control of the customer relationship and experience

The customer



The new model is about our customers

New customers

- > Agents typically take more than 2 days on average to visit a new customer to complete a loan application, meaning some customers give up and go elsewhere
- > Some agents have no desire to grow their book – in any given week across peak trading c.25% of agents did not add a new customer

Existing customers

- > Agents are not making customers aware if they qualify for further credit – evidenced in the high success rates of our central marketing activity

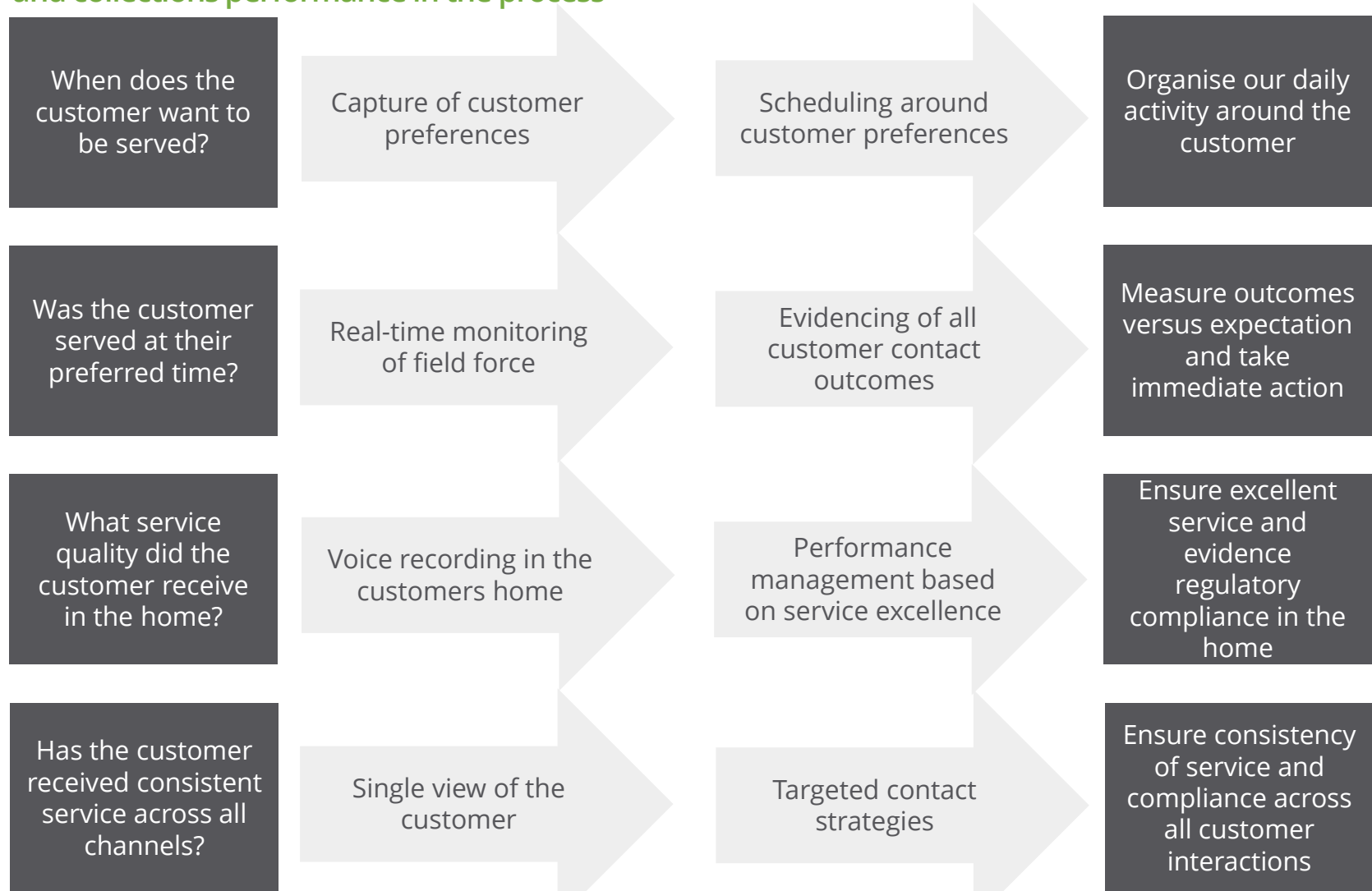
Collections

- > Only 15% of customers are collected at the same time each week
- > And the business is only currently open two days a week (70% collections happen on Monday and Friday)
- > The agent not calling is one of our biggest source of complaints



The customer

The new model will allow us to put the customer at the heart of everything we do – improving sales and collections performance in the process





Lots done...

Our progress to date has enabled us to increase control and drive efficiencies through technology, process and a focus on customer experience

CCD



- > Flash app
- > Lending app
- > Collections app (CLIP app)
- > Prospect app
- > Balancing app
- > Complaints app
- > Powercurve (dynamic decisioning tool)



- > Standard operating procedures
- > Affordability checking with 100% income verification
- > Centralised recruitment
- > Central planning team
- > Analytics centre of excellence
- > Embedded governance structures and risk-intelligent culture



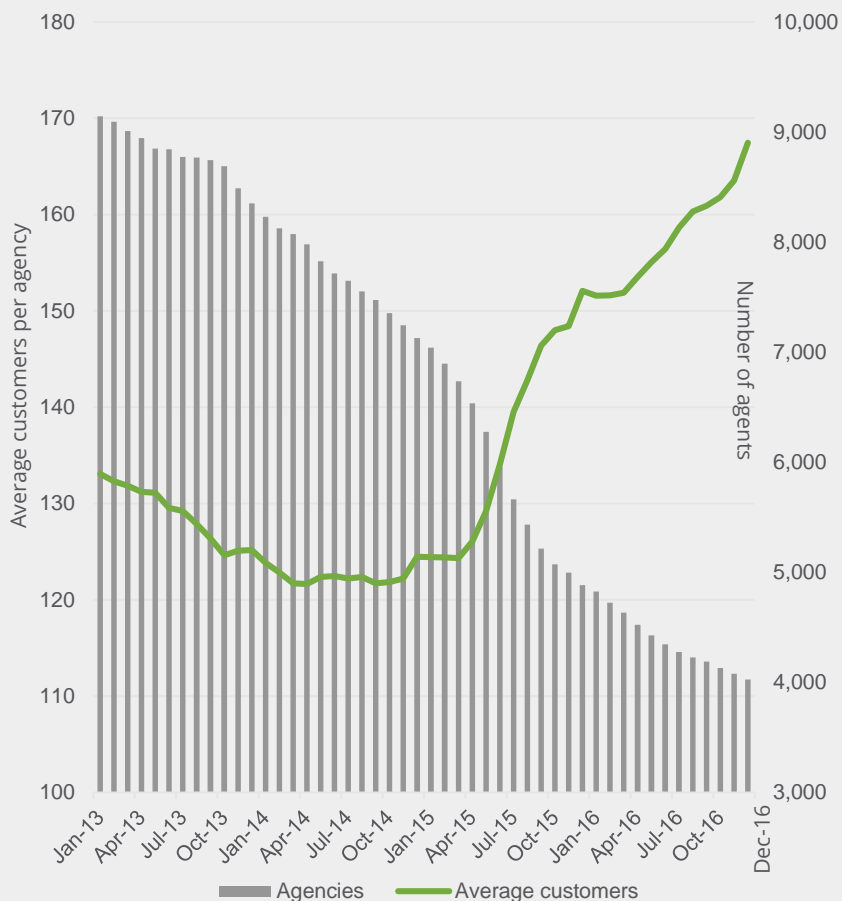
- > Customer experience scorecard
- > Customer excellence training and development programme



Lots done...

Agency rationalisation has removed smaller and under-performing agencies, moving us towards a more professional type of agent

Average agency size and number of agencies



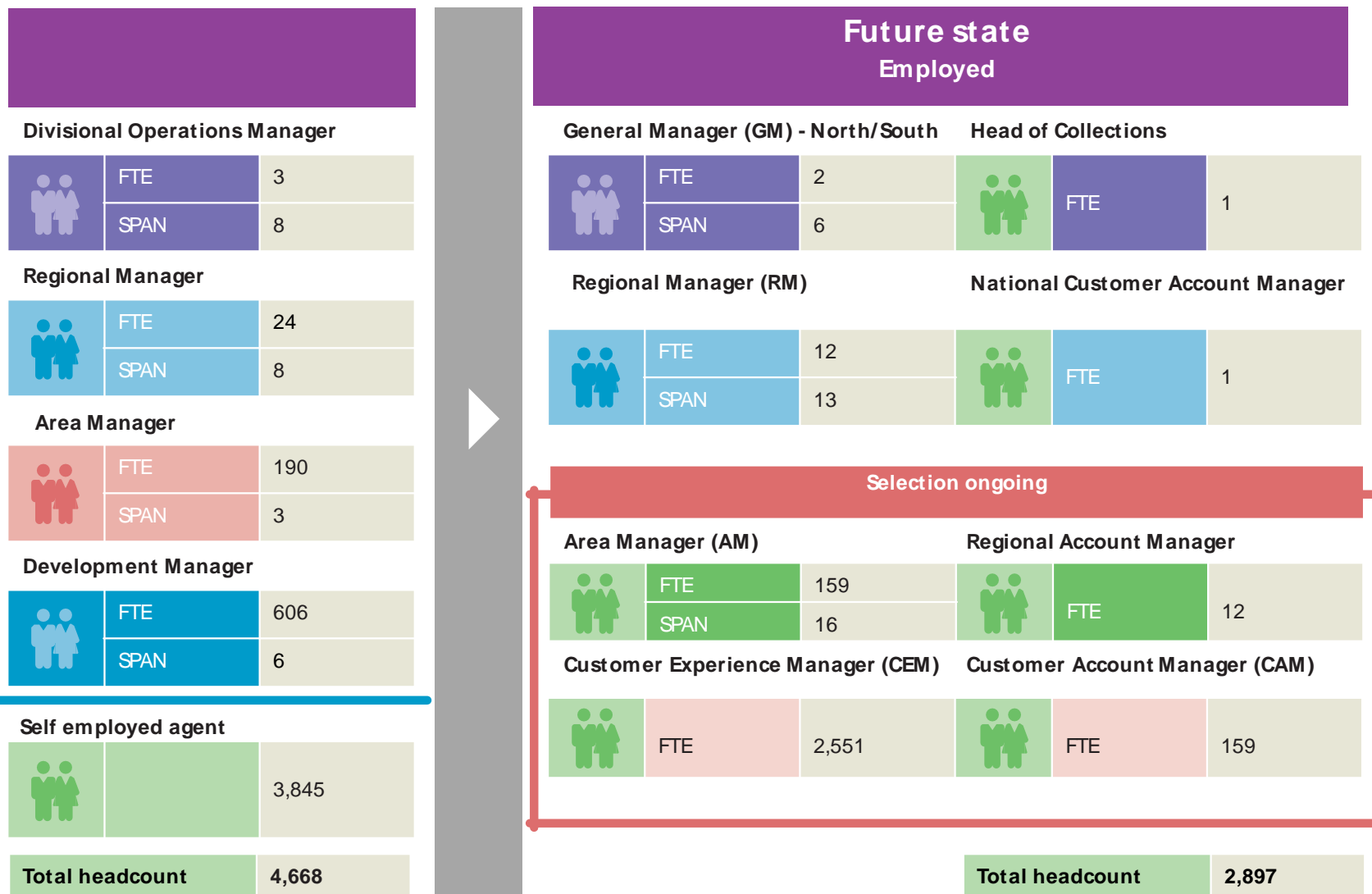
Average commission



The new model



The new model allows us to increase spans of control and introduce role specialisation in the UK



CCD

The new model



The new model will be enabled by the next phase of our data and technology journey



Customer relationship management (CRM)



Routing and scheduling



Territory planning

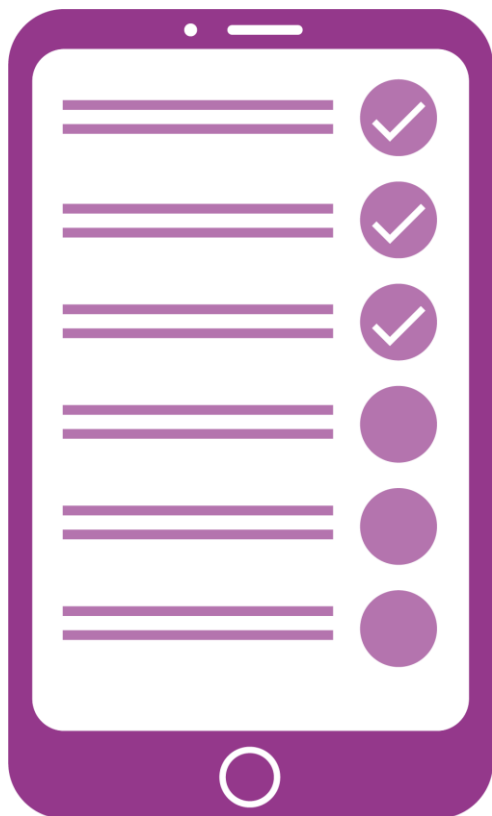


Voice recording

Technology enablers – CRM



CRM is a key enabler to ensuring that we deliver a consistent customer experience across all channels



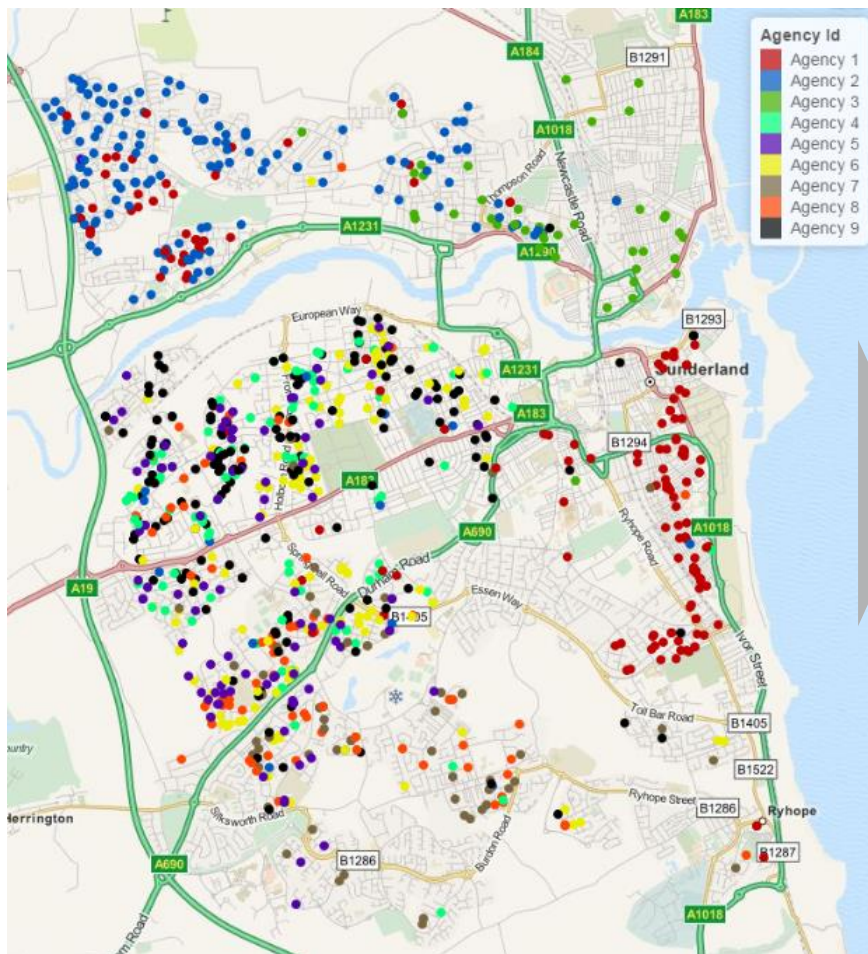
- > Visibility of customer interactions with the business across all channels
- > Provides a single view of the customer
- > Real time to support users interacting with customers in the home
- > Successfully piloted in our contact centre

Technology enablers – Territory planning

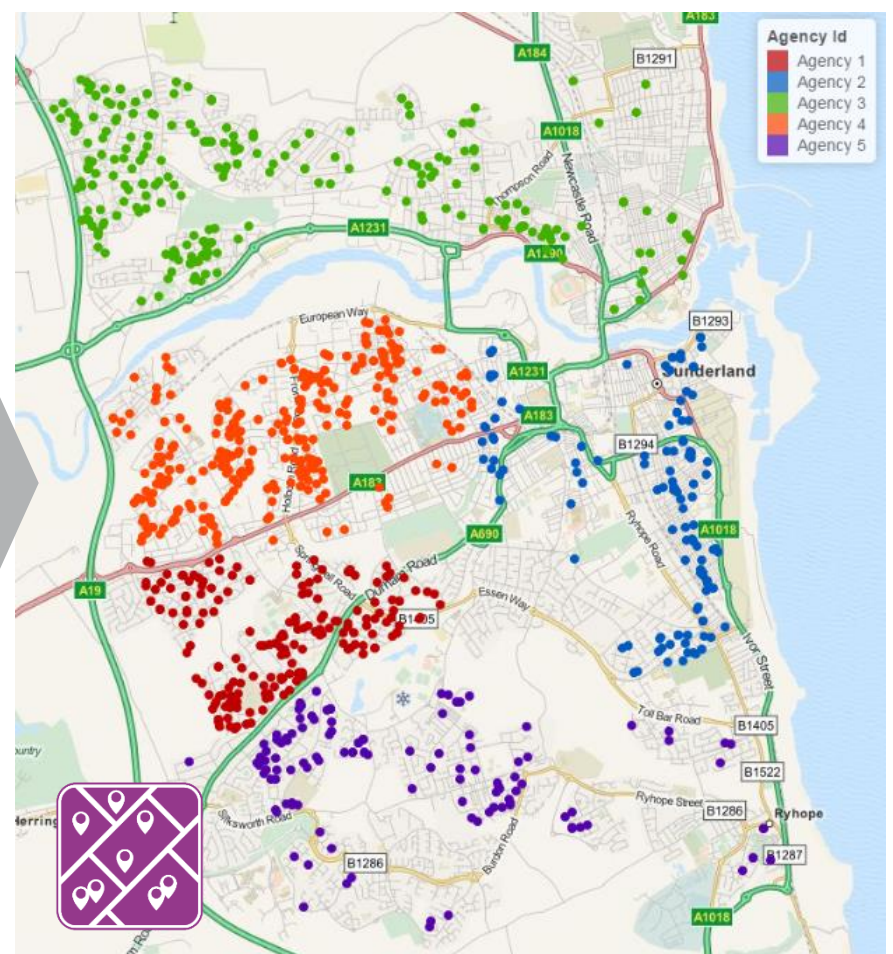


Territory planning will bring order and structure to the field, laying the foundations for routing and scheduling

Current agency structure



Territory planning



Technology enablers – Routing and scheduling

Provident
EST. 1880

The loan that comes to you

Routing and scheduling will bring a new level of structure, flexibility, control and efficiency to our field operations

- > Daily work lists for Customer Experience Managers (CEM) and Customer Account Managers (CAM)
- > Work lists will initially be based on current customer preferences
- > For example the usual date/time to call for a collections repayment
- > In the future we will evolve so we can offer customers more choice and options
- > Route planning and optimisation (including live traffic updates)
- > Central oversight through a central planning team:
 - View of whole network
 - Real time view of field activity and performance



Technology enablers – Voice recording



Voice recording in the home will enable us to measure and monitor service quality and fully evidence regulatory compliance in the home



- > Integrated with routing and scheduling app
- > Proof of our commitment to evidencing good customer outcomes
- > The concept is testing well with customers and our pilot in our arrears management process is ongoing

Bringing it together



Technology will enable our field force to be there for our customers at the right time



Customer experience



We have identified a clear link between customer experience and our commercial KPIs

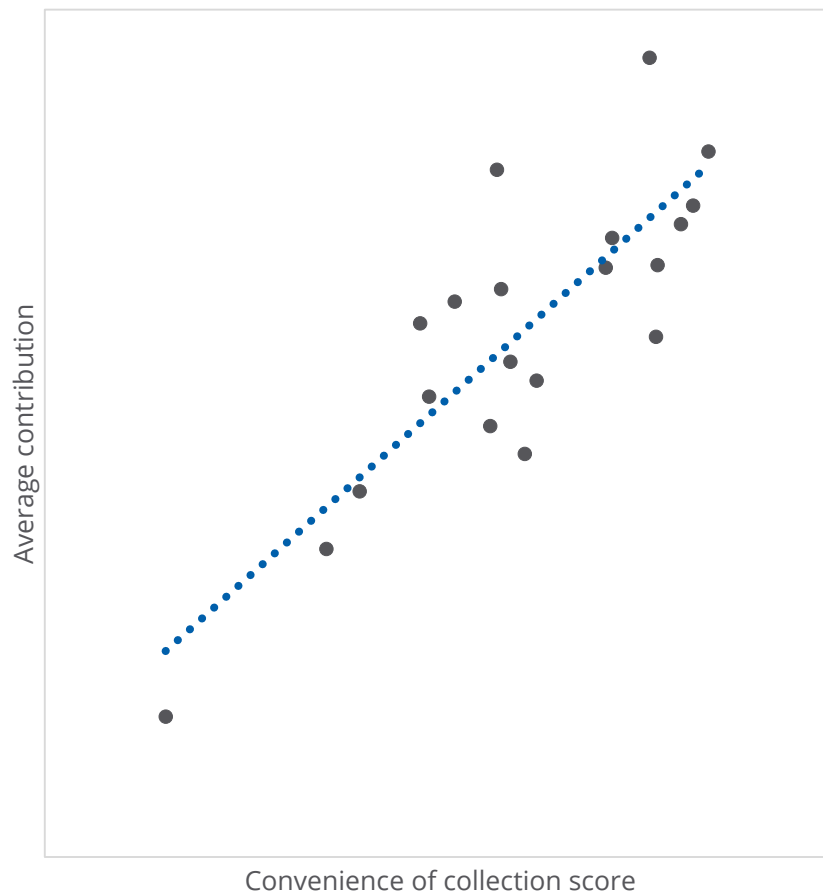
> Our key drivers of customer experience:

- Convenience
- Professionalism
- Individuality
- Friendliness
- Problem handling
- Responsiveness

> Taking control over the customer relationship will enable us to deliver a step change in customer experience

> Moving forward all discretionary remuneration will be based on customer experience, bringing us into line with the retail financial service sector

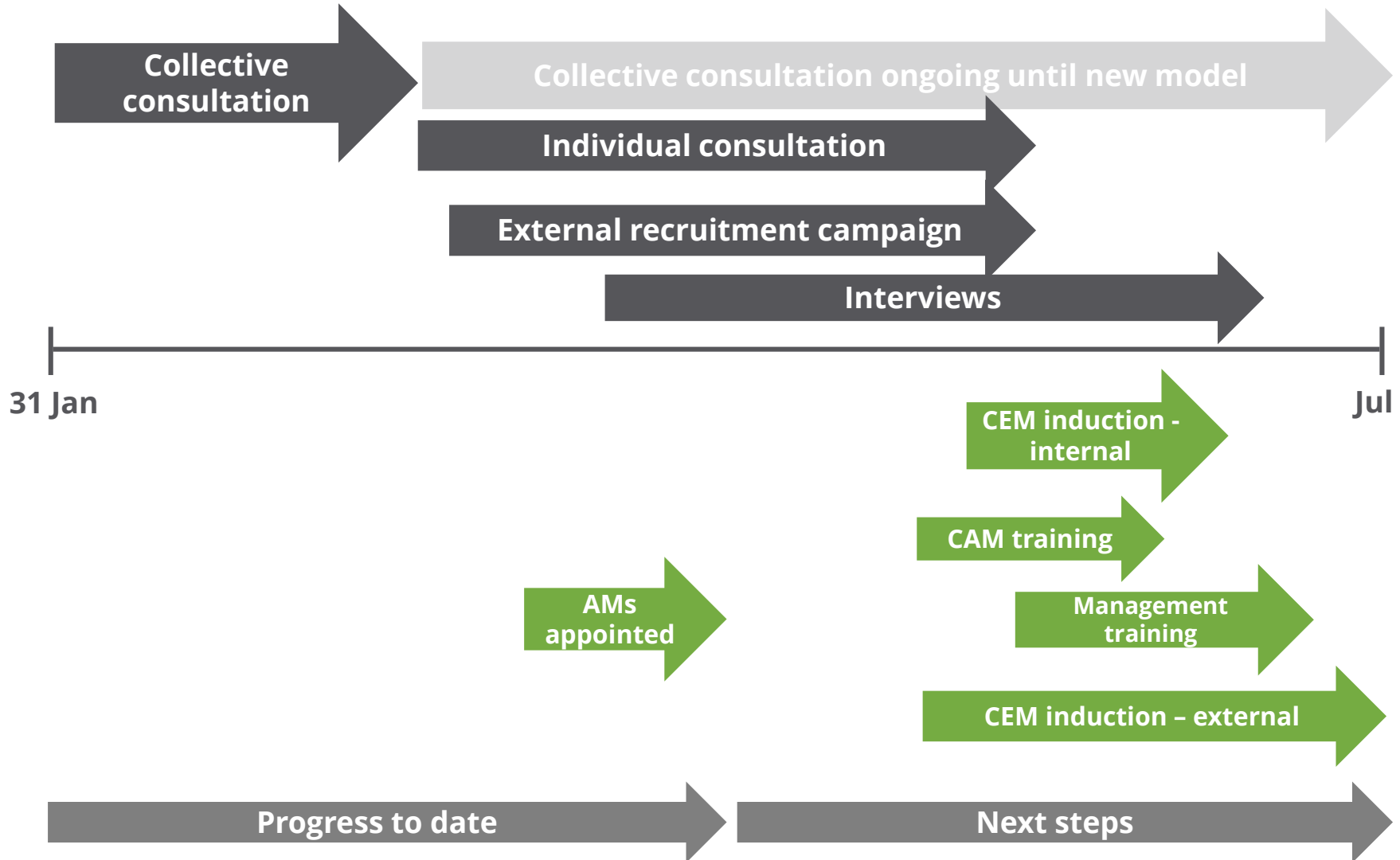
Convenience of collections versus average agency contribution





Transition to the new model

We have a clear plan for transitioning to the new model, with HR specialists Curve Group supporting our internal teams



CCD



Transition to the new model

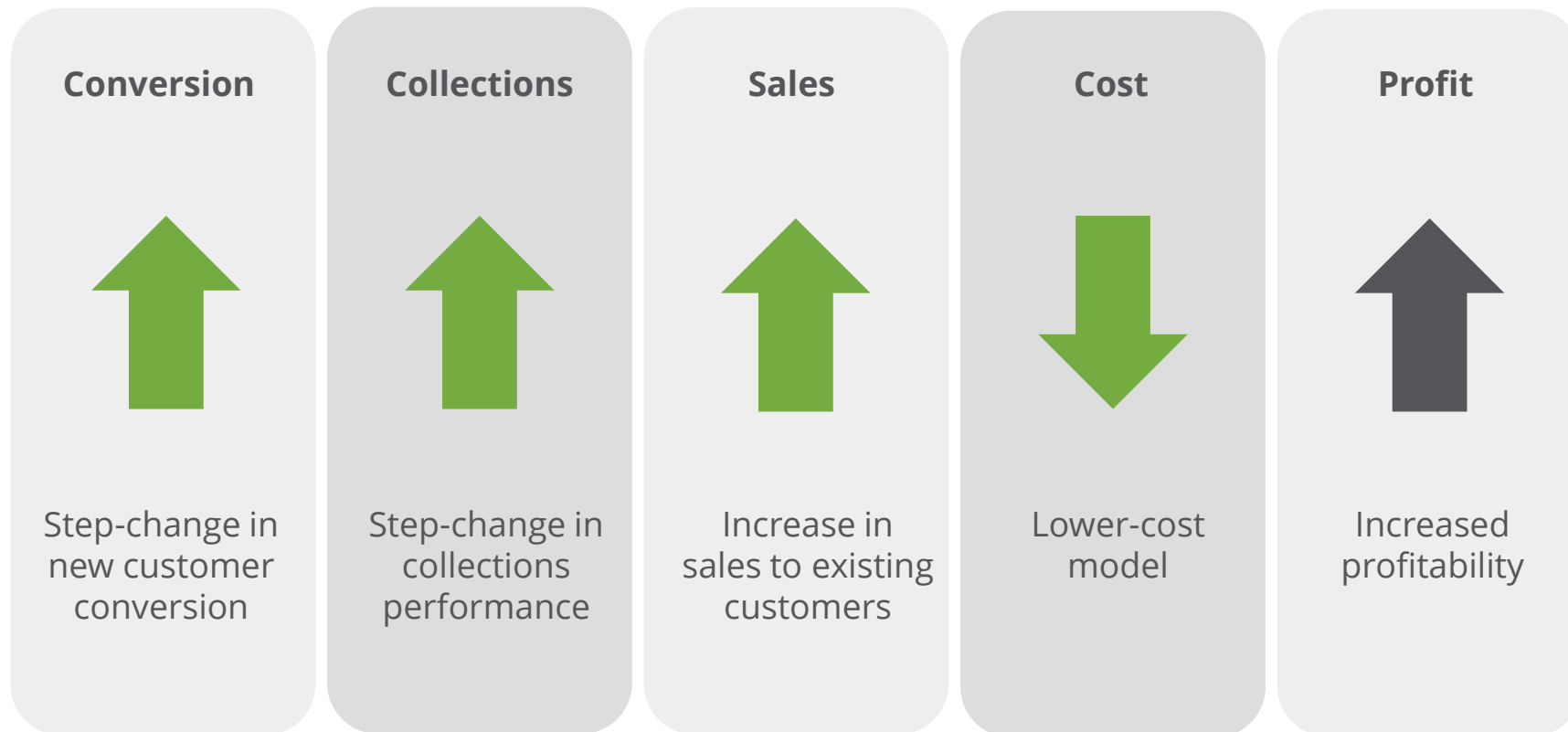
And we are monitoring the key risks to the transition and have appropriate controls in place

Risks	Mitigants
<ul style="list-style-type: none"> > Temporary agent disruption impacts commercial performance 	<ul style="list-style-type: none"> > Rationalised agencies mean bigger earnings with Provident > Large number of agents have applied for CEM roles > Enhanced commission package
<ul style="list-style-type: none"> > Breaking agent/customer relationship 	<ul style="list-style-type: none"> > Already successfully halved the agent population with no impact on customer experience > Many of the new CEMs will be recruited from the existing agent population
<ul style="list-style-type: none"> > Commission no longer a performance lever 	<ul style="list-style-type: none"> > Full oversight, control and performance management of salaried employees with discretionary pay linked to customer experience
<ul style="list-style-type: none"> > Higher number of customers per CEM 	<ul style="list-style-type: none"> > Capacity modelling for FTE based on data from our app technology, including hours worked and average time to service > c.10% of agents already successfully run a book >250 customers, without the additional tech we are introducing

KPI benefits



The new model will deliver significant commercial benefits across our core KPIs over time

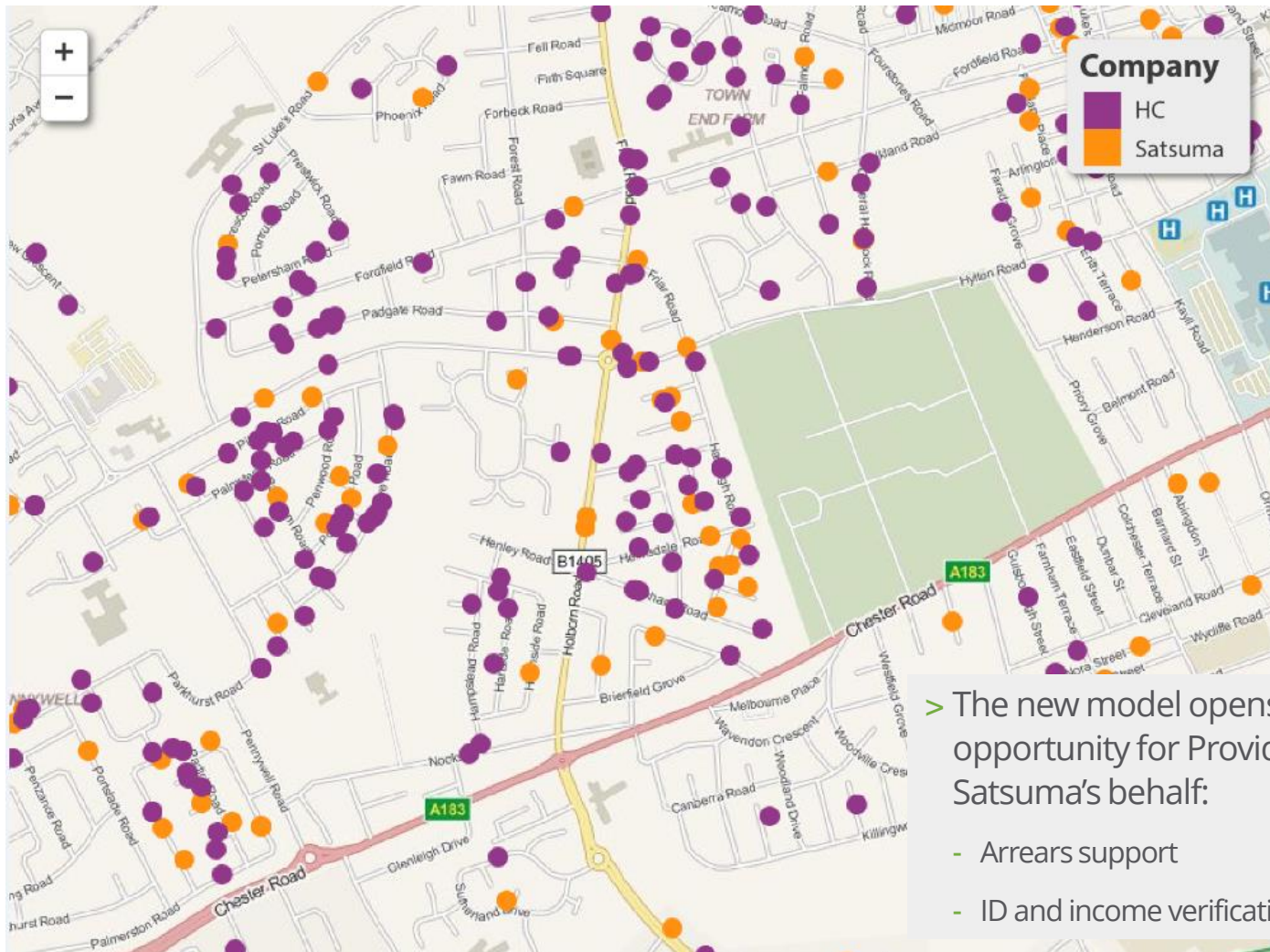


We will use the new model as a platform to continue to grow our business

Strategic opportunities



Control over a fully-employed field force opens up a number of strategic opportunities within CCD



CCD

Strategic opportunities

And across the group



> The new model opens up the opportunity for Provident to act on behalf of the group

Strategic opportunities



Once we have greater control we will enhance our customer proposition



Login and mobile app:

- > Further lending eligibility
- > Schedule a visit
- > Statements and balances
- > Engagement and communication



Loan disbursement:

- > Cash
- > Direct into bank account



Repayment preferences:

- > Cash
- > Card
- > Mobile
- > Non-weekly

Summary



Transition to a more efficient and effective operating model

- > Our strategy is a continuation of the journey we have been on since 2013
- > The new model will allow us to take full control of the customer relationship, putting clear blue water between us and the rest of the market
- > The new model will be enabled by the next phase in our data and technology journey:
 - CRM
 - Territory planning
 - Routing and scheduling
 - Voice recording
- > The new model will increase control, generate further operational efficiencies, driving our core KPIs, and enable us to fully evidence compliance in the home
- > We are laying the foundations for sustainable growth in our customer franchise and our profits – and opening up strategic opportunities across CCD and the group

Satsuma

Luke Enock – Online Director

Introduction

Satsuma™
loans.co.uk

Well placed to deliver profitable growth

Significant P&L improvement

- > We have made great progress on key P&L drivers in 2016, whilst growing the business by 50% - and we have a clear path to profit in 2017

Strong leadership team

- > We have the right team now in place to deliver our ambitious plans for Satsuma

Market stabilising

- > We understand the market opportunity and what it takes to win with customers in the market

Clear vision, mission and strategy

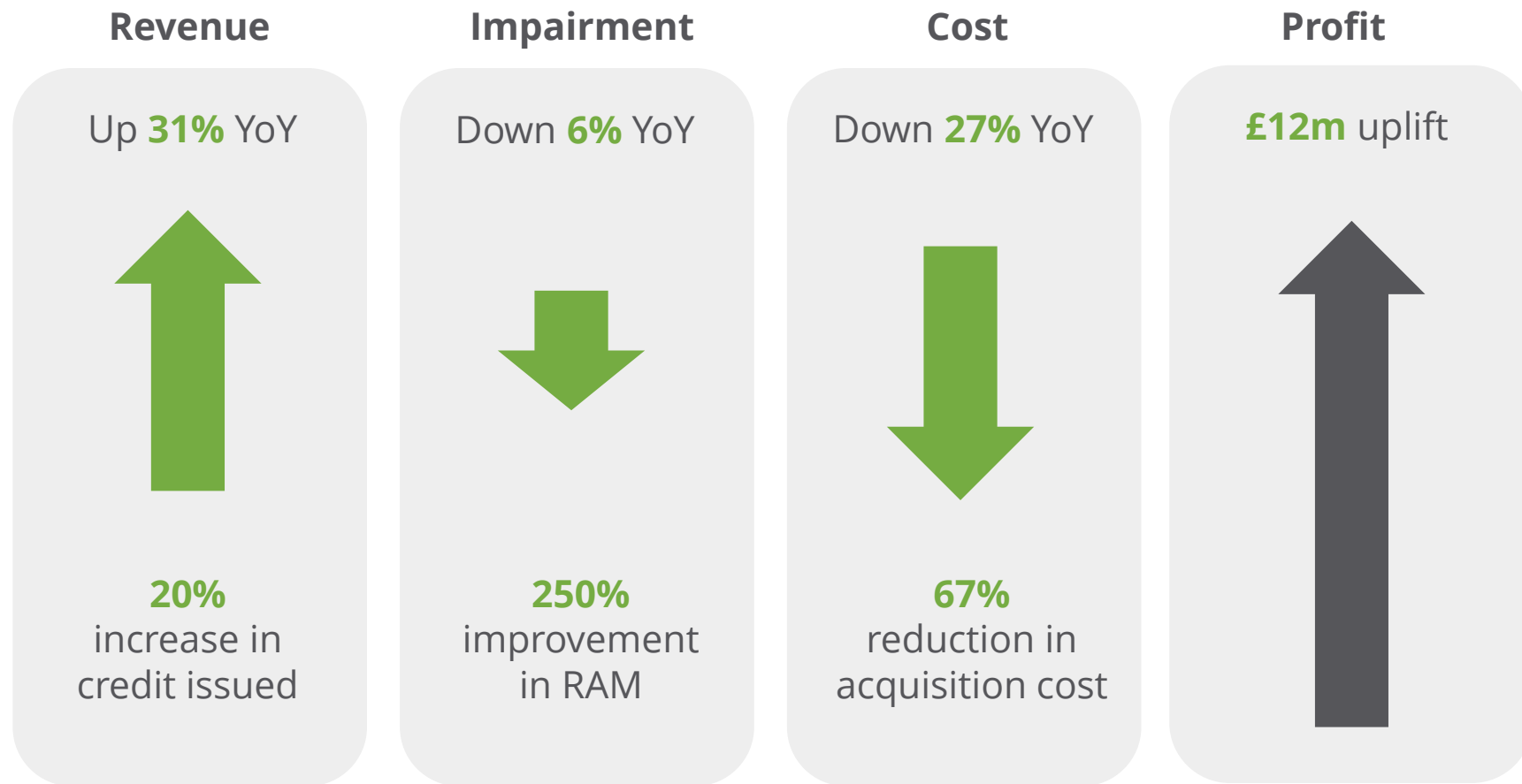
- > As such we have defined our vision and our strategy and prioritised our key capabilities:
 - Digital ecosystem – anchored through our mobile app
 - Data and analytics

Market expansion

- > We will leverage these capabilities to develop adjacent market opportunities this year

Progress in 2016

In 2016 we had a more focused approach which delivered tangible improvements to the income statement



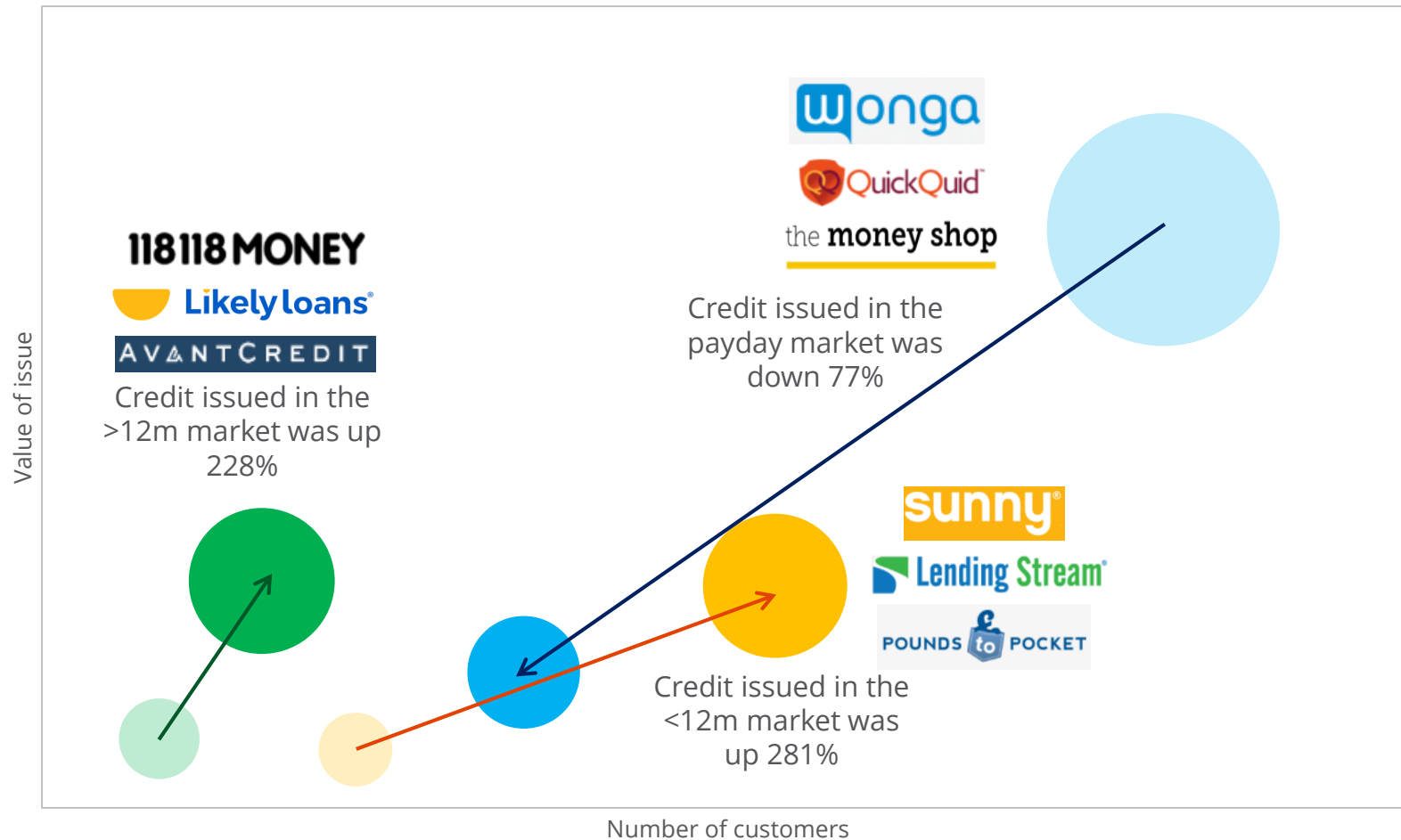
...this improvement was achieved whilst growing the book by **50%**



Market context

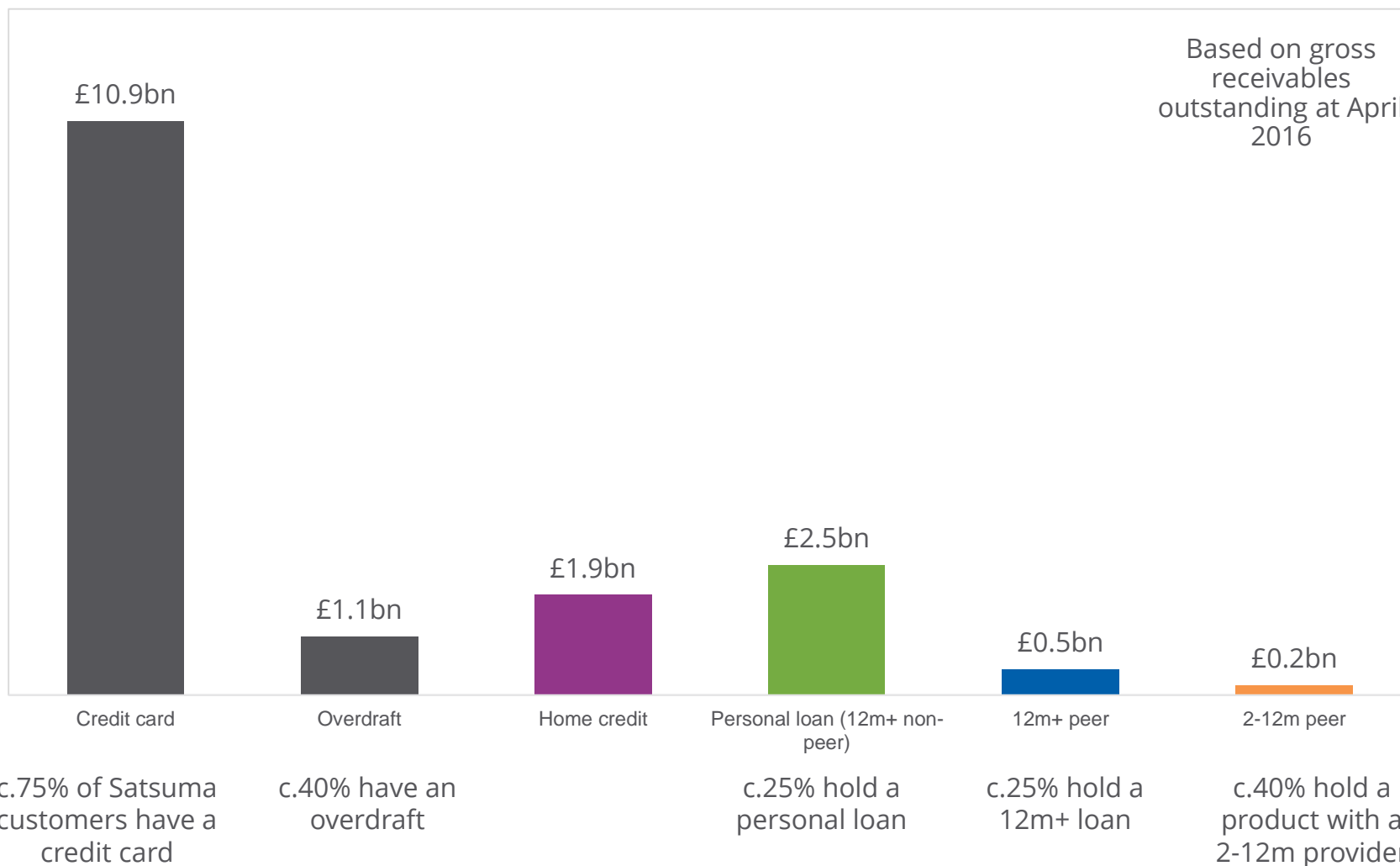
Regulation has led to a significant decline in the payday market, as a result the instalment markets are growing

Unsecured loans to non-standard customers in 2014 and 2016



Market context

There are bigger market opportunities than the one we are currently in, and our customers are already interacting with these credit products



Satsuma strategy



We defined a clear vision, mission and goals, which have helped to guide the development of our strategy



Our vision

First choice online financial services business for underserved consumers in the UK



Our mission

- A more inclusive approach to lending
- A path to cheaper lending through responsible lending and responsible borrowing



Our goals

- More than 400k engaged customers
- Receivables of £100m - £150m
- Broad and deepening relationships with our customers
- A market leading customer experience

Satsuma strategy



And we have a clear strategy that will enable us to win with customers in our market



Digital ecosystem

- > Seamless mobile lending through secure customer-empowering technologies



Data and analytics

- > Igniting performance and driving ambitious change through analytics

Digital ecosystem



Satsuma™
loans.co.uk

Our customer login is the foundation for our digital ecosystem

MySatsuma

Control. At your fingertips.



Stay in the know. On the go.



Check your balance on the go.



> The login provides a suite of functionality driven by our customer insights:

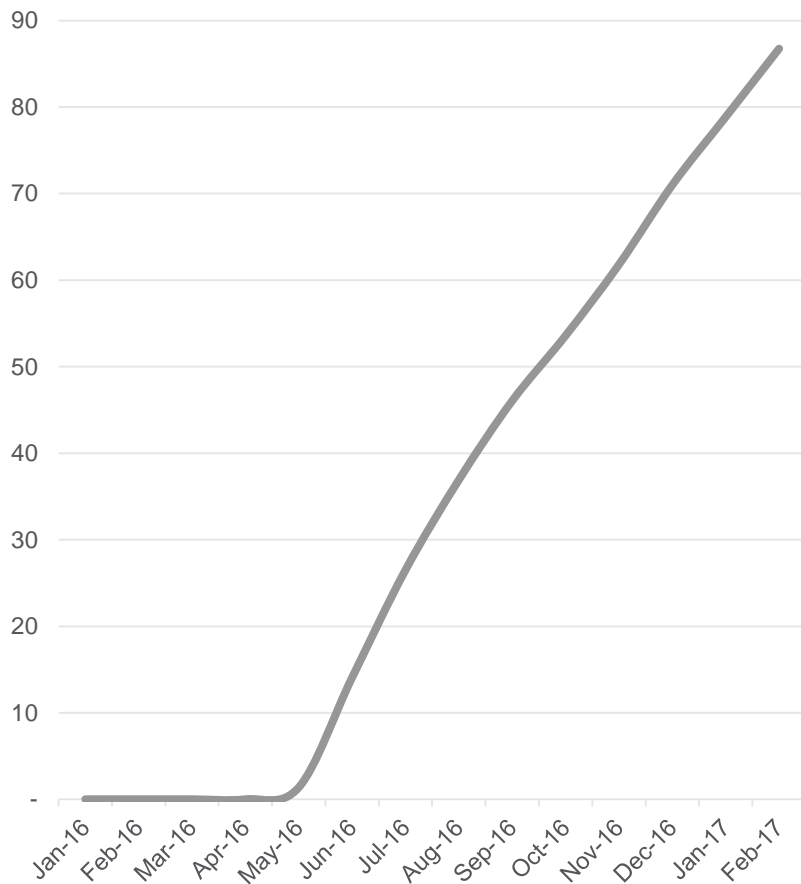
- 24/7/365 account access
- Immediate access to further credit – real time further lending eligibility
- Ease of application – c.30% quicker than web journey
- Visual representation of loan status
- Make a repayment

Digital ecosystem



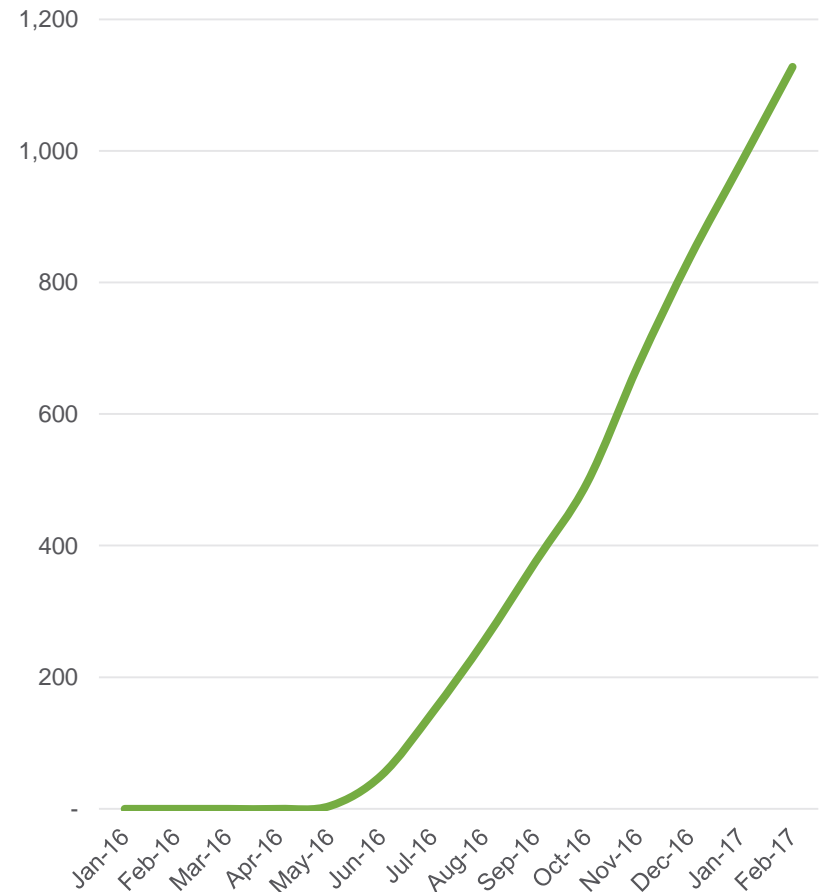
Its success has proven our hypothesis that customers want the ease and convenience of a digital relationship

Login accounts created ('000)



> c.90k accounts created in less than 10 months

Login sessions cumulative ('000)



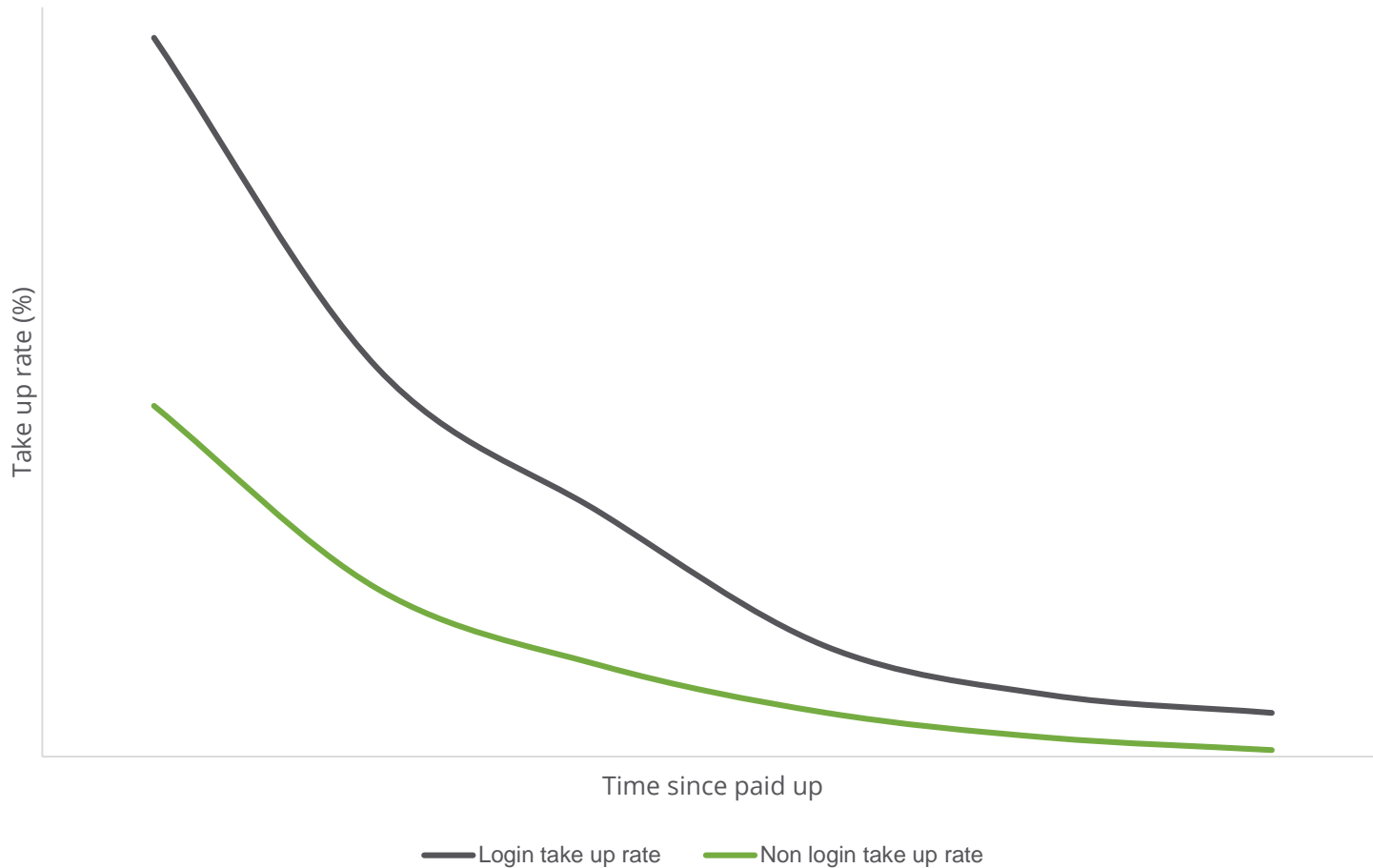
> >1m sessions in less than 10 months

Digital ecosystem



And the utility of the login has driven tangible improvements in customer retention

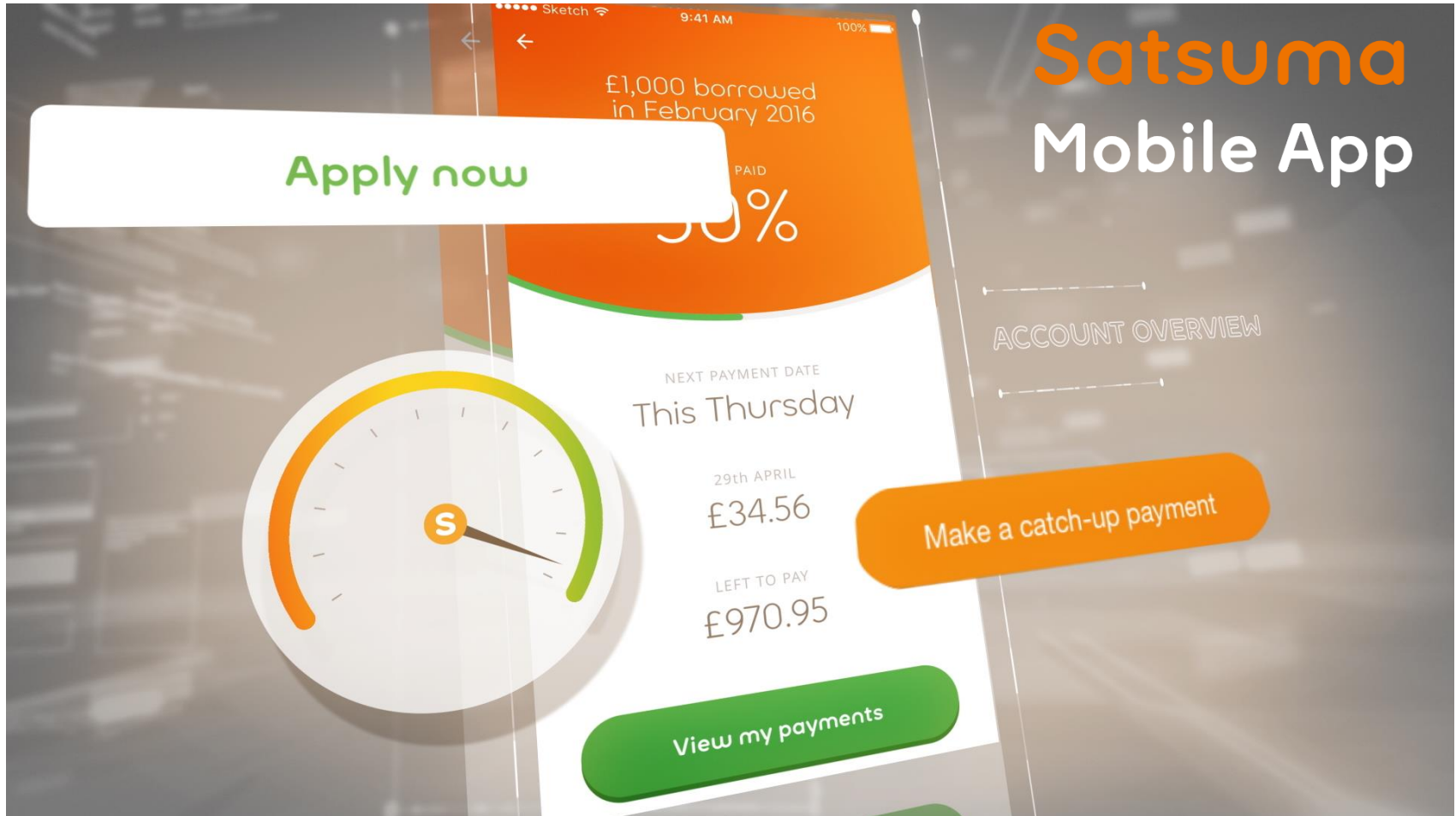
Login versus non login take up rate (%)



Digital ecosystem



Building on the success of the login, the Satsuma app will provide the anchor for our future digital relationship with our customers

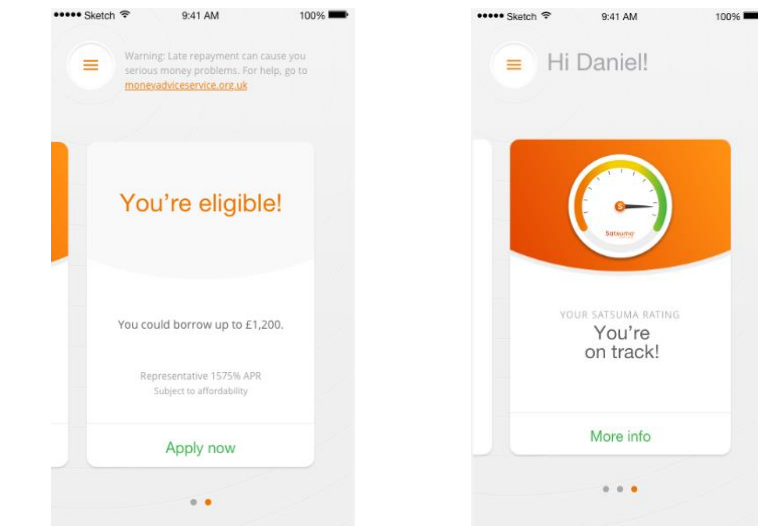
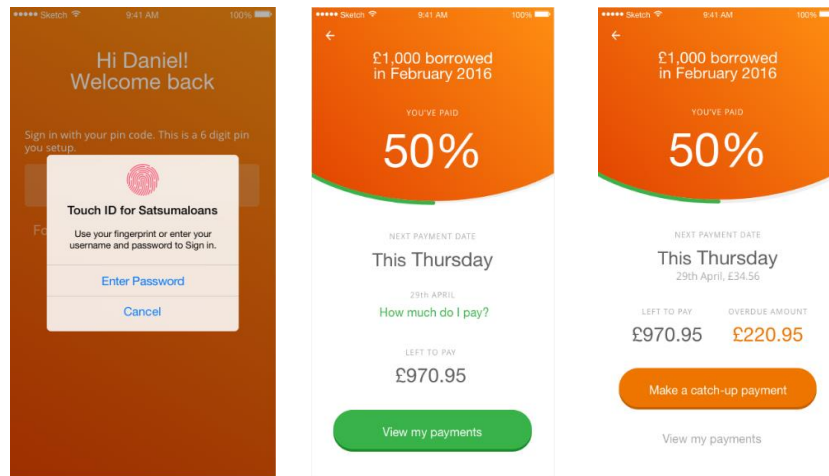


VIDEO

Digital ecosystem



Building on the success of the login, the Satsuma app will provide the anchor for our future digital relationship with our customers



- > Nearly **80%** of our customers interact with Satsuma through their **mobile phone**
- > The mobile app is easy to access with **biometrics**
- > It will make accessing account details simple and easy:
 - Balances, payment amounts, due dates, payments made, bank details
- > It will provide two core features:
 - **Ability to buy** – eligibility and application for further lending
 - **Ability to make a repayment**
- > The **Satsuma Smart Score** will provide a customer with their unique 'credit rating' with Satsuma
- > We will also serve relevant content to customers through the app increasing ongoing customer engagement

Digital ecosystem

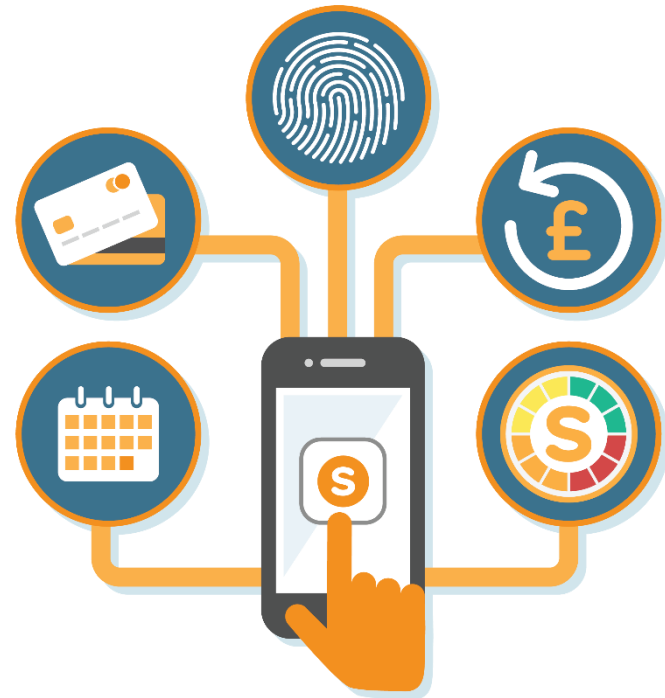


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We will continue to invest in the Satsuma app to provide our customers with a leading-edge digital financial services experience

> Developments in the pipeline:

- Satsuma Smart Search (quick search functionality)
- Risk-based pricing
- Bespoke customer journeys based on customer segment
- Access to external credit file
- Ongoing income and expenditure assessment
- Access to other Satsuma products
- Rewards and vouchers



Digital ecosystem



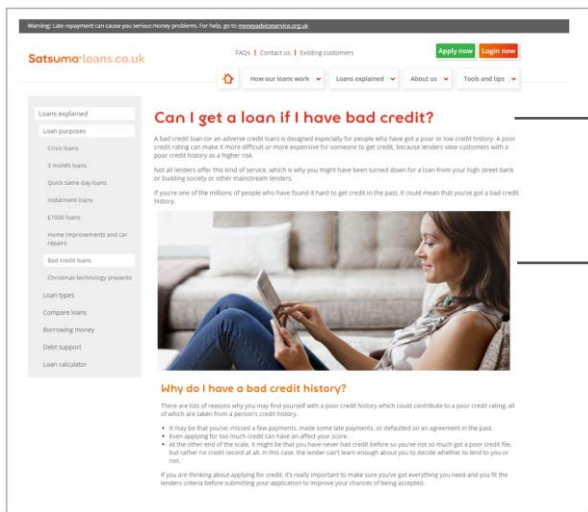
Search engine optimisation is an important part of our acquisition strategy – and has two core components

On page SEO

- > Making sure that Google can find our web pages so they rank highly
- > Relevant, detailed, and helpful content based on the search phrases we're trying to rank for (e.g. bad credit loans)

KEY WORD PHRASE: "BAD CREDIT LOANS"

"Satsuma **Bad Credit Loans**" → **Page title**
<https://satsumaloans.co.uk/bad-credit-loans> → **Web address**



Content
Image description
"Bad credit loans"

Off page SEO

- > Getting other websites to tell Google what our website is about
- > Getting other websites to show Google our authority in the industry and that we're a website customers can trust
- > This is done through building links



CO

Digital ecosystem



It matters because Google is the biggest source of traffic in our markets

Google search for "Satsuma loans" showing results for satsumaloans.co.uk and other lenders. The results are categorized into "PAID FOR SEARCH ADS" and "ORGANIC SEARCH".

PAID FOR SEARCH ADS

- satsumaloans.co.uk - Satsuma® Loans - Short Term Loans Up To £1,000**
www.satsumaloans.co.uk/Loans
4.8 ★★★★★ rating for satsumaloans.co.uk
No Hidden Fees. Representative 991% APR. Warning: Late Repayment - Read More.
Destinations: England, Scotland, Wales
Types: Same Day Loans, Personal Loans, Car Loans, Holiday Loans, Family Loans, Emergency Lo...
- Quick Cash Within 15 Minutes - sunny.co.uk**
4.7 ★★★★★ rating for sunny.co.uk
Get 10% Off, Use SUNNY10. Rep 986% APR. Warning: Late Repayment - Read More
Simple & Transparent · Online Application · Flexible Overpayment Plan · View Your Balance Online
Our Pricing · Why Choose Sunny?
- Cash Paid in 10 Minutes - No Credit History £100 - £3500**
www.getmyloans.co.uk/Quick-Loans/2-to-24-Months
277.5% APR Rep - Acceptance Not based on your Past & No Hidden Fees or Charges
No DSS Benefits · Tenants Welcome · Employed Only · No Obligation Quote · Address 1 Yr+
- WageDayAdvance™ Loans - wagedayadvance.co.uk**

ORGANIC SEARCH

Satsuma Loans: Short Term Loans | Official Site
https://www.satsumaloans.co.uk/
Are you looking for a short term loan up to £2000 repaid in instalments? Apply online at Satsuma Loans. Subject to affordability. Representative 991% APR.

- Existing customers**
Already a customer with Satsuma Loans? Apply for a new loan ...
- Your loan application...**
Online loan application friendly to mobiles. No application fee ...
- Contact Us**
We're proud of our personal service at Satsuma Loans ...
- More results from satsumaloans.co.uk »**

- > Google is the biggest source of traffic in our market
- > Google has two different types of results – Paid for search ads and organic search
- > Organic search is essentially free traffic
- > Organic search results are ranked based on the relevance, trust, and authority of websites or web pages
- > Satsuma is doing well on brand terms - 'Satsuma loans'
- > Our strategy is focused on improving rankings for terms like for 'bad credit loans' and 'short term loans'

Data and analytics



We are investing in our infrastructure as a key enabler of our leading-edge analytics



Cloud-based solution

- > Harnessing the power of new technology and data sources
- > Aligning with Vanquis Bank's data strategy, allowing us to lever cross group synergies and collaboration



API led digital architecture

- > Industry leading API-driven digital service oriented architecture
- > Increasing our agility, reducing our cost of change, and enabling us to stay ahead of the competition



Information as an asset

- > Using the power of our portfolio with greater group wide collaboration and information sharing
- > Enhanced data governance and compliance for forthcoming regulations (EU-GDPR)

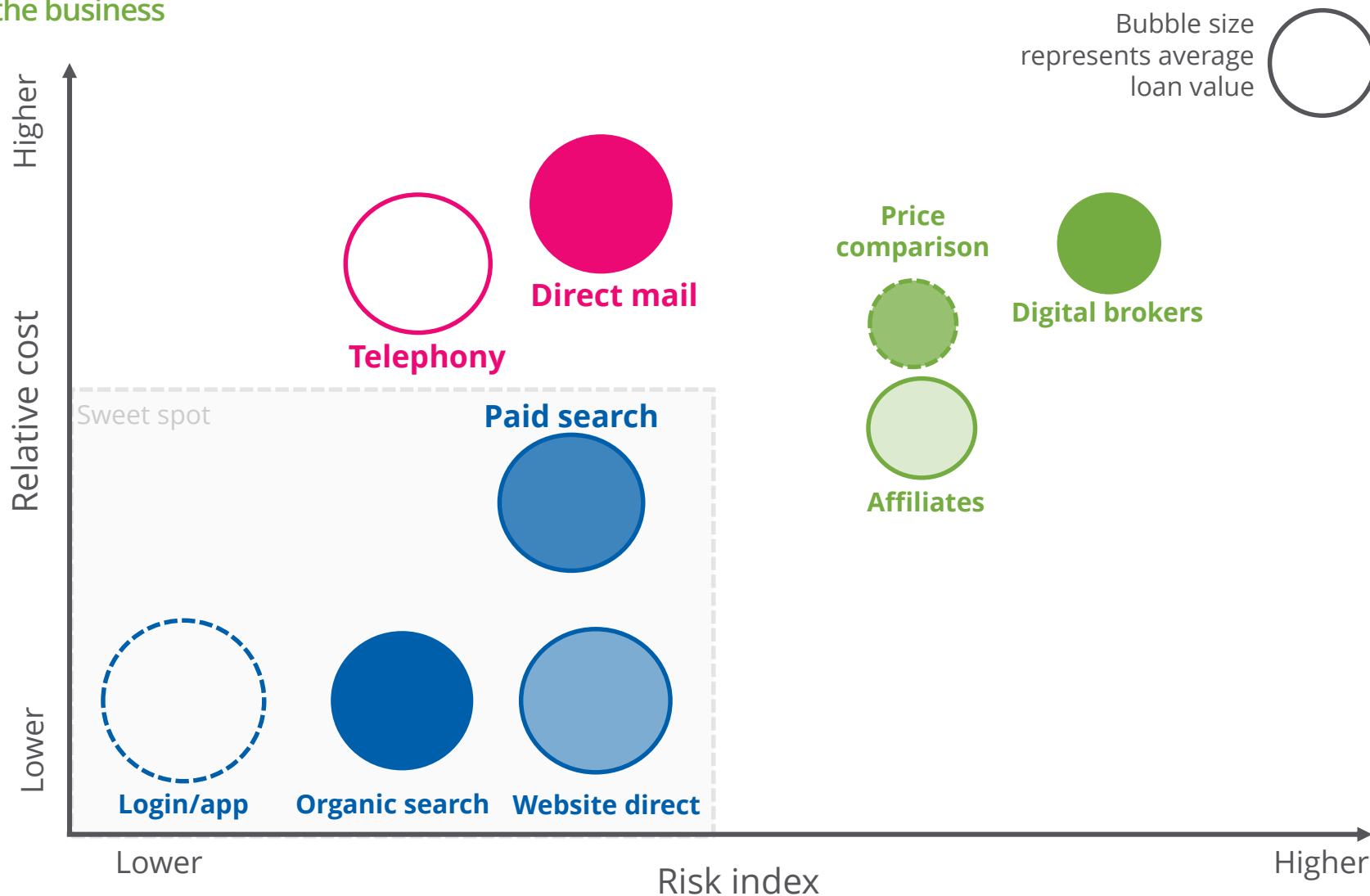


Customer at the heart

- > Standardising and improving the way we serve our customer with CRM
- > Understanding our customer experience through improved web and mobile analytics

Data and analytics

We are applying bespoke credit strategies to our multiple channels to market, maximising value for the business



Data and analytics

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Enabled by our investment in the next generation of credit decisioning tools

Bespoke credit strategies

- > Develop and deploy bespoke scorecards at a channel, product and segment level – supporting channel and product expansion
- > Maximising conversion and improving our credit strategies for underserved segments of the market

In-house development

- > Scorecards developed and built in-house using our proprietary data assets – a significant source of competitive advantage in the market

Champion/challenger

- > Performance monitoring functionality supports champion/challenger strategies, to refine and optimise our decision making over time

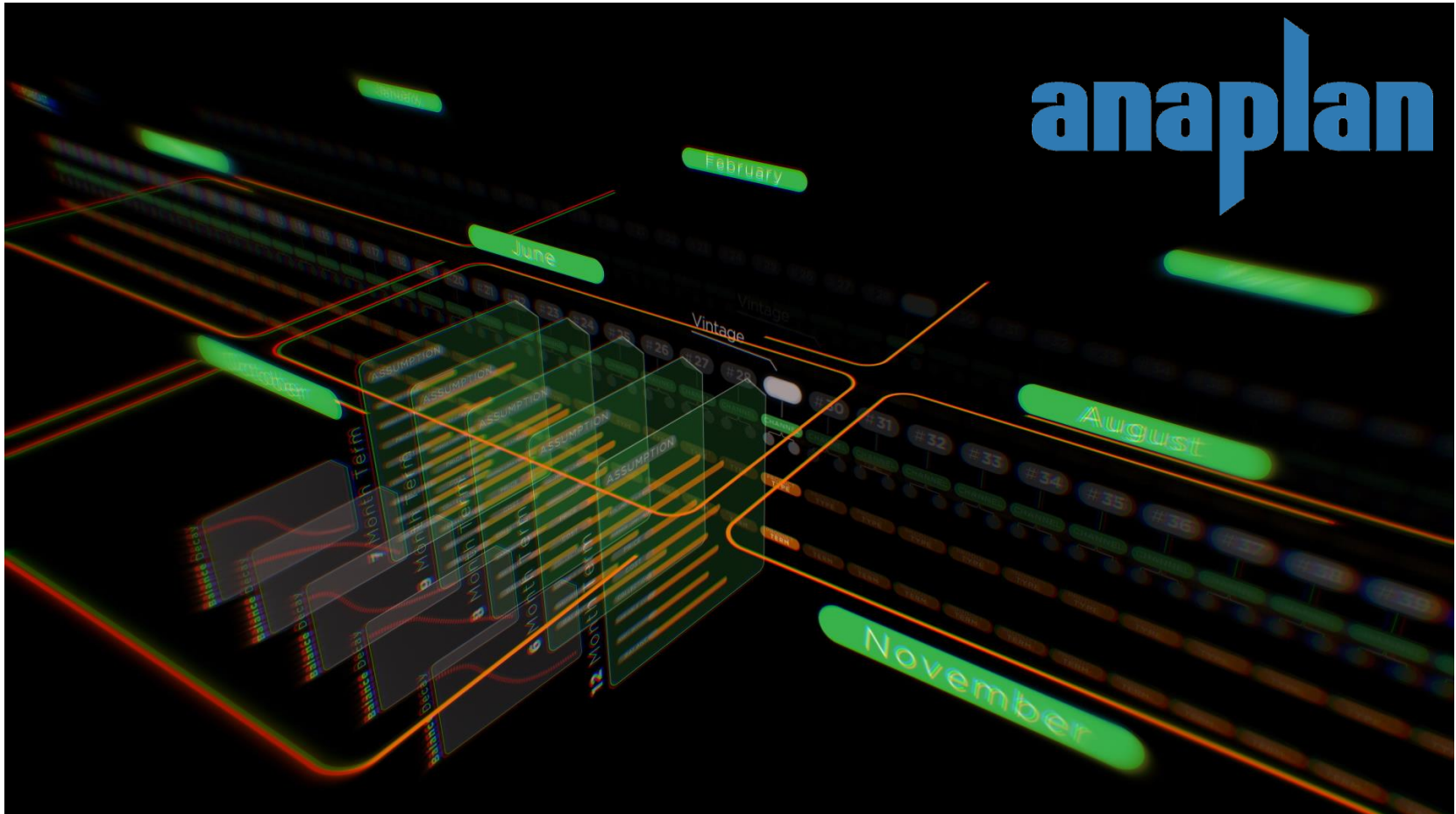
Cross-brand strategies

- > Aligning our decisioning platform across CCD enables us to develop cross-brand synergies – for example Satsuma declines flow into Provident

Data and analytics

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The granularity required to successfully manage a digital financial services business requires the right financial capability



VIDEO

Data and analytics

Satsuma™
loans.co.uk

The granularity required to successfully manage a digital financial services business requires the right financial capability

- > Our financial capability needs to reflect the fact that we manage the business across multiple variables at a highly granular level:
 - Channel, vintage, product term, product type, repayment performance, new/existing customers, risk profile, time on book

- > We therefore use an industry-leading tool (Anaplan) that allows us to:
 - Manage the business with any combination of these different variables
 - Forecast and monitor variance at different levels and take corrective action/seize opportunities real time
 - Bring the different layers into a coherent overall picture for our 5 year plan
 - Model dynamic scenarios making decision making and investment case analysis agile, quick and iterative

- > Anaplan is:
 - Real time
 - In the cloud
 - Fully scalable

Data and analytics

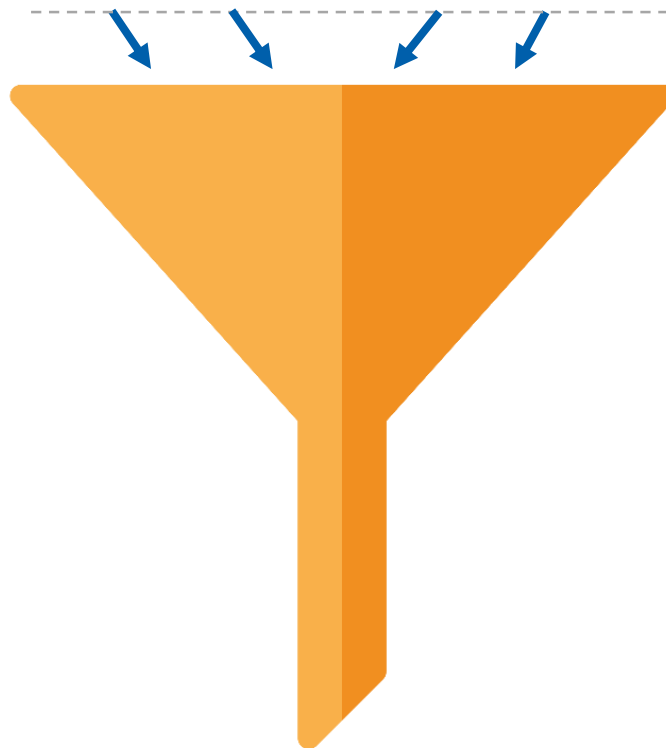
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Satsuma is ideally placed in the sweet spot between Vanquis Bank and Provident

Satsuma applications

15% known Vanquis
Bank customers

14% known home
credit customers



- > Satsuma is ideally placed to bridge the risk and pricing gap between Provident and Vanquis Bank
- > Satsuma receives a significant flow of applicants where we already have an existing customer relationship
- > We can use group data on known customers to make smarter lending decisions – maximising value for the group



New markets

Leveraging our fixed cost base we will develop new products to tap into adjacent market opportunities, with the relationships anchored through our digital ecosystem

Personal loans

Revolving credit

Customer driven
(current customers)

25% of Satsuma
customers

75% of Satsuma
customers

Scalable market
(non-mainstream opportunity)

£700m credit issued p.a.
and growing

£11bn receivables
market

Mission alignment
(path to cheaper lending)

APR 50-99%

APR 50-99%

Business model

Cost synergies with
existing operations

Collaboration with
Vanquis Bank

Summary



Well placed to deliver profitable growth

- > We have made great progress on the key income statement drivers in 2016 and have a clear path towards profitability – 2017 YTD is looking good
- > The right team is now in place to drive the business forward
- > We understand the market opportunity and what it takes to win with customers
- > We have defined our vision and our strategy:



> Digital ecosystem:

- Login
- Mobile app
- SEO



> Data and analytics:

- Data infrastructure
- Channel management
- Powercurve
- Anaplan

- > Satsuma is ideally placed to bridge the gap between Vanquis Bank and Provident
- > We will leverage competencies and fixed cost base to develop adjacent market opportunities this and early next year

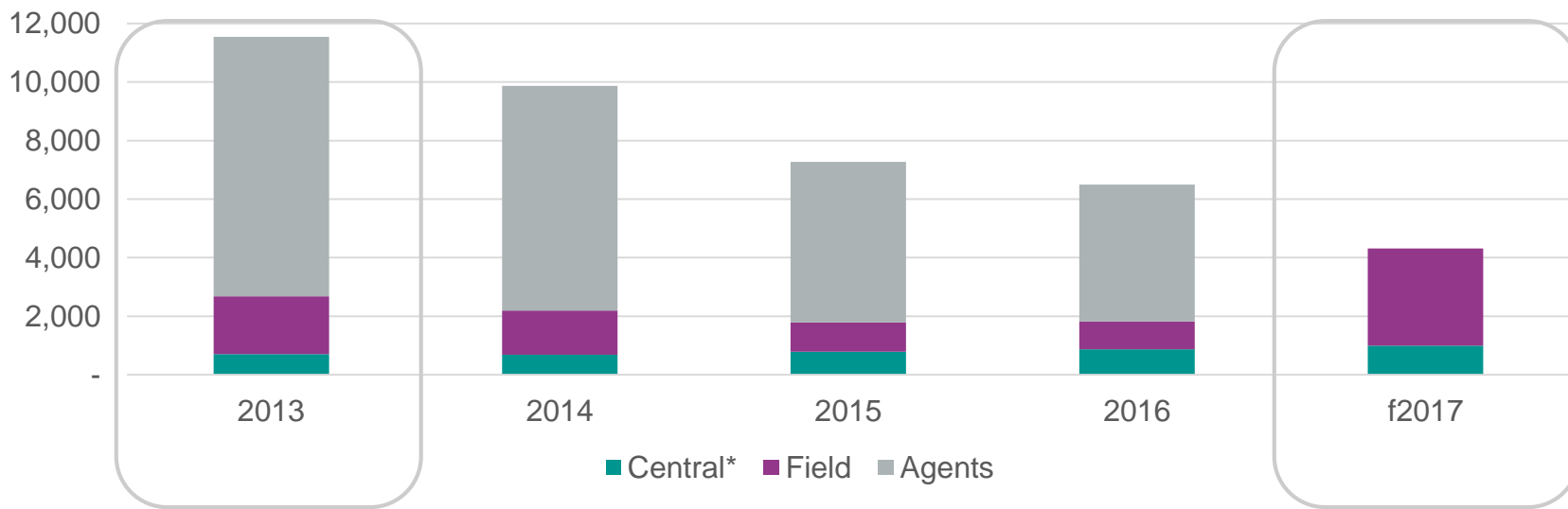
Concluding remarks

Mark Stevens – Managing Director

CCD – Summary

By the middle of 2017 CCD will have completed a fundamental transformation

CCD headcount and agents



* Including Satsuma

- > High cost base
- > Limited control
- > Home credit only
- > Adequate customer experience
- > Declining profits

- > Low cost base
- > Complete control
- > Home credit and Satsuma
- > Best-in-class customer experience
- > Increasing profits

CCD – Outlook

Material growth and attractive returns from two digitally enabled businesses that put customers at the heart of everything they do

Provident home credit

- > Very strong track record of delivery to date
- > 2017 is a year of further transformation to the model
- > Substantially better customer experience and model versus the competition
- > Additional medium-term contribution of £30m+ (compared with 2016):
 - c.50% cost reduction and 50% margin improvement
- > Investment in 2017 to deliver the benefits:
 - One off restructuring cost of c.£15m-£20m in H1 2017
 - Short-term net trading impact of up to £10m, comprising a shortfall of contribution of up to £15m in H1 during the period of transition, before the anticipated benefits of cost savings in H2 of c.£5m

Satsuma

- > Now has real momentum and ready for growth
- > Clear strategy and plan focused on digital customer experience and analytics
- > Profitable in 2017
- > Medium-term receivables of £100m-£150m

Moneybarn

Shamus Hodgson – Managing Director
Simon Law – Finance Director

Strategy and business overview

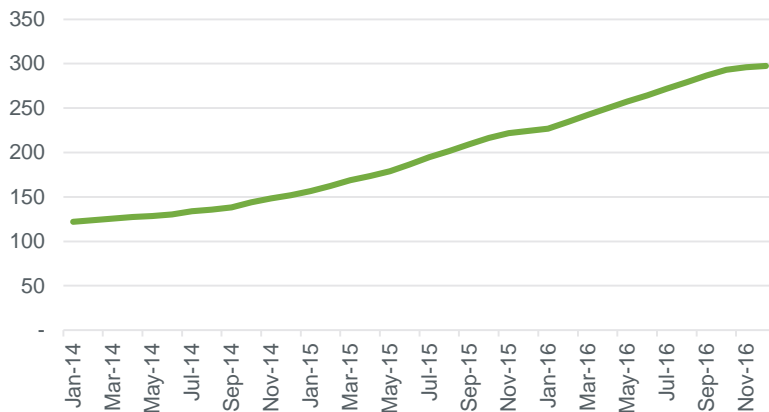
Shamus Hodgson – Managing Director

Our performance

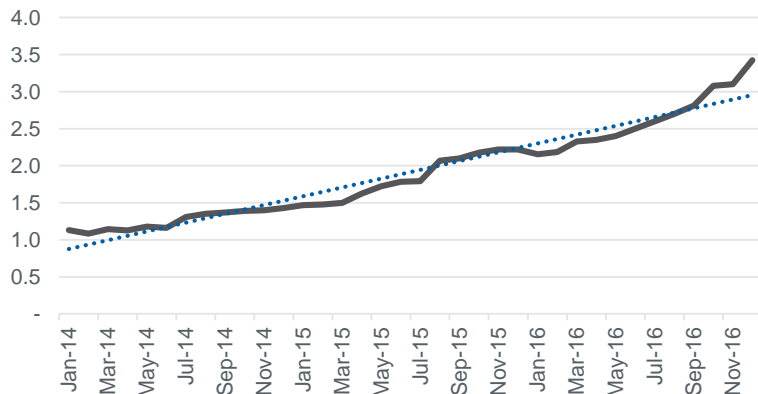
Strong financial performance



Receivables (£m)



Monthly PBT (£m)



- > In 2015 we gave medium-term guidance of £300m-£400m receivables
- > We exceeded £300m receivables in January 2017
- > Other key metrics are also growing satisfactory
- > ROA¹ and ROE² maintained and risk managed consistently

¹ Profit before interest after tax as a percentage of average receivables

² Profit after tax as a percentage of average equity (average equity is stated after deducting the pension asset, fair value of derivatives and the proposed final dividend)

Strategy



Maintain our position as the leading non-standard vehicle finance provider in the UK, delivering positive customer outcomes, sustainable growth and high returns

- > Offer straightforward and transparent vehicle finance putting the customer at the heart of the way we do business
- > Access to the group's funding lines to continue to deliver the significant growth opportunity
- > Maintain our strong relationships with intermediaries and secure a position of primacy
- > Continue to invest in and develop our IT platform
- > Develop our product proposition and our routes to market
- > Maintain best in class credit management
- > Capitalise on the capabilities available throughout the group (B2C, credit skills, sale of delinquent debt, cross sell, customer data)

Business model



Our business model is robust and proven over time

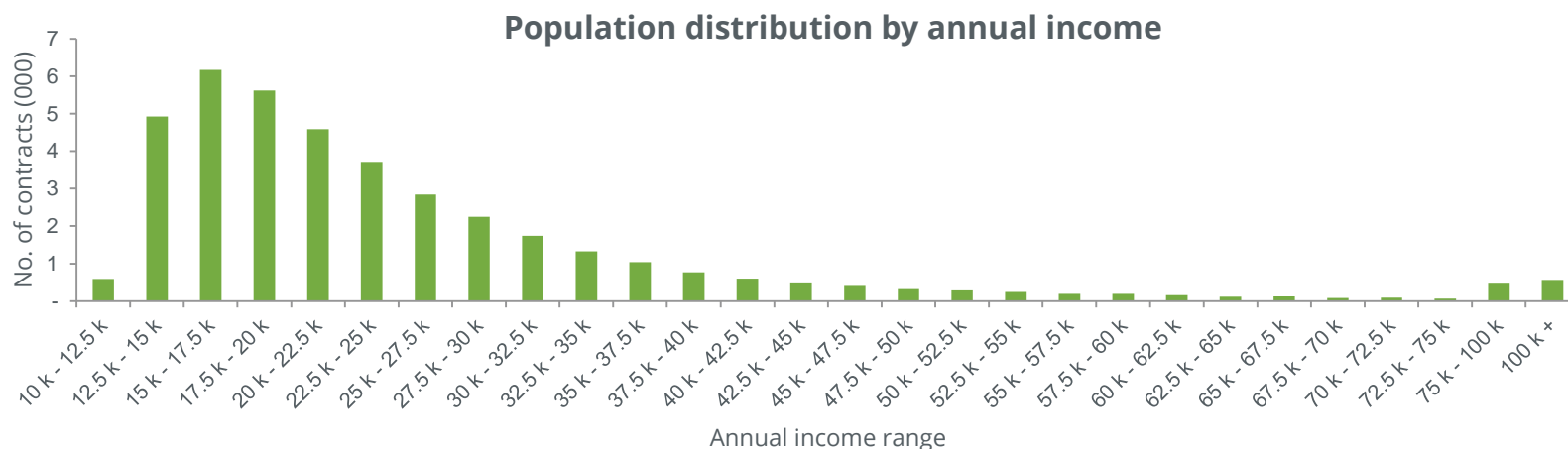
- > Underwriting decisioning and pricing for risk has been developed over many years
- > We have strong broker relationships:
 - Achieved primacy with the majority of brokers in 2014 following acquisition by PFG
 - We define the market for relationships with intermediaries and are the thought leader on product development
- > Highly tailored operational IT systems which have been developed in-house
- > Effective collections methodology
- > Predictable income stream from 4 to 5 year conditional sale contracts
- > Highly data driven
- > We finance second hand vehicles and therefore we are not exposed to the early depreciation experienced on new vehicles
- > We have recourse to the vehicle in the event of default
- > We keep our business model, proposition and product simple, delivering a low risk model:
 - No add-on sales, no GAP insurance, no PPI
 - No residual risk across the fleet, only on deals that go wrong
 - Insulated from potential headwinds in the new car market – 99% used cars

Customers



Our customers are average in many ways and our product is highly suited to their needs

- > Representative of most socio-demographic groups with average age and geographical distribution
- > Functional, not aspirational – our customers are buying cars because they need to
- > It's not just about credit profiles – we service the underserved market in the broadest sense of the word – self employed, poor trace etc
- > All our customers are employed (70%) or self employed (30%) with average income around the UK average



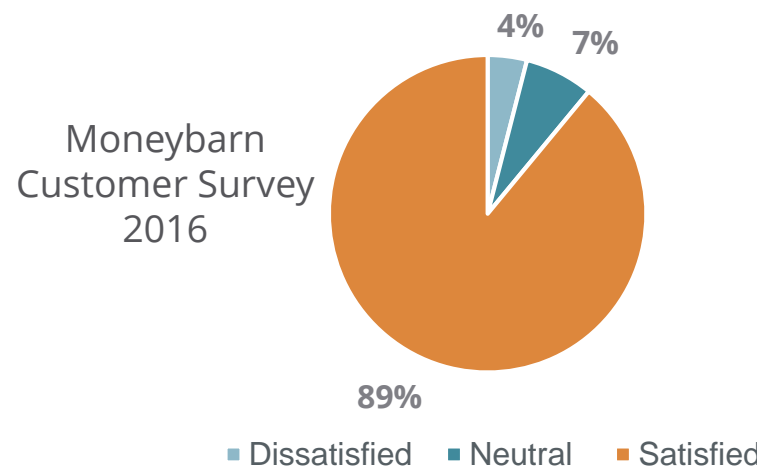
- > Our product has a high level of utility for our customers – it's available where and when they need it, and meets their requirements

Customers



Why do customers like Moneybarn?

- > We give customers excluded by the mainstream the ability to buy a quality car
- > Our product is simple, easy for customers to understand, and has a fixed rate
- > There are no surprise fees attached to the product
- > Our agreements offer a degree of protection should things go wrong unlike an unsecured loan
- > We have a customer-centric culture
- > We meet and exceed consumers' mainstream service level expectations

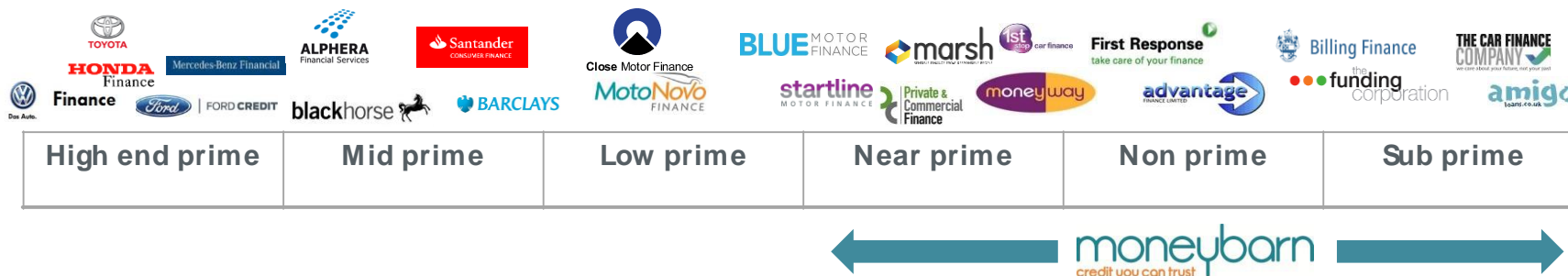


The market



A competitive market but with significant room for growth

- > A competitive market with a range of lenders operating across risk segments
- > Moneybarn operates across the non-standard segments of near-prime, non-prime and sub-prime and we are the market leader in this area



- > Moneybarn's position means it can access the widest range of market sectors
- > Market supply is still some way below levels in 2007 resulting in good potential growth opportunities
- > Cost of entry, particularly in the near, non, and sub prime areas, is high

Routes to market – Intermediaries

Continuing to diversify, whilst supporting core channels



Internet brokers

- > Acquire customers directly through the web, using pay per click, search engine optimisation and other sources of leads



Luv Car Loans
We Luv to approve



Dealer brokers

- > Acquire customers from dealers who refer customers requiring finance to the broker
- > Maintain field sales teams who focus on building and maintaining relationships with dealers



Dealers

- > Dealers who do not use brokers but send applications to Moneybarn directly
- > Predominately large car supermarket operations who will often have central finance units on site



Routes to market – Direct



Continuing to diversify, whilst supporting core channels

Direct

- > Through the recently enhanced Moneybarn.com website, loyalty programmes for existing customers, member referral programmes, and end of contract resolicitation



Prime lender referrals

- > Taking rejected applications from prime lenders via automated feeds



Lead generators

- > Generating leads via non-motor finance credit brokers



Comparison websites

- > Using quotation search technology to access appropriate customers via aggregator sites



Competitive advantage

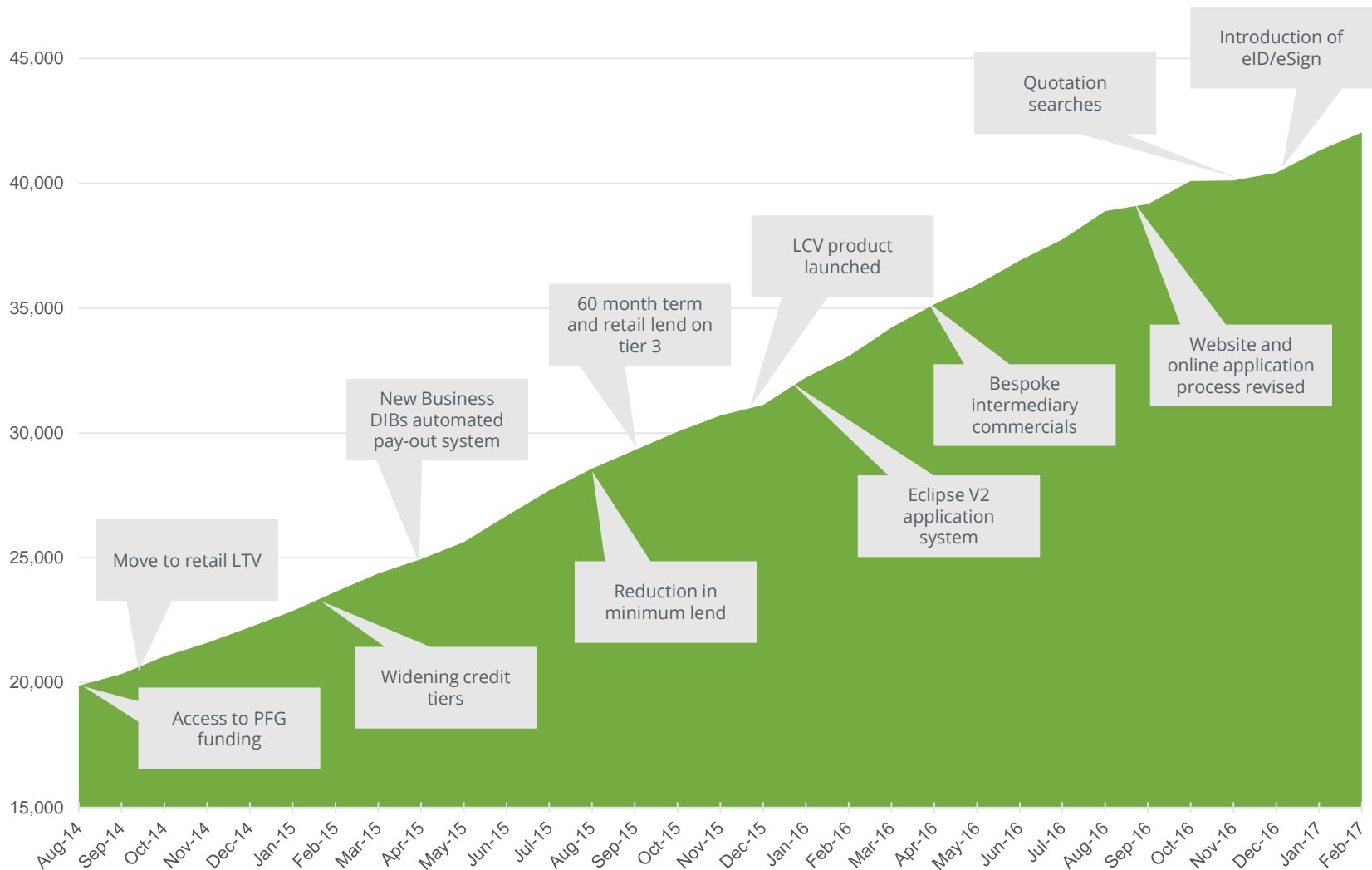
How we achieve our competitive advantage



- > Better technology platform:
 - Rapid, automated underwriting and processing meets intermediary and customer needs
 - Using technology to remove friction from the application process
- > Stronger relationships and high levels of trust with intermediaries:
 - We define the market for relationships with intermediaries, and are the thought leader on product development
 - Long standing relationships with brokers built over many years
 - Track record of support for intermediaries, allowing them to build their businesses around Moneybarn
 - Open, consistent and honest approach
 - High levels of support and guidance
- > Wider breadth of Moneybarn's offering:
 - Support customers across a wider credit range than any other lender
 - Multiple asset classes – cars, light commercial vehicles (LCV), motorbikes
 - Bespoke solutions and relationship models to support individual intermediaries' business models
- > Highest levels of service to customers and intermediaries:
 - Excellent levels of service delivery that allows intermediaries to process efficiently and removes stress from the customer
 - Prime levels of service
- > Access to group funding

The growth story

Continuous growth driven by continuous innovation and change



Financial model

Simon Law – Finance Director

Financial model



Our proposition – A typical contract

- > Conditional sale agreements (Hire Purchase)
- > Typical APR of 37%
- > Average loan of £8,200 (down from £8,900 18 months ago)
- > Total repayments of c.£16,000
- > Average term 56 months (36 – 60)
- > We have recourse to the vehicle until the last payment
- > If we have to recover the vehicle for non-payment, the auction proceeds are offset against the customer balance
- > Customer remains responsible for the shortfall



Financial model



Difference between PCP and conditional sales agreements

- > Primary purpose of PCP in the prime market is:
 - To drive up vehicle sales
 - Maintain continuous customer ownership of marque in long term
 - Reduce monthly payments for the borrower due to low APRs
 - Low margin, profitable lending as sales support
- > However, PCP means that the retailer is exposed to reductions in used car prices when the contract finishes
- > The aim of Moneybarn's conditional sales contracts are very different:
 - Profitable, secure lending for Moneybarn
 - Minimum exposure to vehicle values – only on those contracts which default
 - Customers own their vehicle at the end of the contract
- > Moneybarn does not have any residual value risk at the end of the contract as the customer owns the vehicle outright
- > Also worth noting that, due to the high APRs in the non-standard market, monthly payments under PCP contracts would not be lower than a conditional sales contract:
 - Higher average amount outstanding over the contract due to the 'balloon' payment at the end

Financial model

Delivering in line with expectations



	Year ended 31 December		
	2016 £m	2015 £m	Change %
Customer numbers ('000)	41	31	32.3
Year-end receivables	297.3	219.6	35.4
Average receivables	266.6	190.8	39.7
Revenue	80.7	55.3	45.9
Impairment	(16.4)	(8.9)	(84.3)
Revenue less impairment	64.3	46.4	38.6
Risk-adjusted margin ¹ (%)	24.1	24.3	
Costs	(20.5)	(15.6)	(31.4)
Interest	(12.7)	(9.5)	(33.7)
Profit before tax	31.1	21.3	46.0
Return on assets ² (%)	13.1	12.9	
Profit before taxation forecast on acquisition by PFG in August 2014	31.5	21.6	

1 Revenue less impairment as a percentage of average receivables

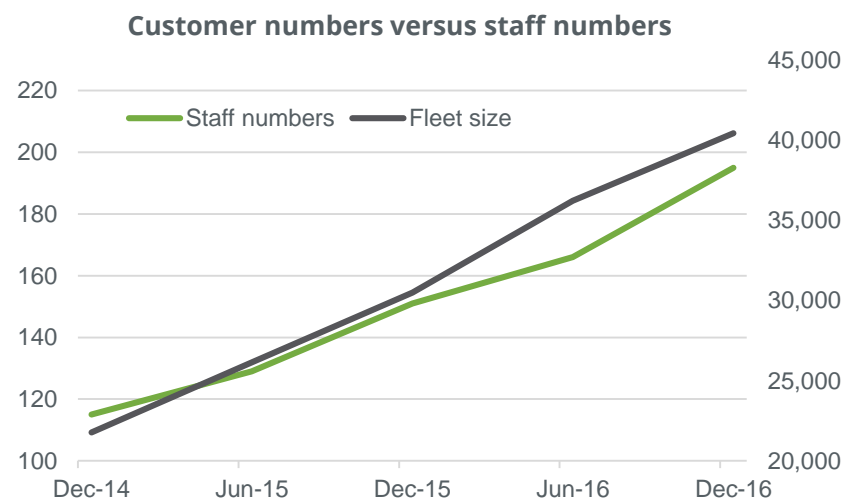
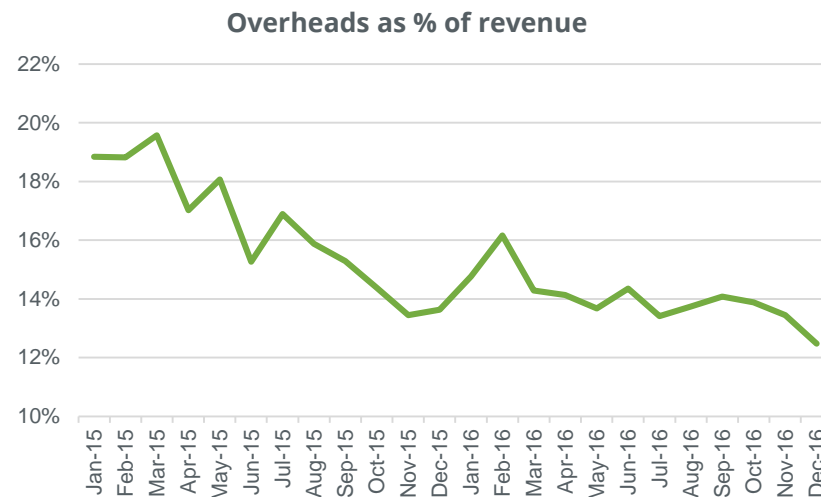
2 Adjusted profit before interest after tax as a percentage of average receivables

Financial model



A highly resilient model which has delivered stable returns whilst investing in growth

- > Moneybarn operates a high margin, resilient model:
 - Effective management of RAM through underwriting and APR
 - At any point in time, 75% of the next 12 months' of revenue is already written
- > Stable RAM whilst delivering 2 years of rapid growth
- > Overhead efficiencies have emerged
- > Investment in people has continued
- > IT development, to improve efficiencies and enhance speed of service delivery has continued:
 - 1,555 customers per head compared with 1,980 in 2014
- > Future investment likely to be in high value leverage roles
- > ROA¹ has been maintained throughout:



	2014	2015	2016
ROA ¹	12.9%	12.9%	13.1%

¹ Profit before interest after tax as a percentage of average receivables

Financial model



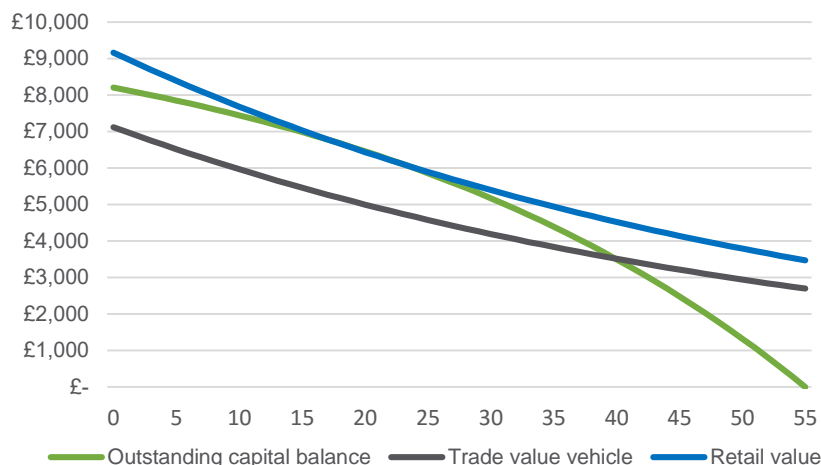
The exposure to used vehicle valuations is restricted to customer defaults

Effect of vehicle valuations

- > Moneybarn is exposed to vehicle values only when the customer defaults
- > When there is prolonged downward pressure on vehicle values, LGD will increase
- > However, contracts written over the same period have historically been shown to perform well
- > PCP has shown little sign of affecting used car prices

Current price trends

- > Current pricing trend is upwards on new vehicles
- > Most manufacturers have increased prices since Brexit due to exchange rate movements
- > Whilst not directly affecting Moneybarn, it provides a support to used car prices

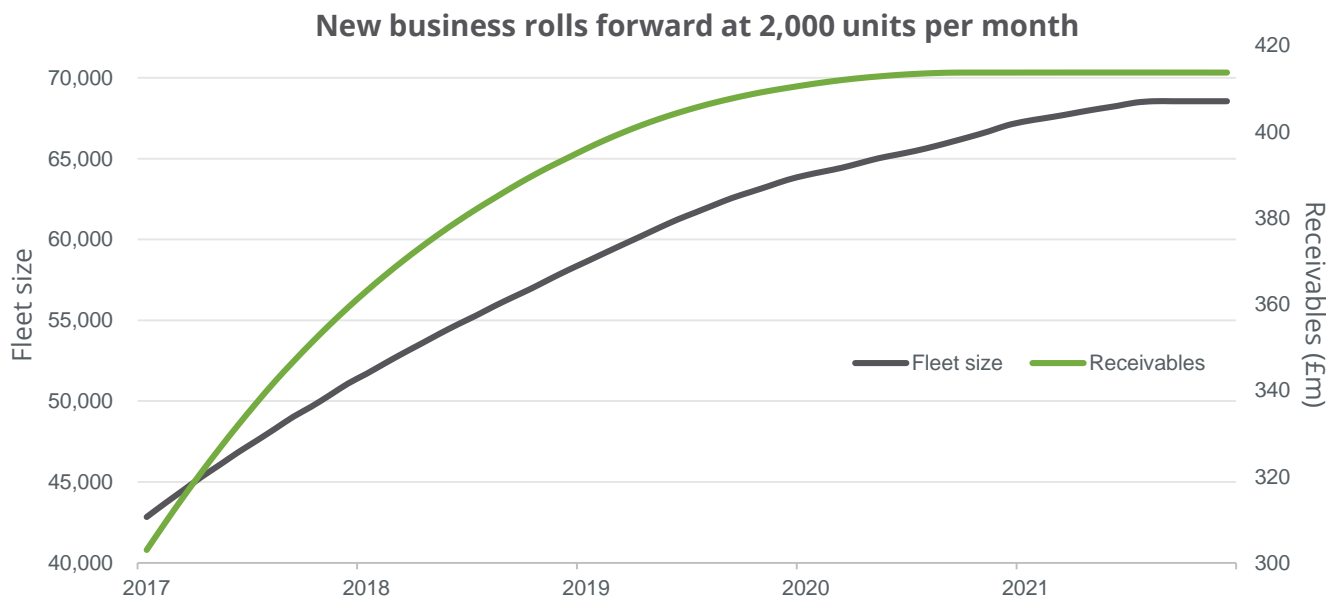


Financial model



Continued strong growth in customers and receivables even at today's new business volumes

- > What is the effect of delivering 2,000 new business units a month, consistent with current trends?
 - All other assumptions held steady
 - No impact from new growth initiatives
- > Net receivables would plateau after 3.5 years at c.£410m
- > Customer numbers would plateau after 4.5 years at c.70,000
- > Growth initiatives will extend us beyond these levels



Digital and the growth story

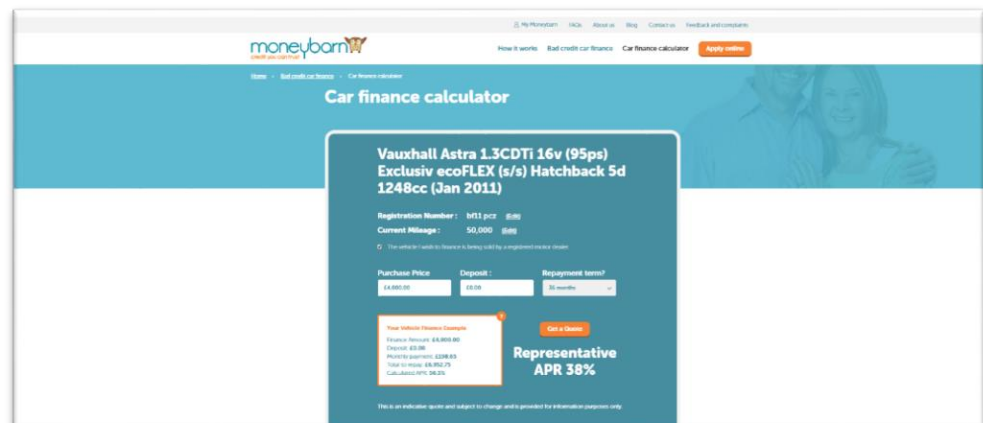
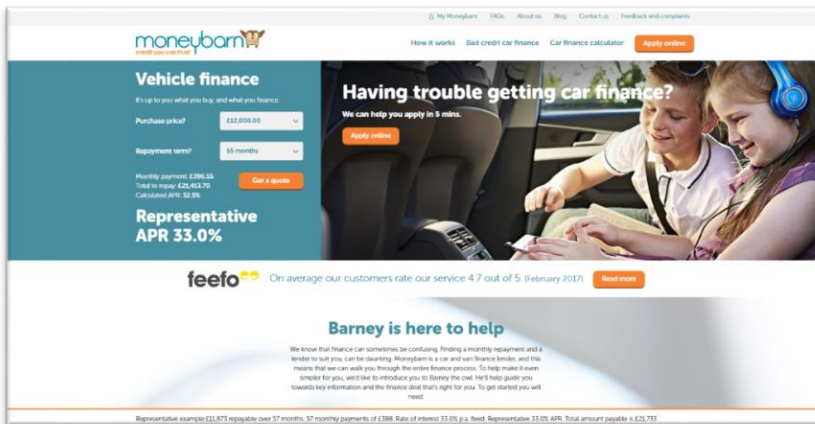
Shamus Hodgson – Managing Director

Technology and the digital world

Continuing to use technology as a competitive advantage



> Enhanced web capability to drive the direct channel



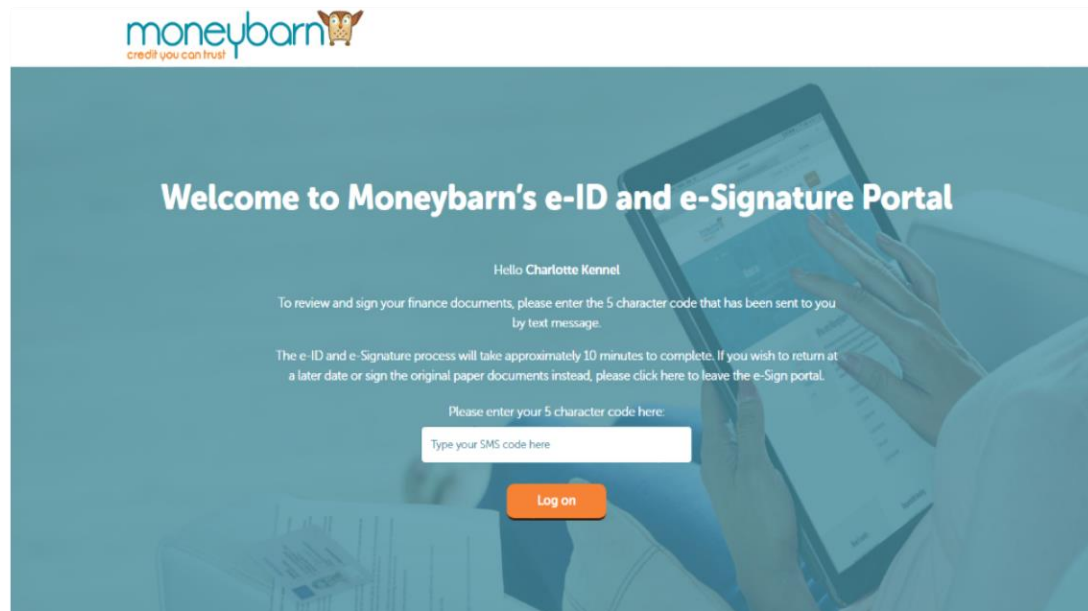
Technology and the digital world

Continuing to use technology as a competitive advantage



> Frictionless but more precise customer journey:

- eID/eSign
- Automated affordability
- my.moneybarn self service portal



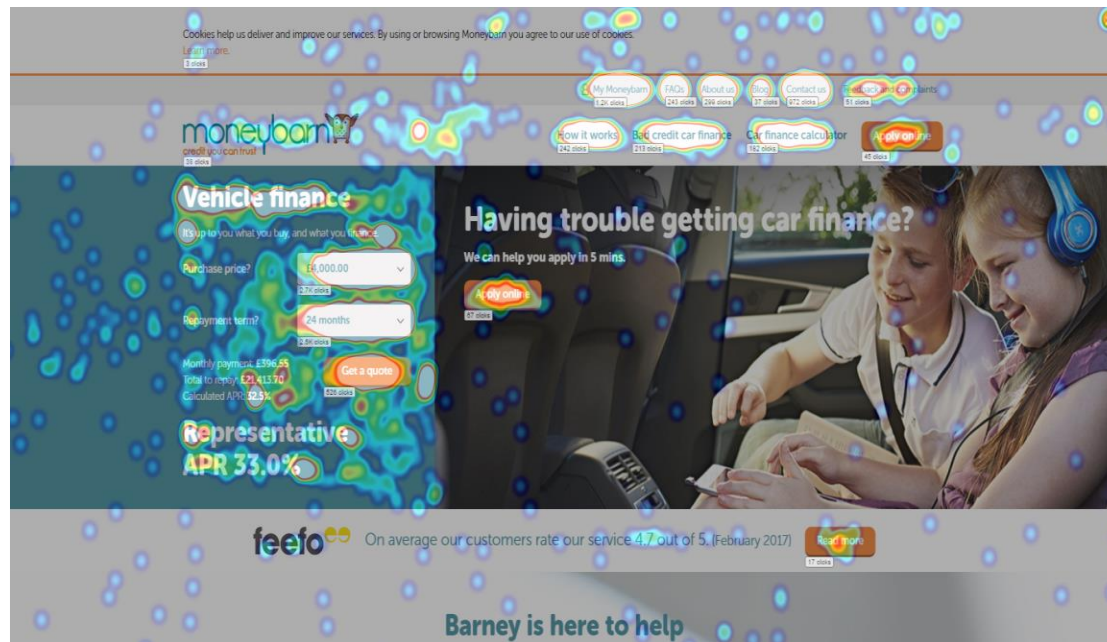
Technology and the digital world

Continuing to use technology as a competitive advantage



> Refining the user experience:

- Mouseflow
- Quotation searches
- Behaviour based A/B testing



Technology and the digital world

Continuing to use technology as a competitive advantage



- > Further integration with business partners systems:
 - Comparison sites
 - White label dealer point of sale proposition

Confused.com Car finance quote EDIT MY ACCOUNT

Hire purchase (HP)
You pay for the car monthly, but it belongs to the finance company until you make the final payment. Then it becomes yours.

Your cheapest HP below is
£637.03
per month

Show me HP

Personal loan
The amount you borrow isn't secured against your car, so you'll own it from the start. Then you pay back monthly.

Your cheapest loan below is
£437.24
per month

Show me loans

Do you need to insure this car?
You could make big savings when you buy car insurance.

- ✓ We search over 100 trusted providers
- ✓ Get a faster quote using saved details

[Get a car insurance quote](#)

The APR you see is exact and not estimated. It's guaranteed, so there'll be no nasty surprises.

Provider	Monthly repayment ✓	Exact APR	Total amount repayable	Features explained ⓘ
HIRE PURCHASE	£637.03	32.72%	£22,796.05	LESS INFO

Search again

How much do you want to borrow?
£ 15000

Over how long?
36 months

How much deposit do you have?
£ 500

What's the car registration?
 [FIND](#)

Borrowing summary:
You want to borrow **£15000** over **36 months** with a deposit of **£500**. Total amount to put towards the car is **£15500**.

Type: Hire purchase

Time to receive funds: Up to 2 days

Arrangement fees: No charges

Option to purchase fees: Not applicable

Early repayment charges: Fees may apply

Overpayments allowed: ✓

Payment holidays: ✕

With this deal you'll pay **£7,796.05** on top of the **£15,000.00** you want to borrow, totalling **£22,796.05**.

About provider

Established in 1992, Moneybarn is the UK's leading lender of specialist car and van finance. We're experts in approving customers for finance when they might have otherwise struggled to access finance. Moneybarn provide finance under a Conditional Sale agreement.

Quote expires on 05 April 2017

Quote reference: **217856**

[CALL PROVIDER](#) [GET THIS RATE](#)

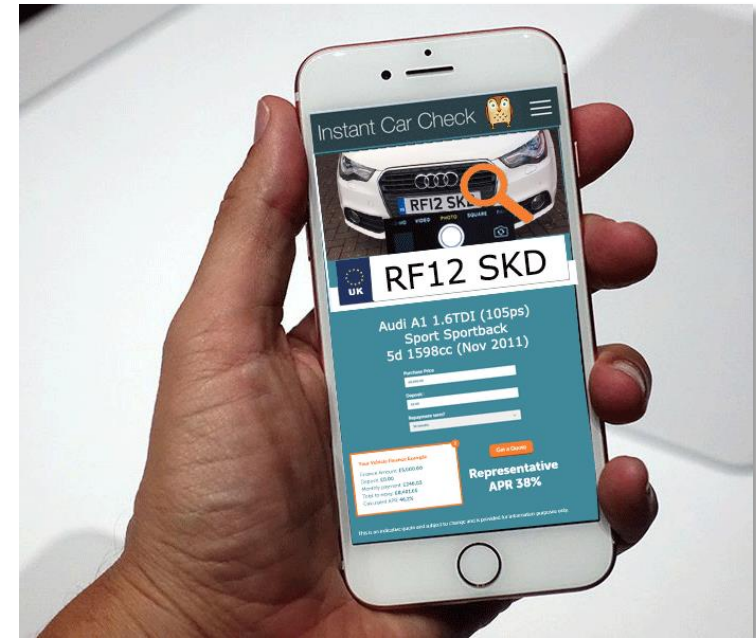
Moneybarn No1 Limited is authorised and regulated by the Financial Conduct Authority (FCA) under FCA number 702780. Registered address is The New Barn, Bedford Road, Petersfield, GU32 3UJ

Technology and the digital world

Continuing to use technology as a competitive advantage



- > Bringing the customer closer to the finance process:
 - Pricing/application app

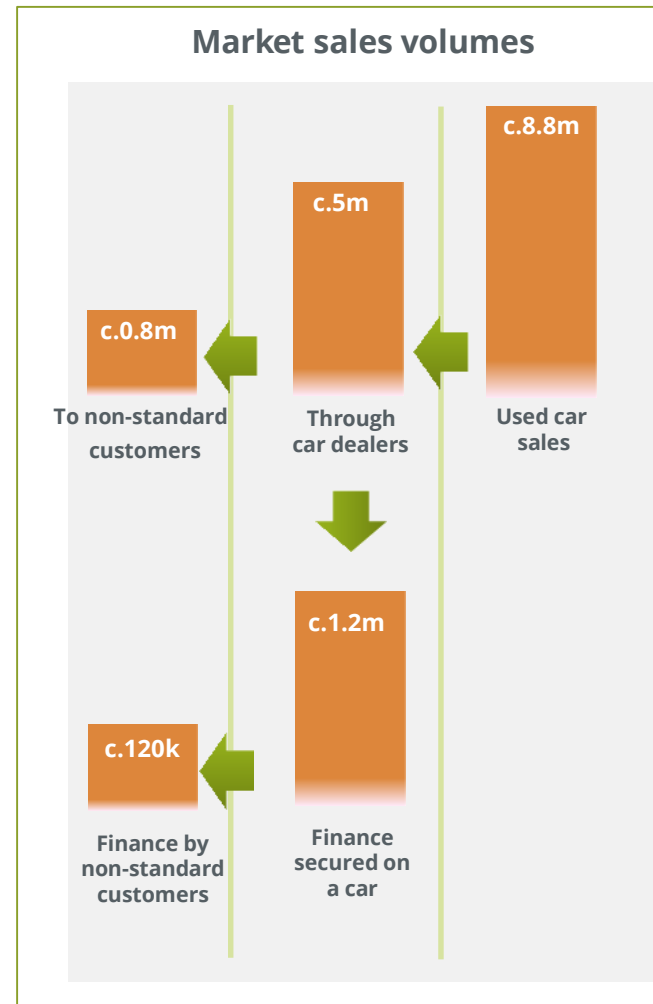


A market with growth potential



The motor finance market remains underserved, with lots more growth available

- > The non-standard market is underserved and most customers continue to use non-direct competition
- > Used car market is still growing – 8.8m used cars changed hands in 2016 which was a 7.3% uplift on the previous year
- > c.800,000 used cars are sold to non-standard customers in dealerships each year, but only c.15% are currently purchased using motor finance
- > With used car sales continuing to grow and many non-standard customers not currently using car finance to purchase cars, there is lots more growth available in the market



Gearing up for growth

Plans to continue the growth story



> Primacy with intermediaries:

- We will continue to reinforce our position of primacy with intermediaries, maximising our position in the market, leveraging PFG's funding position and continuing to lead the market in terms of service and product proposition

> New channels:

- The process of diversification will continue, utilising technology to access customer pools previously not accessible through our traditional channels
- Using technology to further integrate the Moneybarn proposition with other group companies (e.g. Vanquis Bank)

> New asset classes:

- The success of light commercial vehicles and motorcycles highlights further opportunities to expand our asset classes

> New products:

- Although the sub-prime market will be slower to move to a 'user-ship' model, contract hire for the self employed and some consumers is an area of growth

> Existing customer/re-solicitation:

- The loyalty, re-solicitation and referral programmes initiated in 2016 will be accelerated in 2017 with volumes expected to grow

> Scalable business model to deliver it:

- The underlying business is designed to be scalable to meet increased growth

Summary



Continued strong growth potential





- > Our strategy and core business model will continue to deliver growth whilst maintaining our ability to manage risk
- > Product, channel, and technology development will continue to give us access to the growth that's available
- > We are well placed to continue to lead the market and maintain our position of primacy
- > Medium-term growth potential of £400m-£500m receivables

Concluding remarks

Peter Crook – Chief Executive

PFG – Strong growth potential

High return businesses with attractive growth potential

Business	ROA ¹	Products	Medium-term growth potential
	c.12%-13%	Credit cards Unsecured loans	2.0m-2.3m customers with an average balance of £1,000-£1,100 £200m-£250m receivables
	c.20%	Online loans	£100m-£150m receivables
	c.13%	Vehicle finance	£400m-£500m receivables
	c.25%	Home credit loans	Profit of £150m+

- > One-off exceptional cost of c.£15m-£20m in H1 2017 associated with the transition to the new home credit business model comprising redundancy, retention and training costs; and
- > A short-term net trading impact of up to £10m in 2017, comprising a shortfall of contribution of up to £15m in H1 during the period of transition, before the anticipated benefits of cost savings in H2 of c.£5m

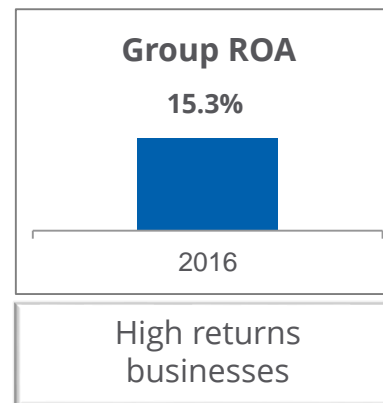
¹ Profit before interest after tax as a percentage of average receivables

Investment case

PFG is well placed to continue to deliver excellent returns to shareholders

PFG

- > Market leader in non-standard credit with sustainable business models
- > Good mix of businesses with attractive growth and returns over medium term
- > Proven low volatility through economic cycle
- > Significant competitive advantage in group-wide technology, marketing, underwriting and collections
- > Highly skilled and experienced management
- > Robust balance sheet and prudent funding
- > Strong capital generation supports growth and progressive dividend policy



Biographies

Biographies

Vanquis Bank



Chris Sweeney, Managing Director, Vanquis Bank

- > Chris started his career as a management trainee at Centrica, working his way up to become Director of Customer Services supporting the newly acquired AA Financial Services. He then moved to the Barclays Group working in numerous positions between 2001 and 2010 for Barclaycard, Barclays, Absa Card, working across the UK, Africa, Russia and South Africa.
- > In 2010, Chris moved to Standard Bank and took up the role of Chief Executive, Personal and Business Banking, International – responsible for all personal and business banking outside of Africa. He was then appointed Group Executive, Card and Payment Solutions in January 2013 before becoming Chief Executive of Personal and Business Banking for the International division. In November 2013, he was appointed Chairman of Personal and Business Banking, International.
- > Chris joined Vanquis Bank on 1 January 2016.



Keith Coulter, Director of Cards, Vanquis Bank

- > Keith began his career with Citibank in New York. Keith then continued to work in the cards business with Radio Shack in Texas and First Chicago Bank in Illinois before taking up a role at The Associates in Dallas, Texas. While at The Associates, Keith worked in Risk Management, US Card Marketing and eventually as Senior Vice President of International Card Operations with businesses in UK, Japan, Taiwan, Australia and Canada. He then spent a year as Senior Vice President of Consumer Marketing at Americredit (a subprime auto finance company) before joining Barclays.
- > Barclays Bank recruited Keith to move to the UK and Barclaycard in 2001 where he started as Customer Value Management Director for Barclaycard UK. Over 5 years at Barclays, Keith held positions as Chief Operating Officer, Barclaycard UK and Managing Director, Barclays UK Cards and Loans, responsible for all unsecured personal lending and cards. Keith was also a member of the Barclays Group Operating Committee and Visa UK Board of Directors.
- > Keith joined Vanquis Bank in July 2016.

Biographies

Vanquis Bank



James Webster, Director of Loans, Vanquis Bank

- > James joined Vanquis Bank initially in 2002 before returning in August 2016.
- > James started his career in the UK working for Provident National Bank on the launch team setting up their card operation. He then worked for a number of e-commerce ventures and start-ups, working in web development in addition to a role at Reuters. He then joined as part of the original Vanquis Bank launch team, working in a number of credit roles.
- > James worked at Standard Chartered in Thailand between 2013 and 2016 as their Head of Country Credit for the next three years, responsible for running their full retail book.



Jim Appleby, Operations Director, Vanquis Bank

- > Upon completion of his Masters degree in Management and Economics, Jim joined Barclays Bank as part of their Graduate scheme. He held a number of positions at Barclays in the UK and Internationally for 10 years. He then moved to San Diego in 2006 to set up his own Credit Card business where he spent a further two years.
- > Since joining Vanquis Bank in 2008, Jim has specialised in arrears and fraud management and is responsible for collections and arrears management within Vanquis Bank and for the wider sale/recovery of charged off debt around the group.

Biographies

Vanquis Bank



Oliver White, Finance Director, Vanquis Bank

- > Oliver will join Vanquis Bank in May 2017.
- > Oliver has spent over thirteen years with Barclaycard and Barclays Bank. Most recently, Oliver was Head of Finance for Barclays Group Operations and Technology and CFO for the Barclays nascent Service Company. From 2015 to 2016, he was global CFO for Barclaycard, having previously served as CFO for Barclaycard in the UK & Europe and also as CFO for Barclaycard's business-to-business franchises (including merchant acquiring).
- > Prior to Barclays, Oliver worked for Capital One and Ford Motor Company in a variety of finance and non-finance roles in the UK and the US. Oliver is a Chartered Management Accountant, with a first degree in Politics, Philosophy and Economics from Brasenose College, Oxford University and an MBA from Warwick Business School.

Biographies

CCD



Mark Stevens, Managing Director, CCD

- > Mark's early career was as analyst, associate and then partner at Mercer Management Consulting. In 1999 he became a principal of the Leveraged Buy-Out Group at Apax Partners before joining Bradford & Bingley in 2003 as Managing Director responsible for Group Strategy, M&A and Communications. In 2007, Mark joined the Bradford & Bingley PLC Board as Group Sales Director, prior to spells as Chief Executive of Yorkshire Cancer Research and Director of Strategy at Leeds Building Society. Mark holds an MBA from Stanford University, CA and a MA in Economics from Cambridge University.
- > Mark joined CCD in 2012 as Commercial Director and became Managing Director in 2013. He has led CCD's digital transformation including the successful repositioning and subsequent growth of Provident home credit, and the launch of Satsuma.



Andy Parkinson, Director of Home Credit, CCD

- > Andy held previous positions within the retail business BrightHouse (1995-2013), latterly as Operations Director (2006-13). Prior to this, Andy held a number of roles at Superdrug and Comet.
- > Andy joined CCD in April 2013 accountable for leading the Provident Home Credit operations, customer contact centre, Provident Central Collections and fraud and assurance functions. He has been pivotal in the successful repositioning of the home credit as a leaner, better quality, more modern business focused on returns.

Biographies

CCD



Luke Enock, Director of Online, CCD

- > Luke has held a number of senior appointments at Barclays plc: Finance Director, business planning & analytics (2014-2015), Performance & Strategy Director Barclaycard South Africa (2013-14), Chief Financial Officer EnterCard (2010-13), Credit Risk Director EnterCard (2008-10), Head of Card Account Management & Collections Strategies Barclaycard South Africa (2008), Head of Card Acquisitions & Fraud prevention Strategies Barclaycard South Africa (2006-2008), Operations Chief of Staff (2004-2005) and Marketing Analytics Barclaycard UK (2001-2003). Luke has an Executive Masters in Business Administration from the Stockholm School of Economics.
- > Luke joined CCD in August 2015 and became Director of Online in December 2015.



Jonathan Vardon, Chief Information Officer, CCD

- > Prior to joining CCD, Jonathan spent two years based in London as Chief Digital Officer for Europe and Global Head of Retail, for California and India based UST Global, advising some of the biggest and most exciting global 1000 brands across the US, Europe and India. Jonathan is also a keen digital start-up and advisor, currently working with and part of the advisory team at a venture called MindSauce.
- > Previously, Jonathan has been the CIO for Digital and Operations at the Cooperative Group in Manchester, CIO for Boots UK in Nottingham, with responsibility for all IT across the business in the UK, and has held a number of senior roles in at HBoS and Lloyds Banking Group.
- > Jonathan's earlier career saw him at Caudwell Communications, Brightpoint and Barclays, with responsibility for deploying change in multiple industries across Europe and the US.

Biographies

Moneybarn



Shamus Hodgson, Managing Director, Moneybarn

- > An experienced sales, commercial and customer management professional, Shamus has 20 years' experience with blue chip organisations such as IBM, Manpower and Aviva.
- > Since joining Moneybarn in 2008, Shamus has led the redevelopment of the Moneybarn growth and customer management strategies. As Commercial Director he was responsible for marketing, partnership relations, customer acquisition, and in-life customer management before becoming Managing Director in January 2017.



Simon Law, Finance Director, Moneybarn

- > Simon is a chartered accountant, and began his career with KPMG. He is experienced at raising finance, managing transactions and shareholder relationships in the financial services sector. After 5 years with the London Stock Exchange and subsequently the FSA, Simon spent a decade in the investment banking industry as a financial services specialist.
- > Simon joined Moneybarn in 2012 and is responsible for financial reporting, overall financial management and the funding of the business.

Biographies

New non-executive directors



David Sear, Independent non-executive director

- > David is a well-recognised financial services professional having worked in the financial services sector since the 1990s. He has a strong track record as an executive of leading multi-country, technology led companies with a particularly in-depth insight into and experience in the payments sector. A key theme throughout his career has been digital transformation and customer engagement.
- > David was group chief executive officer at Skrill Ltd (now Paysafe) and chief executive officer of Weve. He also spent six years as divisional managing director and chief executive of two divisions of Travelex, outsourcing and global business payments. David was also founder and chief operating officer at Worldpay. David is currently Chairman of Bango (BGO) and of Semafone and non-executive director of Fintrax Group.



John Straw, Independent non-executive director

- > John is an experienced digital entrepreneur who has a deep understanding of technology disruptors, digital transformation and adoption curves as it relates to companies and their digital channels.
- > Most recently John served as the chairman of the digital advisory board at Thomas Cook plc and Premier Farnell plc. He left Thomas Cook in 2015 and has since started to build a portfolio of senior advisor / board roles. John is also senior advisor, digital transformation, at McKinsey & Co, senior advisor at IBM, non-executive director of CTRLio Ltd and advisor to Bought By Many Ltd.

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