



# Making credit work **better** for all

Sustainability Report 2023



## OUR REPORT 2023

# Welcome to our report

Welcome to our third annual sustainability report, looking back over the year from 1 January to 31 December 2023. It describes progress and provides examples on key material topics covered by our Sustainability Strategy and Commitments.

The report picks up the trail from our 2022 edition and includes references to supporting information within and outside the document.

We strive for clear and transparent reporting, with data and insights that allow the reader to evaluate our progress relating to customer and colleague engagement, client satisfaction and our broader impacts on society and the environment.

Our reporting is prepared in alignment with the Sustainability Accounting Standards Board (SASB) reporting standards and is internally assured before publication. Further information is available at [www.lowell.com](http://www.lowell.com)



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## CEO OPENING

# Progress continues to be driven by our clear alignment of profit and purpose

Welcome to Lowell's third Sustainability Report. Our progress continues to be driven by our mission – to make credit work better for all. I firmly believe our successes, along with the levels of advocacy, engagement and loyalty we receive from our customers, clients and colleagues, are the collective result.

2023 has been a year where our size, sophistication and data advantages have been once again apparent.

Insights from our 15.6 million customers shape our client propositions and how we engage our customers. We go way beyond helping customers repay their debts with Lowell. Our NPS compares favourably with anyone. Period. Across all regions, we help circa 2 million customers become debt-free every year in a way that secures their advocacy and builds long-term financial resilience. Early engagement prevents some of the impacts that problem debt has on customers' health and wellbeing, so building trust in what is a historically mistrusted sector is a continued focus.

We are a voice of authority on all things debt, and we share our insights broadly, within the sphere of policy development and directly with consumers. Just as

importantly, our people agenda delivers on what I see as a moral responsibility to drive improvements in how debt is perceived, and in how debt management is undertaken.

Insights fuel our tailored approach to client partnerships, informing our investment decisions and the services we offer. A stand-out example of how we do this was by sharing knowledge with clients in the UK, around the ways we were meeting the requirements of the Consumer Duty.

Above all else, we are a people business. Providing a place where our colleagues can thrive remains a top priority. Our Employer Value Proposition is shaped by colleague feedback about the topics that matter the most. Set around four pillars – Sustainability, Hybrid Working, Leadership Development and Career Progression – our people agenda delivers consistently strong

engagement scores and encourages our colleagues to stay with us for an average of 7 years.

In summary, I am incredibly proud of the range and strength of our commercial and sustainability successes. We continue to evolve as a resilient, sustainable business which people want to belong to and which organisations want to partner with. The continued commitment and hard work of our colleagues to deliver on our mission makes us ever stronger, and it is my privilege to continue to lead Lowell into 2024.

**Colin Storrar, Group CEO**



“We continue to evolve as a resilient, sustainable business which people want to belong to and which organisations want to partner with. The continued commitment and hard work of our colleagues to deliver on our mission makes us ever stronger.”

## SUSTAINABILITY OPENING

# Sharpening our focus and continuing investment in 2024

It has been two years since we created our Sustainability Strategy at Lowell. During that time, we have sharpened our focus on Environmental and Social matters and continued to invest in Governance.

Working towards our ambition to have net zero emissions by 2040, we have developed our environmental impact reporting, set baselines for Scope 1 and 2 emissions from 2019, Scope 3 emissions from 2023, and delivered significant reductions (64%) in operational emissions.

We refined our ambition to have a positive impact on society by improving wider

financial health. It's a topic that is relevant for our customers, our colleagues, and wider society, one where we believe we add the most value to our stakeholders, and where we have a positive and wide-reaching impact. This report describes our impact, including the various financial education initiatives we've supported during 2023.

For customers, our social aim to help build customers' financial knowledge and rehabilitate them back into mainstream credit goes hand-in-hand with our commercial aim of achieving debt repayment.

With this aim in mind, we commission many research studies to deeply understand our customers and recognise the anxiety that can be caused by problem debt. These insights shape our

continued investment into customer service channels to make it as easy as possible for customers to repay their debts and to ensure each customer gets the same high-quality, empathetic service. Through our online channels, we provide access to tools and services such as free credit history reporting and a UK benefits calculator. Of vital importance are the tailored solutions for Customers in Vulnerable Situations (CIVS), which ensure they have additional support when they need it the most. The effort and time we devote to building a deeper understanding of customers' unique challenges, reinforced by Lowell's unique customer insights and customer collaborations, sets us apart from our peers.

Looking more broadly, in the UK our Financial Vulnerability Index (FVI) identified that poor financial education is a driver of financial vulnerability. Through our partnership with the Centre for Social Justice (CSJ) we are lobbying for improvements, with a particular focus on how employers can improve their colleagues' financial health via the provision of tools and programmes. In 2023, we joined government debates, roundtables, and political conferences to raise awareness of the whole life impacts of problem debt, and to promote improvements in industry standards.

We also published research to raise awareness of topics ranging from family finances to understanding debt jargon. We want to widen the debate and help to remove the stigma associated with debt.

Our colleagues are of course indispensable to our strategy, so we ensure that they have the technical knowledge and the necessary empathy and understanding to support our customers.

Finally, on governance, we have introduced a number of best-practice initiatives, including Board-level oversight of sustainability from our Group Sustainability Committee (GSC), and linking Executive remuneration and objectives to sustainability performance metrics.

Looking ahead to 2024, we will review our most material impacts, risks, and opportunities to maintain the focus on topics where Lowell can have the biggest positive impact, and that matter most to our stakeholders. We are driven by the certainty that customers are in a better life position for having repaid a debt with Lowell.

**Eva Eisenschimmel, Chief Risk, Reputation & Sustainability Officer**



“As we publish our third Sustainability report, the topic is well-embedded across our organisation, and environmental, social and governance (ESG) raters, investors, colleagues and clients are starting to notice the progress we're making. Completing a Double Materiality process in 2024 will ensure that we can continue to finesse, evolve, and mature our reporting, as well as the positive and wide-reaching impact we have as an organisation.”

**CAROL ORD, HEAD OF SUSTAINABILITY**

## MISSION AND BUSINESS PROPOSITION

# Lowell makes credit work better for all

Our mission is to make credit work better for everyone in the credit cycle.

This mission drives us beyond the core business of collecting debt repayments. We have pioneered many aspects of responsible collections and customer service excellence, making a positive difference by improving financial understanding directly, and through our partnerships. The net result is to prevent people from facing a recurring 'problem debt'. Responsible practices are only achieved with engaged, productive, and skilled people: our colleagues are at the heart of our mission.

## Our Business Model

**Economies rely on the cycle of credit to work effectively.**

Our commercial aims as an organisation go hand-in-hand with our objective to have a positive impact on our customers, clients and colleagues alike.

Affordable lending – or 'manageable debt' – stimulates economic growth and investment. It creates opportunities for individuals and businesses.

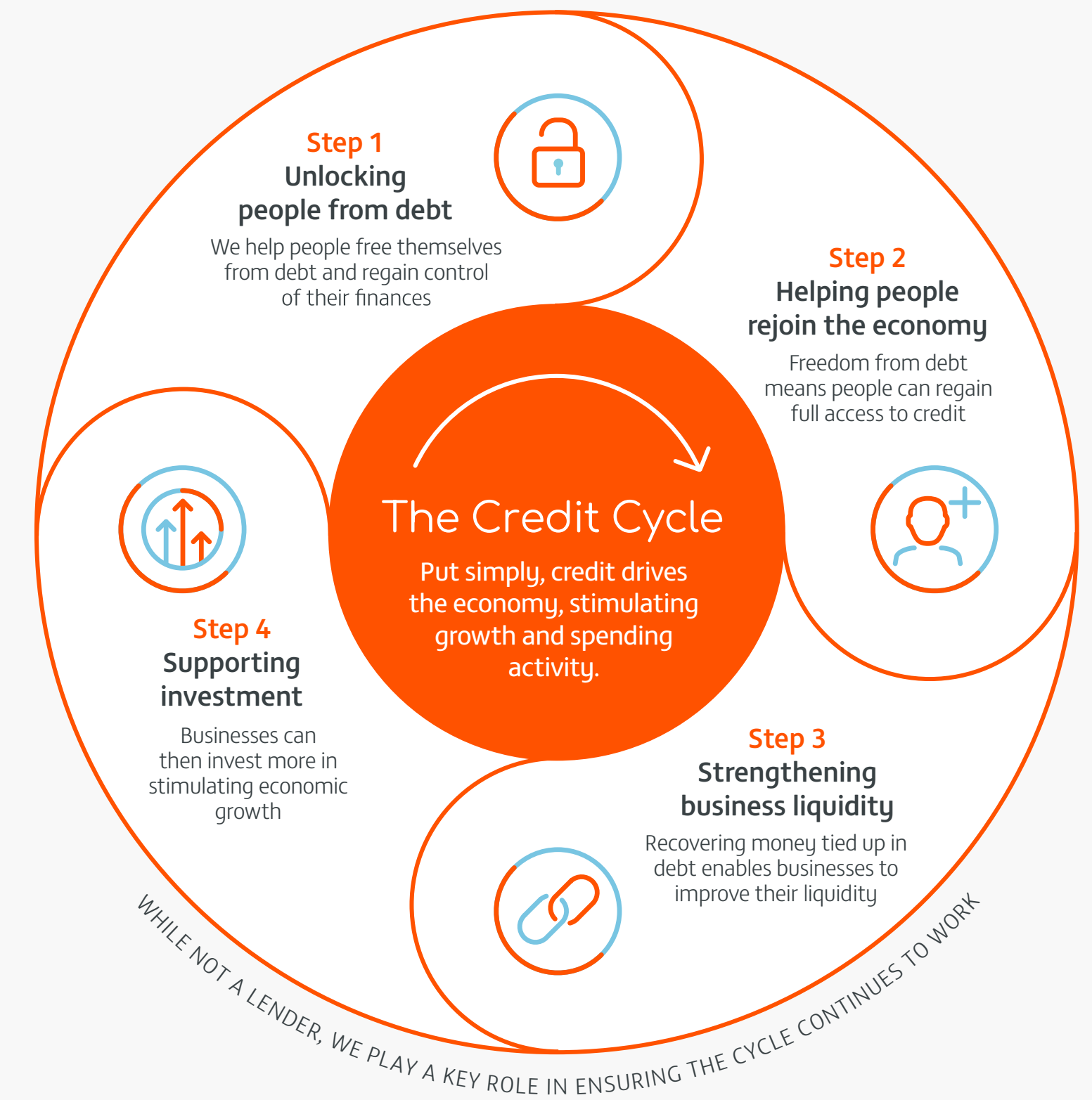
Only when debt becomes unmanageable do negative impacts arise, such as economic exclusion, deprivation, or poor mental health. Debt can become unmanageable for a number of reasons, but a stigma nevertheless remains, which we are working to remove through customer engagement, increased awareness of how well we take care of customers, and policy advocacy.

Lowell creates value when we purchase client debt and when we collect repayments on behalf of clients. The hallmarks of the sustainable operation of Lowell's business model are as follows: helping customers to become debt-free improves the flow of money in the economy;

- fewer people in debt means stronger business liquidity, greater financial inclusion, more jobs, and a healthier economy;
- sharing our research and insights achieves a greater understanding and awareness of the challenges of problem debt amongst wider society, key policyholders and decision-makers, increasing resilience and driving positive change; and
- our business partners and clients see commercial benefits from increased cash flows and improved collections, along with the reassurance that their brand is in safe hands.

The credit cycle graphic describes the 'unlocking, re-joining, strengthening, and investing' journey.

## THE CREDIT CYCLE



## How we work

Lowell delivers value by purchasing debt from companies or acting on behalf of companies and then collecting repayments from customers. In practice, our focus on customer excellence means we take the time to fully understand our customers,

adapt to their circumstances, and offer additional forbearance, often agreeing low repayment amounts over the long term. Our approach goes far beyond the historic and conventional misconceptions held by many against our industry.

## LOWELL'S IMPACT

# Positive outcomes for those impacted by problem debt



## Unlocking people from problem debt:

Our 15.6m active customers access Lowell's support via call centres and a wide range of digital channels and support tools. Whichever channel is chosen, Lowell's trademark empathetic and accessible approach is particularly apparent as we deliver on pledges to support CIVS. Overall, we helped 2m customers repay their debts in 2023.



## Helping people rejoin the economy:

Through collecting wide-ranging customer insights, we have developed a deep understanding of the challenges our customers face and are well-placed to provide solutions. Through our partnerships, we help to build customers' financial knowledge and confidence, so they can leave us in a better position than when they joined. At the heart of our efforts is trust: ensuring customers and clients see Lowell as the first choice partners to support their needs.

### → P10-15

Please see Better for Customers for more on how we support our customers

### → P19-20

For more on how we build partnerships with our clients

**15.6m**  
active customers  
across UK, DACH  
and Nordic regions  
in 2023

**2m**  
debt-free  
customers in 2023



Our aim is to ensure that customers are in a better life position for having repaid their debt with Lowell.

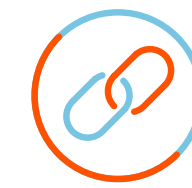




Customer-facing  
colleagues engaging  
with our customers.

## LOWELL'S IMPACT

# Supporting businesses and building a stronger society



### Strengthening business liquidity:

For each client, we release money tied up in debt to improve their liquidity, and by transferring the debt to Lowell, this allows them to focus on their core business. At a sector level, a number of actions create a practical and reputational impact, such as tightly monitoring our own ethics and standards, sharing insights with clients, lobbying for improved industry standards and our Nordics manifesto.



### Supporting investment:

By improving the financial fundamentals of businesses we stimulate economic growth, with improved outcomes for all stakeholders.

### A stronger society:

Our advocacy, education outreach, acclaimed UK FVI (see p22), and partnerships help to remove the stigma of debt, improve financial education, and deliver positive outcomes for individuals and businesses.

→ p24–25

Please see Better for Society  
for more on our strategy

# Business performance 2023

Demonstrating clear alignment of profit and purpose

## BUSINESS PERFORMANCE

Resilient financial and business performance with strong people foundations

**101%**  
collections performance<sup>1</sup>

**£1.2bn**  
LTM cash income, up 27%<sup>2</sup>

**£774m**  
cash EBITDA, up 36%<sup>3</sup>

**£319m**  
portfolio acquisitions,  
down 33%<sup>4</sup>

**£297m**  
excess cash generated  
to fund growth after  
Replacement Rate<sup>5</sup>

**64%**  
reduction in Scope 1  
and 2 emissions since  
2019; made formal  
commitment to SBTi;  
two new policies in place

**Compliance**  
with the Consumer Duty  
(UK), to a substantive  
level

**100%**  
of senior managers  
with sustainability  
performance-linked  
remuneration

**23%**  
colleague turnover

**71**  
strong colleague  
engagement supported  
by delivery on Employer  
Value Proposition (EVP)

**99%**  
of colleagues completed  
training on data security,  
protection and privacy

**7**  
year average colleague  
tenure

**36%**  
females in senior  
leadership roles

## SOCIAL PERFORMANCE

Supporting customers to repay their debts, improving overall financial health, providing a great place to work and supporting communities

**2m**  
debt-free customers  
in 2023

**55**  
NPS levels in the Nordics

**54**  
NPS levels in the UK

**~50%**  
of 2023 UK collections  
through digital channels

**8.1**  
client satisfaction score

**93%**  
of clients believe we  
treat customers fairly

**~£1m**  
unclaimed benefits  
identified for UK  
customers since  
July 2022

**10m**  
consumers reached with  
financial awareness and  
education campaigns

**~500**  
colleagues donated  
~3,000 volunteering  
hours

## LOWELL HAS THREE OPERATING REGIONS

**4,194**  
Colleagues across the Group<sup>6</sup>



<sup>1</sup> Group collection performance on assets owned as at December 2022 for 12 months to 31 December 2023.

<sup>2</sup> Gross collections from owned debt portfolios plus fees and commissions from third party servicing.

<sup>3</sup> Cash generated from collections (from owner Debt Purchase investments and third party commission received) less total operating cost.

<sup>4</sup> The amount that was spent buying portfolios of debt comprising individual non-performing loans and receivables from creditors and service providers during 2023.

<sup>5</sup> Estimated free cash generated after interest, capex, taxes paid and Replacement Rate (being the estimated amount of purchases required to maintain 120m ERC).

<sup>6</sup> Colleague numbers exclude contract and temporary workers. See page 48 for a full breakdown.



# Our Sustainability Strategy

Our Sustainability Strategy is aligned with our responsible business model. It focuses on the material impacts, risks and opportunities relating to individual debt and any associated social disadvantage or loss of financial inclusion.

Additional areas of focus relate to responsible business practices in governance, human resources management, and environmental protection.

There are clear relationships between the aforementioned impacts on customers, the sector operating to the highest standards, and our ambition to enable positive change. Our expanding research and advocacy influence choices and policy in wider society, as we share our insights from our unrivalled customer data to understand the many causes of problem debt, both at an individual level and on a national scale.

These mechanisms are complemented by the day-to-day actions of our colleagues treating everyone as an individual, listening to and understanding their circumstances, and being flexible in their approach.

## What's in our strategy?

Structured around four pillars, our strategy sets out clear ambitions and goals. We monitor performance using metrics and data verification, using our Sustainability Scorecard to track performance against our commitments.

→ p5–7  
For more on our business model and context

→ p34–38  
For more on our governance



## ECOVADIS – THE NEXT LEVEL

EcoVadis, an ESG ratings company, provided our second annual assessment in 2023, from which our rating was upgraded from Bronze to Silver. This was enabled by a series of developments, including the introduction of our Board-level GSC, our alignment with global frameworks such as the United Nations Global Compact (UNGC), linking senior remuneration with sustainability performance, new policies such as our Environmental Policy and Group Supplier Code of Conduct, and delivering solid progress against our published targets.

## MAKING CREDIT WORK BETTER FOR ALL

### What's in our strategy?



### Better for customers

Supportive and personalised debt resolution for all

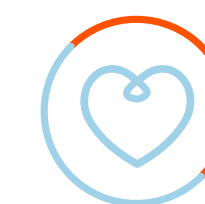
- » Personalised approach for trust and engagement
- » Customers in Vulnerable Situations
- » Enabling broader financial health



### Better ethics and understanding

Set the highest ethical standards and build a positive sector

- » Lowell Values and ways of working
- » Our promise to clients and customers
- » Advancing standards and understanding



### Better for society

Put people first to build a stronger business and society

- » Improve debt understanding
- » Colleague development and wellbeing
- » Diverse and inclusive culture
- » Community engagement



### Responsible business

A resilient and efficient business protecting and enhancing environmental, social and governance value

- » Strong governance, supported by effective enterprise risk management
- » Environmental responsibility

### How we developed the strategy

We use a rigorous process that identifies the key impacts, risks and opportunities for our business, stakeholders, and industry. Our most material impacts are related to the scale and growth of unmanageable debt and the relationships between the business, its markets, its commercial partners, and wider society. The strategy is overseen by our Board-level GSC and our Sustainability Development Group (SDG). We continue to evolve the strategy to align

with external principles and standards such as the Sustainability Accounting Standards Board (SASB), UNGC, and the Science Based Targets initiative (SBTi). We apply a risk-based approach to identify upcoming regulation, such as the European Union's Corporate Sustainability Reporting Directive (CSRD), and to reveal the benefits of voluntarily adopting elements of other frameworks from organisations such as the Task Force on Climate-related Financial Disclosures (TCFD).



# Better for Customers

### Our ambition

To help customers return to financial wellbeing. We do this by delivering tailored and supportive solutions designed to help them take control of their debt.

### How we'll get there

We ensure debt repayment processes are simple, accessible, and respectful, that we treat each individual customer carefully and with particular attention to the most vulnerable, and that we offer tools to improve their long-term financial health.

### The outcome we seek

To continue to deepen our understanding of customers through research, to best help them achieve healthier finances during and after their repayments with Lowell.

## OUR PROGRESS IN 2023



- 2m debt-free customers.
- Our Trustpilot score is consistently above 4 stars and customers continue to rate our digital experience above the industry score for financial services.
- Helped our customers identify almost £1m worth of benefits they are entitled to with our new benefits calculator.

## KEY CHALLENGE



Engaging with our customers in a historically mistrusted sector within Financial Services.



# A personalised approach for trust and engagement



## 2023 Objective

Encourage timely engagement and provide customers with an insight-driven, empathetic, and accessible experience, whether online or on the phone.

TARGET	2023
<b>Trusted and engaging</b>	
Establish a standardised process for collecting customer NPS across all regions by end of 2023	Now live in all regions
Achieve above-market NPS on an ongoing basis	~55 <sup>7</sup>
Group Client Customer Treatment score >85%	93%

<sup>7</sup> The annual NPS score was 55 in the Nordics and 54 in the UK.

<sup>8</sup> We're now collecting an NPS measure in the DACH region and will report this externally in 2024 once we have visibility of longer-term trends, and are achieving response rates that enable us to break the results down at a customer journey and /or entity level to complete further analysis.

## 2m

debt-free customers

## STRONG NPS

in the Nordics and the UK

## NPS

live in DACH<sup>8</sup>

## What we did

### Understanding customer needs

Our customers face complex and challenging circumstances, which can make it difficult for them to acknowledge their debts and take action to resolve them. Our proprietary customer research tells us that early engagement helps to limit the stress caused by debt.

Lowell combines insights from a rich variety of data sources to build a complete picture of each customer's circumstances, enabling us to offer the best support.

Once we are in contact with a customer, our skilled teams know how to stay close to them, understand their unique needs, keep them informed, and then adapt our support. This builds trust and engagement at every point of their interaction with us.

### Engaging with customers in ways that suit them

Lowell prioritises responsible debt repayment practices and collaborative, respectful relationships with customers. We recognise the negative impact on our customers when things go wrong with their finances, and because every customer is different, there is value in a personalised approach.

## “

Debt can be daunting but I was treated with respect and allowed to manage a payment which I could afford. Very grateful.”

TIMOTHY, TRUSTPILOT, JULY 2023

- Our research continues to confirm that a mix of digital and call centre contact is the best way to help our customers. Our focus during 2023 was to ensure that we provided the same great outcomes for customers whatever channel they chose, empowering and equipping them to do more online if appropriate, and helping them to take control of their finances.
- We have developed our online content to reflect topics of interest to customers – such as inflation and cost of living – we expanded self-service options, and launched an interactive LiveChat function in Germany, Austria, and Switzerland. Our Customer Panel in the UK, comprising over 4,500 members, continues to provide feedback on Lowell's communications approach, and testing digital experiences will enhance customer support before they launch.

## THE CUSTOMER'S VOICE

How Lowell listens and adapts

### Customer feedback

Medallia survey tool, phone and email surveys, complaints management, dispute resolution, Trustpilot, customer panel

### Business metrics

Account set-up, payment default, CIVS monitoring

### Agent feedback

'Have-a-chat' sessions, 1-2-1s, Quality Assessments, engagement survey

### Horizon scanning

Regulation, risk, macro-economics

### Bespoke research

FVI, consumer research

### Bespoke internal dashboards

Cost Of Living Index, CIVS

### Digital continues to support our customers, with high praise

Continued investment in our digital channels plays an important role in our customer engagement strategy. We want our online customers to have the same great experience as those who speak to our team on the phone.

In the UK, usage of our digital channels continues to increase. Website logins have grown by 77% in the past five years, and almost half of our total collections in 2023 came through digital channels. Around 1-in-5 customers who had not engaged with us during 2022 are now up and running on digital channels.

Our UK app, launched in July 2021, achieved one million logins in 2023, and was even in the top ten financial services

<sup>9</sup> DXS as calculated by Medallia. Industry comparison based on analysis of over 6.5 billion user sessions throughout 2021 across 11 industries. Medallia is an Experience Management Software Platform that provides insights to improve customer experience, contact center experience, employee experience and digital experience.

apps, with a 4.5 and 4.8 rating on Google Play and iOS App stores, respectively.

Our externally benchmarked Digital Experience Score (DXS<sup>®</sup>) is 8/10, outperforming the collective financial services sector industry scores by 1.5 DXS<sup>®</sup> points<sup>9</sup>. Our website accessibility is in line with the latest Web Content Accessibility Guidelines.

### When things don't go to plan

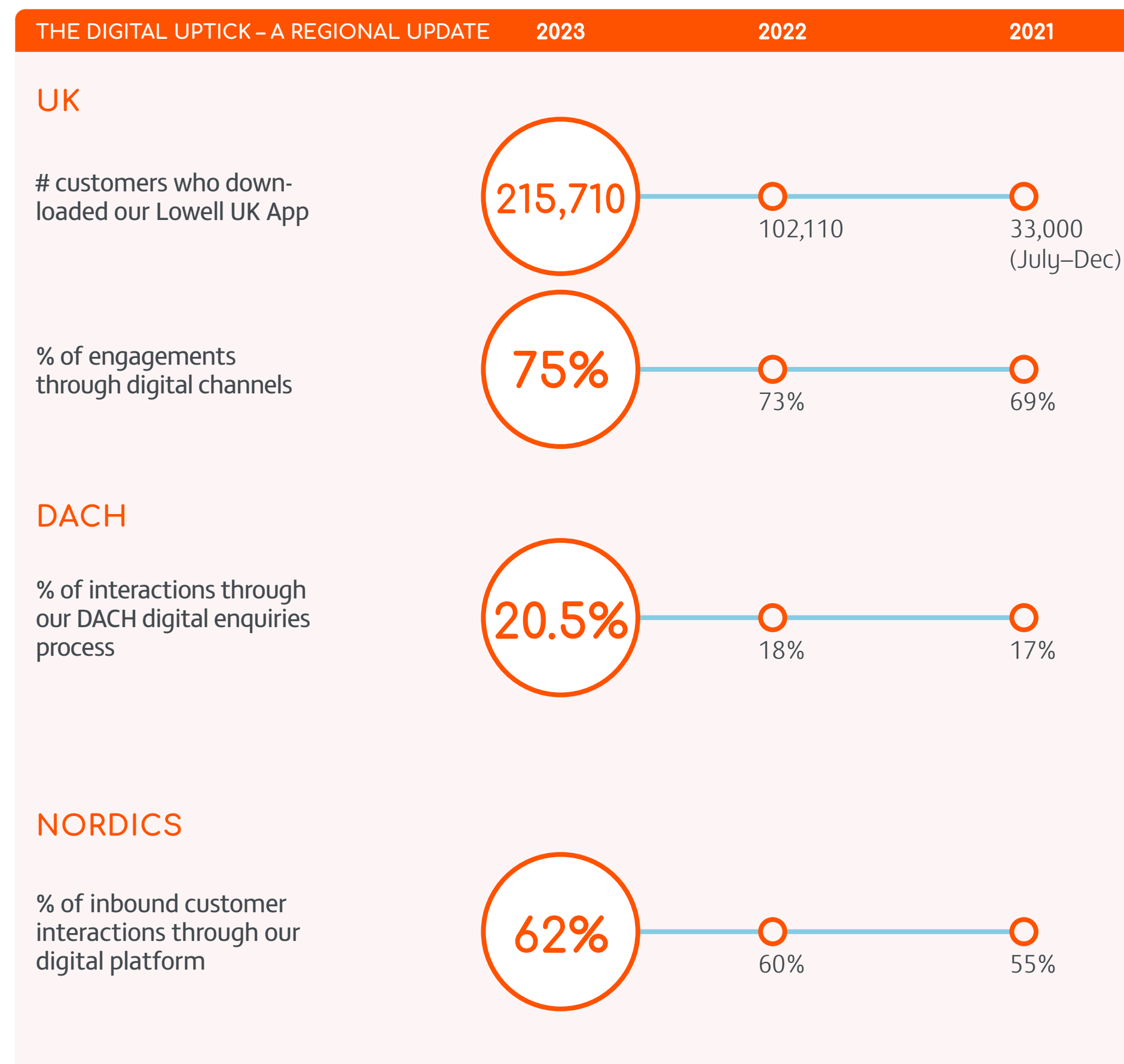
We are committed to a straightforward and clear complaints process, while maintaining relationship quality and effective tracking. Our Online Complaints Portal (in the UK) enables customers to track a complaint to receive the resolution outcome via our app. We use data generated by the process to help improve the customer experience. In 2023, the profile of the portal grew, with a greater proportion of customers choosing to use this channel (the monthly number doubled when compared with 2022).

1m  
UK app logins  
in 2023

~50%  
2023 UK collections  
through digital  
channels

→ p14  
For more on how we carefully track how those in vulnerable situations use digital channels

→  
Please see our website for more on our CIVS online development



### CSA INNOVATION AWARD - WINNER

The Credit Services Association (CSA) is the UK's national trade association for organisations active in the debt collection and purchase industry. Lowell's creativity and innovation in customer service excellence have been recognised once more. Our approaches to customer engagement, technology integration, and process enhancement using Robotic Process Automation to deliver our privacy processes have helped to reduce the time to respond to customers in UK by 31%.

# Lowell UK partners with the launch of a world-class customer feedback platform, Medallia

When it comes to listening to customers, the greater the detail, the stronger the connection.

**In 2023, we evolved how we gather data on customer sentiment in the UK with the launch of a new world-class customer feedback platform at Lowell, Medallia Experience Cloud.**

We are now gathering more data and insights than ever before to inform business decisions and client reporting. It also improves colleagues' skills and morale through greater visibility of the positive impact their support has on customers.

“I love being able to access customer feedback directly, it makes me feel very proud that people I've spoken to feel supported.”

**LOWELL COLLEAGUE, DEBORAH DONAGHY**

“Hearing first-hand the difference I've made to our customers makes me really proud.”

**LOWELL COLLEAGUE, ANGELINE FURNELL**



Lowell's website and online services are available on desktop and mobile.



## Building a deeper understanding of our customers in the UK

### The Customer Panel

Lowell's Customer Panel was the first in our sector. It deepens our customer understanding and drives continued improvements in our business. The Panel now consists of over 4,500 members and gathers insights for our UK operations to complement other research outputs.

During 2023, we used the Panel to continue to build our understanding of the circumstances that lead people into debt, to test the effectiveness of our written communications, and to trial the changes to our digital channels prior to roll-out. The Panel also supports our partners and their research, such as the Centre for Social Justice (CSJ)'s research into the links between financial education and debt issues.

“Helping people and encouraging them to get help, is the biggest incentive to do this for me. Just being there to help others.”

**MEMBER OF UK CUSTOMER PANEL**

# Customers in vulnerable situations (CIVS)



## 2023 Objective

Understand and meet the additional needs of customers in vulnerable situations.

### OUR PROGRESS IN 2023\*



- Colleagues received regular coaching and training on how to identify support for CIVS.
- Technical developments supported self-service and online management.

\*Qualitative metric. No formal target set.

## What we did

First published in 2021, Lowell has made specific pledges relating to our treatment of CIVS. The pledges relate to customer health, life events, resilience, and capability. Their delivery is directly overseen by Lowell’s Executive Team and governance function. The pledges are published on the governance page of our website.<sup>10</sup> Monitoring our more vulnerable customers provides us with an early insight into the impact of macro-economic changes on customers, for example.

### Delivering on our pledges

Colleagues receive regular training on how best to support CIVS as part of our ongoing coaching and support. In the UK and Nordics, colleagues complete annual training on identifying and handling CIVS cases, and coordinating the response we expect when ‘triggers’ of vulnerability are detected, such as mental or physical incapacity. In DACH, training is integrated into our coaching approach.

We continue to invest in our digital offering for CIVS; in the UK we added more self-service options to enable customers to describe their situation online, set up authorised third parties for us to deal with, and choose their language preference.

Our colleagues understand the challenges faced by vulnerable customers, and in 2023, colleague feedback led to a number of improvements to services, such as self-disclosure of vulnerability, and processes for customers with no fixed address.

We monitor the impact of the pledges by tracking metrics relating to self-disclosure, the level of hardship and circumstances faced, the number of repayment plans set up, and default rates. The metrics we collect comply with regulations in each of our operating countries.

# 315,906

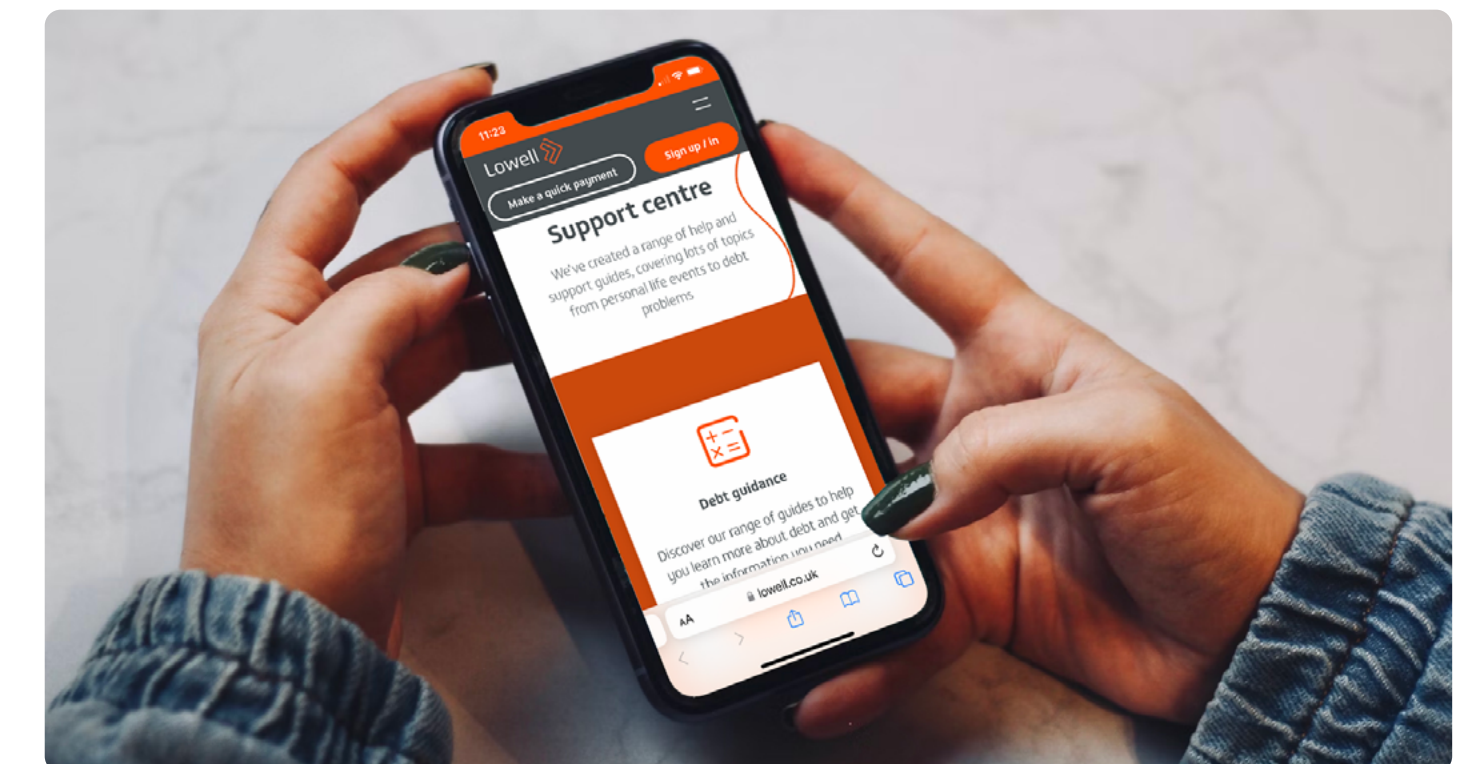
UK customers received additional support in 2023 due to being in vulnerable situations (circa 4%)



Lowell UK’s support hub for customers.

## LOWELL’S PLEDGES TO CUSTOMERS IN VULNERABLE SITUATIONS

- 1 We will not label you as vulnerable and will treat you as an individual.
- 2 We will make sure that whenever and however you contact us, we will be able to support your situation.
- 3 You will not be treated differently to our other customers unless we both agree you need more support.
- 4 Our teams are trained to help you whatever your circumstances.
- 5 When we need more time to reach the right outcomes, we will ensure that you are kept informed.
- 6 If you do not want to speak with us, that is fine. Our digital channels enable you to manage your accounts without needing to call.
- 7 Once you have shared your situation with us, we will protect your information and ensure you get the right outcome when working with us.
- 8 If you would like someone else to look after your account for you, we will make that an easy process to agree.



<sup>10</sup> Lowell, ‘Governance’.

# Enabling broader financial health



## 2023 Objective

Support customers' financial health beyond their debt with Lowell, and ensure they can access the support they are entitled to.

### OUR PROGRESS IN 2023\*



- Enhanced engagement using digital channels across all regions, UK benefits calculator usage increased, Credit File access requests increased.

\*Qualitative metric. No formal target set.

<sup>11</sup> Tylor-Maria Johnson, 'New analysis: Missing out: £19 billion of support goes unclaimed each year'.

<sup>12</sup> The CSA is the trade association for debt collection and the debt purchase industry.

<sup>13</sup> CCS awards are run by Credit Strategy, which offers intelligence, insight and community for credit professionals in the UK.

## What we did

### Helping customers better understand and manage their finances

Financial understanding helps to build resilience. Lowell supports customers with a set of sector-leading tools and services to help build a customer's financial understanding.

→ p24–25

Please see Better for Society for more on our work to build a broader awareness and understanding of debt within society

### Benefits calculator

£19 billion of benefits remain unclaimed each year in the UK<sup>11</sup>, representing more than five million families missing out on money that could make a big difference. Since 2022, Lowell customers have had access to a Lowell-branded calculator (available on our website) to find out what benefits they are entitled to. In 2023 we identified £800,000 of unclaimed benefits, an average of £213 per customer. This takes the amount of unclaimed benefits identified since the July 2022 launch to nearly £1 million.

#### SINCE LAUNCH IN JULY 2022

Total benefit entitlement identified	£932,266
Average benefit entitlement identified	£212

Where a customer needs help to make a claim and find a route out of debt, we can also direct them to additional resources from third-party organisations.

### Partnerships to support financial wellbeing

We provide customers with two free apps to help them improve their financial health. In the UK, through our partnership with Snoop, customers are able to view their bank account and credit card information in one place, making it easier to track spending. Notifications provide money-saving tips, such as those relating to broadband or utility deals. In the DACH region, Fabit is a digital coach and money management app packed with tips, advice, and challenges to help people become financially fitter.

To complement this, we continue to work with the Money Advice Trust's Vulnerability Academy and the Collaboration Network in the UK.



Our online affordability calculator helps customers understand what they can afford to pay. Our online payment plan stepper shows the impact that changes in regular repayments have on repayment times.

## CUSTOMER AWARDS



**CSA Team of the Year Award 'Winner'**<sup>12</sup>  
UK Customer Engagement Centre

**CSA Innovation Award 'Highly Commended'**  
For using technology to reduce the response times to customer privacy requests by 31%



**CCS Award 'Winner'**<sup>13</sup>,  
**Transformation Programme of the Year**  
For the transition of Hoist customers and colleagues to Lowell



# Better Ethics and Understanding

### Our ambition

To be an industry leader in ethics and standards, building a wider understanding of what our industry does, and promoting improved outcomes for all consumers.

### How we'll get there

Actions, insights, robust policies, and engaged colleagues all contribute to setting the standards we require in our business and in the sector. We then share our experience, data, and insights to improve wider understanding of the impacts of problem debt, and drive up standards with clients, regulators, and policymakers.

### The outcome we seek

Industry leadership status based on our own approach, our engaged colleague ambassadors delivering values-led customer and client service excellence, and that our sharing of data and insights moves the sector forward, practically and reputationally.



## OUR PROGRESS IN 2023



- Our Employer Value Proposition (EVP) supported strong and consistent colleague engagement.
- Continued collaboration with clients on priority topics, including UK Consumer Duty, driving client satisfaction and 'world-class' client NPS in the UK.
- Insight-driven partnerships and lobbying for improving understanding of the effects of problem debt and the need to raise sector standards.

## KEY CHALLENGE



Extending our public reach and influence based on our significant scale and insights.



# Lowell Values and ways of working



## 2023 Objective

Continue to engage colleagues in our business and ethics so they deliver positive interactions through a values-led approach.

TARGET	2023
Reach a colleague engagement score of >75 by December 2025	71
Obtain a response rate of >80% in our annual colleague engagement survey	79%
All (100%) eligible employees to complete Group Code of Conduct and People Policy training biennially	98%

→ p26-31

For more on our talent, diversity and other colleague-focused activities

→ p34-38

For more on our governance



Please see our website for more on our Values, policies, and Code of Conduct

## What we did

Generating and retaining trust has always been vital in our industry. We earn it by aligning the way we work with our Mission and Values, and by delivering on our EVP.

Our Mission is written into a set of policies and operating procedures for how we run our business, engage with stakeholders, manage risk, and make decisions.

Our Values and EVP are a promise to our colleagues, who bring our Values to life every day through their positive and professional approach. They understand the complex and challenging issues caused by debt, and maintain the trust held in Lowell. In return, we invest in the safety, happiness, and careers of our colleagues. Our commitments are set out in our hybrid working principles, Group Code of Conduct and People Policies, and in a range of regional policies covering wellbeing, health, and safety. Policy adherence is overseen by effective risk, governance, and compliance arrangements, with accountability for ethical conduct and corporate integrity held by our Group and Regional Executive Committees.

Colleagues receive coaching on our Mission, Values, and EVP. The Values, for example, are part of our annual

performance evaluation process (96% of colleagues were appraised in 2023). Colleagues also complete a biennial Group Code of Conduct training. Group-wide, the completion rate for this module was 98% (the Nordics region completed it in 2022).

Together, these aspects of Lowell culture continue to earn us customer, client, and colleague trust – for example, the average tenure for a Lowell colleague is around seven years.

### Continuing to engage our colleagues

In 2023, 79% of our colleagues completed the annual engagement survey, returning a score of 71 (2022: 79%, 73 respectively). New activities for 2023 included:

- a Group-wide Welcome Day: a clear overview of our approach to help our new joiners become part of the Lowell family;
- regional responsiveness to annual engagement survey feedback, such as the ‘ask-me-anything’ leadership sessions supported by our colleague-led action plans and ‘engagement ambassadors’; and
- new communications channels, e.g. Debt Download bi-weekly updates for colleagues on key events and trends affecting the industry.

## OUR VALUES



Pioneering



Ambition



Compassion



Excellence



Responsibility

## EDUCATING COLLEAGUES

Financial education is relevant for our colleagues, customers, and for wider society. Working with charity partner MyBnk (see p21), we incorporated financial education, mental health and resilience into our UK Collections Level 2 Credit Controller Collections apprenticeship programme, to benefit our new colleagues and equip them to support and empathise with our customers. Feedback from the 12 recruits who started the programme in 2023 has been positive.

Based on the success of this programme, we are looking to provide all colleagues in the UK with financial education throughout 2024.

“I am looking forward to seeing how the additional financial education skills will enhance our roles, and I can’t wait to be a part of the journey.”

NATALIE THOMPSON, TEAM LEADER



# Our promise to clients and customers



## 2023 Objective

Continue to develop and embed policies and processes to deliver the right customer outcomes and effective client partnerships.

TARGET	2023
Client <sup>14</sup> satisfaction score above 8.5	8.1

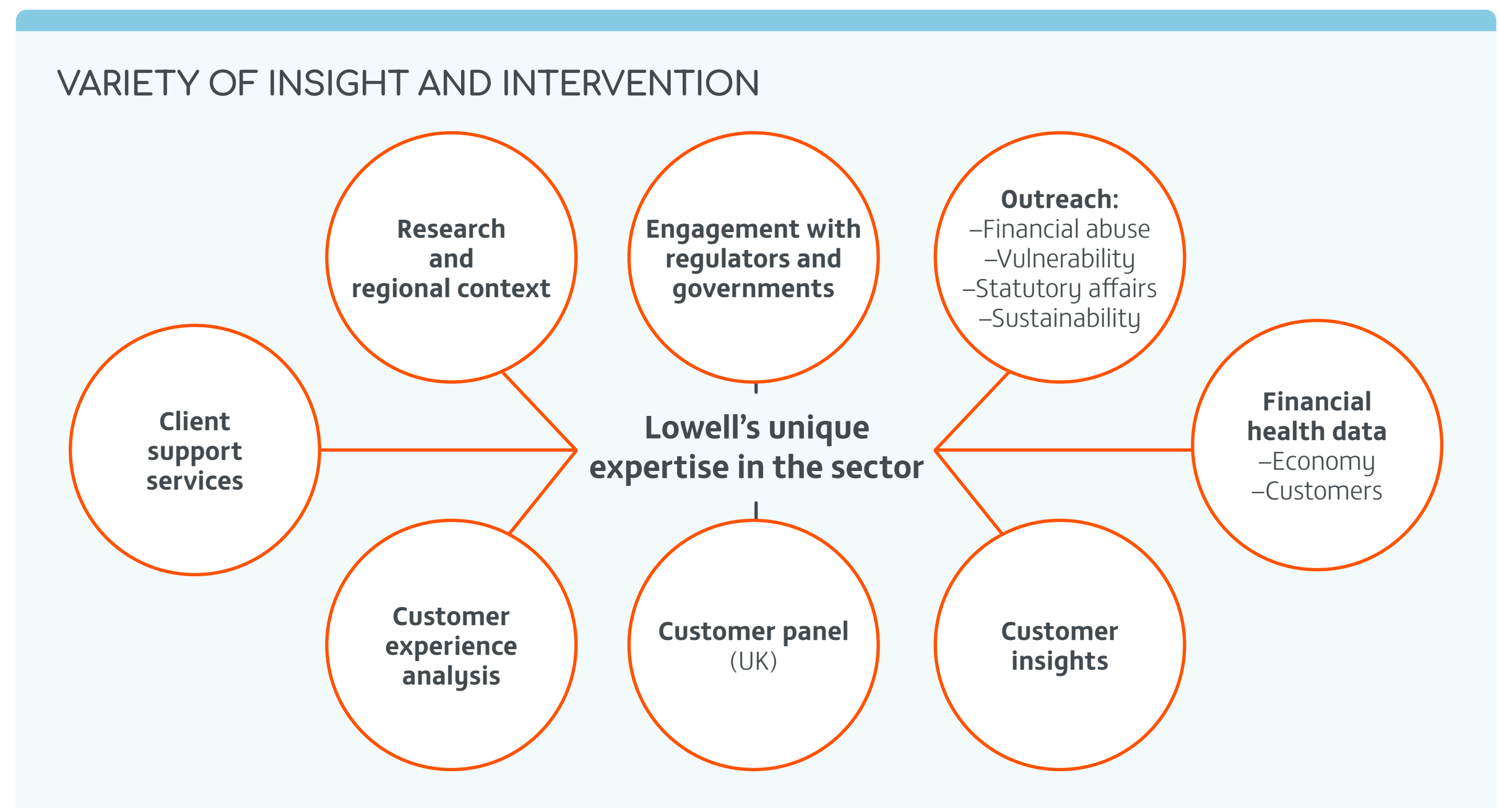
## What we did

### Unique in our sector

Unique amongst our peers, our research capacity, advocacy, insights, and data are in line with those found in mature, international financial services companies. We continuously develop and consolidate our expertise, sharing insights such as the Financial Vulnerability Index (FVI) (p22) in the UK, or our Nordic Manifesto, to raise awareness of the issues caused by problem debt and propose solutions to clients, policymakers, and regulators.

### Client engagement methods in our regions

We take a partnership approach to building and maintaining client relationships, engaging with them regularly above and beyond our normal course of business, to share insights and improve shared understanding. Our strong client satisfaction score, at 8.1 in 2023, reflects this work. In the UK, we are incredibly proud of our client NPS: after five years of growth, we recorded a world-class<sup>15</sup> score of 81 points in 2023. Clients specifically cited our clear communication, positivity around sharing best practice, flexible customer-focus, and industry knowledge and experience as drivers of their strong likelihood to recommend Lowell.



## CLIENT ENGAGEMENT METHODS IN OUR REGIONS:

CLIENT INTERVENTION	2023 TOPICS	UK	NORDICS	DACH
Events and webinars	Legislation, policy, debt purchase markets, cost of living, consumer duty	✓	✓	✓
Regulatory topic sessions	Consumer Duty	✓		
Customer insight sharing events, webinars, podcasts and videos	Debt collection practices, private person debt restructuring, podcasts, videos	✓	✓	✓
Breakfast briefings	Risk and conduct risk management, receivables management, collection servicing, client self-serve	✓	✓	✓
Landlord briefings (chargeable)			✓	
Non-performing loans backstop			✓	
Lowell Best Practice Days, Innovation Days		✓	✓	✓
Conference podium and panel engagements		✓	✓	✓
Annual client satisfaction surveys feedback loop		✓	✓	✓

<sup>14</sup> Clients are organisations from whom we purchase debt and for whom we manage it, please see more on customer metrics on page 11.

<sup>15</sup> A client NPS score above 70 is considered 'world-class': QuestionPro, ['Net Promoter Score'](#).

### Sharp focus on clients' top issues

We help our clients increase cash flows and protect their brands by combining commercial flexibility, data-driven insight, and a variety of innovative solutions to address their unique financial and operational challenges. In 2023, we launched two new channels in response to client demand:

- Focus online magazine in the Nordics, covering the role of Artificial Intelligence in debt collection efficiency (August), debt collection for a healthy credit market (June), and environmental, social and governance (ESG) (November); and
- business podcasts launched on our YouTube channel in DACH, covering customer transparency and dealing with 'big data'.

### CLIENT OPERATING CONTEXT

# 244

businesses filed for bankruptcy in July 2023 alone in Finland. The last time there was a similar level of bankruptcy in July was more than 25 years ago in 1997<sup>16</sup>

# 12.9m

UK adults have low financial resilience<sup>17</sup>

# 1m

CSJ research showing that one million people in England resort to borrowing from loan sharks<sup>18</sup>

<sup>16</sup> Lowell, ['The world suddenly changed – how to predict cash flow now?'](#)

<sup>17</sup> Money Advice Liaison Group, ['FCA publishes data from financial lives 2022 survey'](#).

<sup>18</sup> The Centre for Social Justice, ['Swimming with sharks'](#).



Focus is an online insight-sharing client magazine in the Nordics. Screenshot is of November's issue.

→ p10–15

Please see Better for Customers for more on our customer approach

→

Please see our website for more on our governance and risk management

# Our duty to customers

**In the UK, the Financial Conduct Authority (FCA) introduced new regulations which came into force in July 2023, known as the Consumer Duty, obliging financial services companies to put consumers' needs first and deliver higher standards of consumer protection.**

Lowell prepared for it rigorously, focusing first on preparing our own business and people, then supporting clients and suppliers, and finally on shaping related regulation through advocacy and lobbying.

A coordinated approach was taken across all our UK businesses, featuring Board-level Consumer Duty Ambassadors and regular Board reporting. Colleagues were mobilised through internal workshops and training sessions.

We shared our insights and learning with clients in our regular engagement and through two bespoke client days, delivered in collaboration with the Credit Services Association (CSA). This inspired excellent feedback from our clients for our best practice approach.

At the end of the two-year programme, Lowell was compliant with the Consumer Duty requirements. Compliance, of course, is an ongoing process of continuous improvement across all business practices. Separately, we have contributed to the consultation process on reforming the Consumer Credit Act, encouraging alignment with the Consumer Duty requirements.



**Colleagues collaborating at work.**

## **Key features of Lowell's Consumer Duty implementation plan:**

- ensuring products and services meet needs and provide fair value;
- an end-to-end customer journey review;
- establishing a data set to assess ongoing compliance with the Duty;
- reviewing almost 2,000 customer communications;
- training at all levels, including senior management functions;
- created a Consumer Duty Policy; and
- regular client engagement on the regulation, practical support, challenges, and best practices.

# Advancing standards and understanding



## 2023 Objective

Continue to develop effective partnerships to deliver better outcomes for everyone impacted by problem debt.

### OUR PROGRESS IN 2023\*



- Memberships of trade bodies and associations retained.
- Key partnerships continued to deliver better debt understanding and education.
- £3.6m funding for the free debt advice sector in the UK through Fair Share contribution (2022: £3.2m).

\*Qualitative metric. No formal target set.

### CHARITIES WE WORK WITH



## What we did

Our key initiatives in 2023 included the following:

- ongoing use of our FVI (p25);
- continued Board-level representation on industry bodies;
- Nordics Manifesto on reducing debt, advocacy on borrower protection, and collaborative research on public sector debt standards; and
- Nordics credit market analysis to forecast debt repayment timelines, helping clients prepare for change.

### Working with others

We take a collaborative approach to improving the understanding of our industry impacts and the challenges caused by problem debt. Our aim is to improve the financial health of our customers and colleagues, and to have a positive impact on consumers by influencing standards and regulation.

Advocacy has been a key focus during 2023, expanded alongside the steady evolution and success of the FVI (p22). John Pears, Lowell's UK CEO, participated in high-level policy discussions in Westminster and joined a major annual party political conference in Liverpool (with the Centre for Social Justice (CSJ)) to outline the required improvements to financial education and need for financial literacy to be a part of 'the everyday' in

schools and workplaces. At the heart of the ongoing campaign work – to raise the profile of our industry and show how we work – are two projects: MyBnk and the Nordic Manifesto.

### MyBnk

Money and debt shouldn't be taboo, but nearly all (92%) who end up in debt will suffer negative health impacts. This drops to 21% if customers talk to their creditor and receive advice on taking control of their finances.

The MyBnk charity aims to boost financial literacy in the UK by empowering young people to take control of their money and make financial decisions that will positively impact them in the future.

With our partnership we're trying to change the narrative. We urge the government to focus on the financial literacy of young adults as they embark on their credit journey. We supported the opening of the charity's Manchester-based Money Hub for teenagers and young adults. Closer to home, we have committed to providing financial education to all Lowell colleagues, following a successful pilot with MyBnk in 2023.

### Manifesto in the Nordics

We advocate a series of key actions in the Nordic region. Taking Finland, Denmark, and Sweden as a sample, we believe public policy should deliver the following outcomes:

We continue to be active members of a range of trade bodies and associations, and develop partnership to maximise our impact, including:

#### Memberships

- Credit Services Association, UK
- Enforcement Conduct Board, UK
- Institute of Customer Service, UK
- Federal Association of German Debt Collection Companies, DACH
- Associations for Debt Collection, Denmark, Finland, Norway, and Sweden
- BKS Bundesvereinigung Kreditankauf und Servicing e.V.
- Federation of European National Collection Associations (FENCA)

#### Partnerships

- Collaboration Network, UK, enabling participation in the Extra Support Club
- Financial Vulnerability Academy, UK
- The Centre for Social Justice

#### Colleague expert participation

- Associations (working with our peers and regulators)
- Boards and committees

- a common national debt register, or a positive credit information register;
- include personal finance in the curriculum for secondary schools, and better advice for the public in general;
- municipalities and welfare regions should not collect customer fees from those who are unable to pay;
- a voluntary blocking service for new consumer loans; and
- break the silence around financial distress.

There are almost 400,000 over-indebted people in Finland, and indebtedness is increasing in Denmark and Sweden too. Across the Nordic region, we continue to promote steps towards such outcomes with, for example, specific client support, simpler language in letters to customers about debt recovery, and an educational guide about the credit cycle for teachers in secondary schools.

→ p32

For more on our Turning Lives Around community programme

# Mapping financial vulnerability

We use insights from Lowell's FVI to inform government and policymakers about where resources can be targeted to improve financial resilience.

**The Lowell FVI, now in its sixth generation, has proved to be a rigorous policy advocacy tool for Lowell.**

Since 2017, it has provided data to help describe the financial health of the UK. The data can be tailored for localities down to constituency level; our CEO has discussed with 35 individual MPs how to improve financial health at a local level.

It is a significant contribution to the policy-making process in the country, with Lowell joining five roundtable events, including one with the UK Treasury.

## What it told us in 2023

- Nearly as many people were in default as at the peak of the recent pandemic.
- Households continued to rely on credit to meet the inflated cost of everyday necessities.

## What next?

The data and other research support our call for a Minister of Financial Inclusion, a position supported by the Money and Pensions Service. We also believe it is vital to put in place a non-interest loan scheme, collaboration for credit unions, and tackle the health impacts of debt.

“

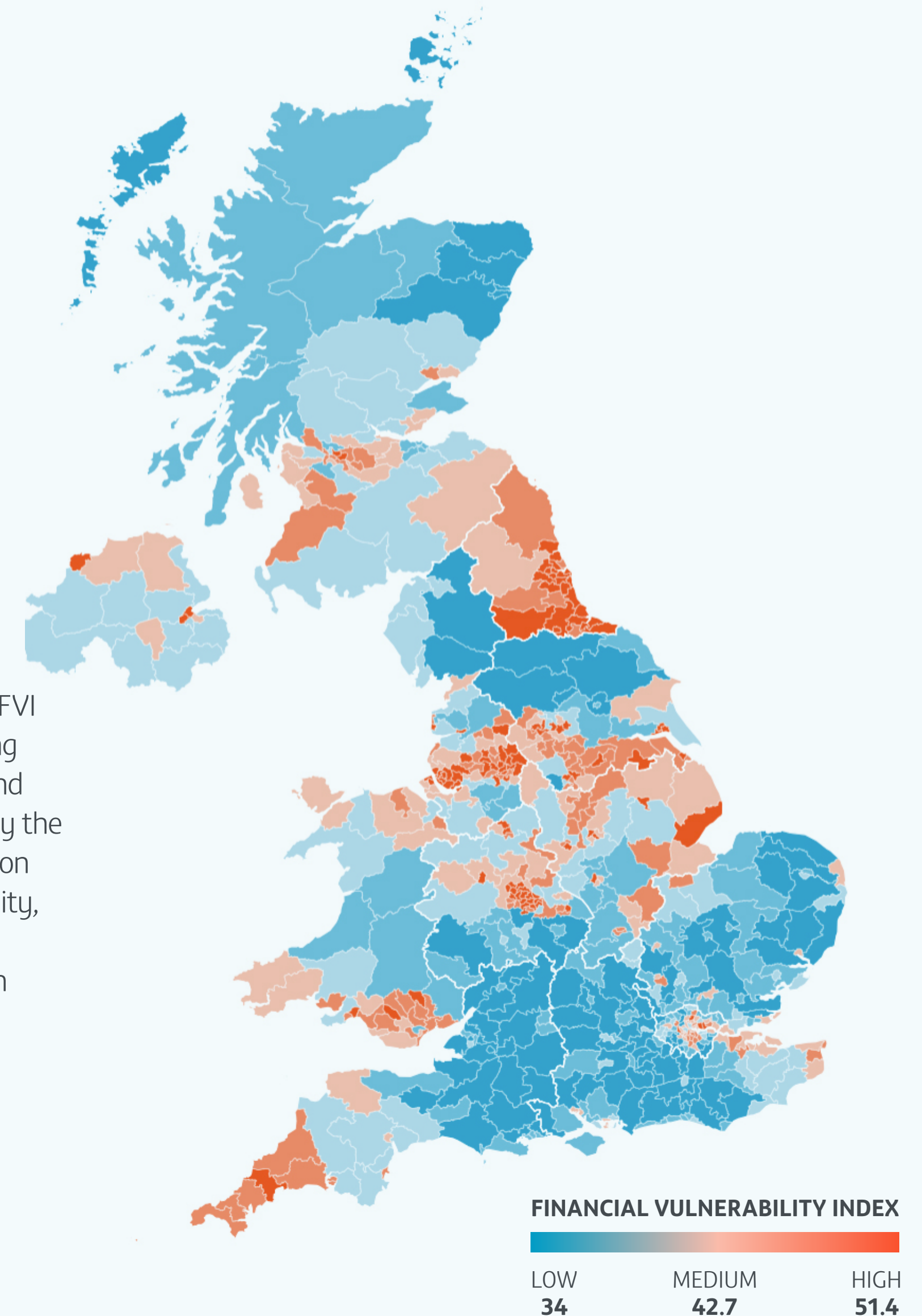
The cost of living, interest rates, food, travel; everything is so expensive, and I simply don't have the money anymore to pay these debts off. No matter how many times you ask me this will never change.”

LOWELL CUSTOMER, 2023

**133**  
financially vulnerable constituencies continue to fall further behind

**41%**  
of constituencies with increased financial vulnerability are in the Midlands

With the CSJ, we are also using the FVI data to combat illegal money lending and improve public-sector lending and debt recovery processes. Research by the CSJ identified poor financial education as a key driver of financial vulnerability, and together we are lobbying for improvements in financial education at school and within the workplace.





# Better for Society

## Our ambition

To create a stronger society through fostering better financial wellbeing, promoting inclusive work opportunities, and providing support for our communities. We aim to always put people first and believe this will build a stronger business and a fairer society.

## How we'll get there

To deliver on our mission, we engage with consumers and broader society, as well as with our customers and clients. For colleagues, we provide a great place to work and opportunities to grow on a personal and professional level, in a workplace free of discrimination, where everyone is welcome and valued.

## The outcome we seek

A satisfied, productive team where colleagues are personally and professionally fulfilled, plus positive impact in society by building a greater understanding of debt and by supporting local communities.

## OUR PROGRESS IN 2023



- Extended our public reach of financial education awareness campaigns to reach 10m across DACH and UK regions.
- Continued financial education initiatives in the Nordics and UK.
- Formalised our commitments to diversity, equity and inclusion by becoming signatories to Charta der Vielfalt (Diversity Charter, DACH) and Women in Finance (UK).

## KEY CHALLENGE



Gaining a full understanding of our colleague profile in line with regional regulations and cultures to enable a quantitative-driven approach to diversity, equity and inclusion.



# Improve debt understanding



## 2023 Objective

**Build a broader awareness and understanding of debt within society, help to build financial knowledge, and improve skills.**

## OUR PROGRESS IN 2023\*



- 10m consumers reached across UK and DACH; we continued to engage with consumers on a range of topical debt issues, challenges, and solutions

\*Qualitative metric. No formal target set.

## What we did

### Normalising the conversation about debt

Our engagement with broader society focuses on improving awareness of debt-related issues, improving financial education, and ensuring that those in debt know that they are not alone.

Consumer research during 2023 in DACH and the UK focused on the financial topics most prevalent in the mainstream media and Google-search terms, such as specific debt management challenges and how to manage family finances. Each campaign is designed to encourage conversation about debt and provide hints and tips. Consistent and continuous messaging is key, and across both regions the research highlighted the importance of Lowell's continued focus on education and awareness.

In the UK, nearly a fifth of Britons (17%) are worried about being able to afford to feed their children during school holidays, while 46% have had money issues due to poor financial knowledge<sup>19</sup>. In our DACH region, our research shows that debt is normal for the majority of younger people, who often use a 'buy now, pay later' strategy and for whom debt is socially acceptable and no longer taboo. We note, however, that 80% are in favour

of more financial education in schools, clearly indicating a knowledge gap.

Across the UK and DACH, we have reached an estimated 10 million people with our campaigns, such as 'Money 101' and 'Family Finance'. Attention-grabbing messages included:

- many financial terms are commonly misunderstood, including Annual Percentage Rate (APR) and Equity. Our research sought to change this and included a dictionary of financial terms;
- many families face challenges during the school holidays, and the effect on the mental health of the entire family can be severe;
- not only are families having to deal with rising costs of food, transport, and childcare, but 11% of them are accumulating up to £500 of debt each month during the cost-of-living crisis<sup>20</sup>;

- in the DACH region, we converted the findings of regular research campaigns into content via YouTube videos and podcasts. Financial education topics included the psychological impacts of debt, younger generations and debt, and perceptions about buying on credit. Key findings included:

- whilst most Germans feel adequately informed, 66% do not know the retirement age and 81% don't know how statutory pension insurance works; and
- debt remains a taboo outside of Generation Z (those born after 1993): 41% would avoid talking about debt above all else, 65% would not talk to their parents about money, and 70% would not want to broach the subject with their friends.

**80%**  
of DACH  
customers are in  
favour of more  
financial education  
in schools<sup>21</sup>

## POLICY RECOMMENDATIONS

Three policy recommendations Lowell UK is calling for to improve financial wellbeing:

1

Mobilising employers to provide financial education at the workplace for their colleagues.

2

Raising non-regulated debt collection standards.

3

Improving access to affordable credit.

<sup>19</sup> Lowell research 2023, and a study by the National Financial Educator's Council in the UK.

<sup>20</sup> A survey conducted by TFL Panel on behalf of Lowell, March 2023. 1,000 respondents who are supporting a family.

<sup>21</sup> A survey conducted by YouGov, Cologne on behalf of Lowell 2023.



Our UK Financial Vulnerability Index (FVI) identified poor financial education as a key driver of financial vulnerability, and we also have a good understanding across our regions about how much people generally know about finance. Some 68% of young people say that a lack of money management skills led them into debt. Our research guides how we work to improve financial education with our customers, on websites (such as Lowell's Debt Guidance Hub and the Debt Dictionary), and through partnerships.

Our partnership with the Centre for Social Justice (CSJ) continues. During 2023 we:

- helped fund the CSJ's Debt Management Unit for the second year;
- gathered data about the changing landscape of financial education;
- continued to engage with the government on financial education and literacy amongst young people; and
- launched a parent/child financial literacy pilot project with The Money Charity<sup>22</sup> in the UK, involving Lowell colleagues and family members, focusing on budgeting, saving, and investing.

Our other education programmes included:

- reviewing public sector practices with Fair Finance<sup>23</sup>;
- potential fraud and scams, in the areas of student loans or energy debt; and
- financial abuse, and how the recent regulations are helping minimise it.

### Financial education pack for schools in the Nordics

Our Nordic Manifesto advocated public policy and action on a common national debt register, personal finance in the curriculum for secondary schools, and better advice for the public in general. We also provided education packs for schools in Denmark, Sweden, and Norway. We delivered hundreds of education packs and teacher support guides both online and in print, and provided facilitation through colleagues and 'train the teacher' sessions. Around 500 hard copies were requested from teachers in Sweden alone during 2023.

#### → p22

For our FVI, including how our collections apprenticeship programme includes understanding customers' financial education

#### → p21

For more on our work to raise understanding of the challenges caused by problem debt



UK leaders attending a town hall event.

<sup>22</sup> [The Money Charity](#)

<sup>23</sup> [Fair Finance](#)

# Colleague development and wellbeing



## 2023 Objective

Support colleagues on a personal and professional level.

TARGET	2023
Colleagues to score Lowell at 75 for 'happy' by December 2025.	73
Colleagues to score Lowell at 70 for 'opportunities to learn and grow' by December 2025.	69
All (100%) colleagues have access to volunteering opportunities by end of 2023.	100%

## What we did

**We aim to offer a great place to work where colleagues feel valued and are able to thrive and grow. This is key to attracting people with the right skills and cultural fit. As a result, colleague engagement remains strong.**

During 2023 we continued to make enhancements across the colleague lifecycle, including:

- a pay gap analysis relating to a range of protected characteristics;
- adding a 'Lowell Welcome Day' to our comprehensive induction process, supported by specific programmes for those in customer-facing roles;
- continuing to embed a consistent approach to pay and grading that reflects market standards in our regions;
- continuing to enable development conversations through our Let's Talk performance evaluation process and Talent Forums, and by equipping people managers with relevant decision-support tools, information, and data;

- reviewing policies and development programmes to remain competitive for future business growth; and
- developing apprenticeships and trainee programmes: Group-wide, we recruited almost 100 apprentices in 2023, and ran Women in Leadership (UK), trainee programmes (DACH and Nordics), and professional programmes such as from the Chartered Institute of Personnel and Development (CIPD) (all regions).

**~100**  
apprentices across  
the Group in 2023



Lowell leaders attending a town hall event in Leeds.

## Development – Explore, Core, Aspire, Grow, and LinkedIn

Our structured approach to development is supported by Talent and Succession planning that helps identify talent in the organisation and colleagues' aspirations.

Programmes for 2023 included:



**Explore:** our Group-wide Leadership Development Programme which has been completed by ~50% of our managers since 2022. As its name suggests, it includes theoretical and exploratory content.



**Core – leading for success:** new for 2023, a self-led leadership development programme for new leaders (internal promotion and new recruits) or those wishing to refresh their skills. It covers competence, culture, and values.



**Aspire – excelling in team leadership:** complementing our Women in Leadership apprenticeship programme in the UK, many of the 10 colleagues who completed this programme in 2023 are now in leadership roles. A further 30 are currently on the programme.



**Grow:** a self-serve career development programme that empowers colleagues to take control of their own development.



**LinkedIn Learning Platform:** offers digital learning on demand to all colleagues.

## RESILIENCE, INSPIRATION, SUPPORT AND EMPOWERMENT (RISE) IN THE UK

Developed and ready to launch in January 2024, RISE will bring together female colleagues and their allies with a focus on building Connections, Career and Confidence. A supportive environment, where women feel valued and connected and can safely share experiences about workplace challenges, learn strategies for success and explore how to find an effective work-life balance.

Fiona Barker, Executive-Sponsor, said:

“RISE is about much more than professional development and networking. It’s about finding a route to a more rewarding career. When we get together, we all feel empowered. We want to create a safe space that encourages women, and anyone who supports women, to meet regularly and discuss meaningful topics. By talking openly we can encourage and inspire each other, build confidence and continually enhance and improve our working environment to ensure it is

always fair and inclusive. Topics scheduled for 2024 include imposter syndrome, identifying the barriers women sometimes face and how to understand our ambitions and our feelings. Bringing in a range of speakers, sessions will connect colleagues to industry leaders and influential voices,

original thinkers, and the voices of experience, with networking provided through forums, virtual and face-to-face meetings during the year.”

→ p31  
For more on female succession

## WELCOME TO

# RISE

A network for  
**WOMEN**  
and allies alike

Resilience Inspiration Support Empowerment



# Insight-led people agenda

We continue to build a more complete profile of our team to inform our people strategy and Diversity, Equity, and Inclusion (DEI) focus areas; after all, better data supports better decision-making.

For instance:

- where we found higher-than-expected post-pandemic attrition in certain parts of the business during 2023, we made targeted action plans to identify problems and resolve them;
- gender data directed our initial focus on improving female representation in our senior team to ensure we are inclusive and promote a productive, positive, and fair culture; and
- we are in the process of requesting additional personal characteristics data from UK colleagues to build a fuller picture of our organisation demographic.

## 4,194

colleagues across the Group  
DACH: 1,257,  
Nordics: 1,034  
UK: 1,903

## 61%

female company-wide (2022: 61%)

## 36%

females in senior leadership roles, all regions (2022: 32%)

## 62%

senior roles with female successor in place (2022: 42%)

## 21.92%

UK mean gender pay gap (2022: 23.87%)<sup>24</sup>

## 8.93%

UK median gender pay gap (2022: 12.03%)<sup>25</sup>

<sup>24</sup> UK gender gap reporting is a snapshot report as at 5 April 2023.

<sup>25</sup> Ibid.

## EMPLOYER VALUE PROPOSITION (EVP)

Together, we go further

On p17 we described how our Values, Group People Policy and EVP help us retain trust, maintain our reputation and update how the world perceives our industry.

Looking inwards, the EVP shows colleagues our promises and commitments to them, and how the Policy is monitored to ensure its effectiveness.

→ p17

For more on how our Values, EVP and policies help us retain trust

# Together, we go further

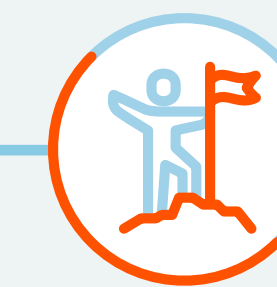
Our people team has continuously worked towards improving our promise to our colleagues and creating a growth-based environment. Through our projects and initiatives we bring our EVP to life and show that we walk the talk, so that our colleagues know why and how we can go further, together.



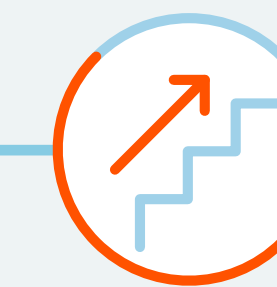
Sustainability



Hybrid working



Leadership development



Career progression



### Colleague health and safety

Paramount to wellbeing is ensuring that our colleagues are safe at work. Policies and training aim to maintain a safe workplace, we conduct safety assessments in offices, and provide colleagues with the means to assess their remote working environment. Performance data is reported to senior management; in 2023, we reported 0 lost-time incidents (2022: 4).

## mieli

In 2023 Lowell Finland was recognised by MIELI as an outstanding workplace centred on mental health and wellbeing for the third year running. The recognition is based on a detailed evaluation of our colleague policies and practices.

### Wellbeing at work

We want a happy and productive workforce of talented individuals who are aligned with our Values. Supporting their wellbeing is therefore essential.

We take great comfort in the fact that, in 2023, 84% of colleagues responded favourably when asked if they felt able to balance their work and personal life.

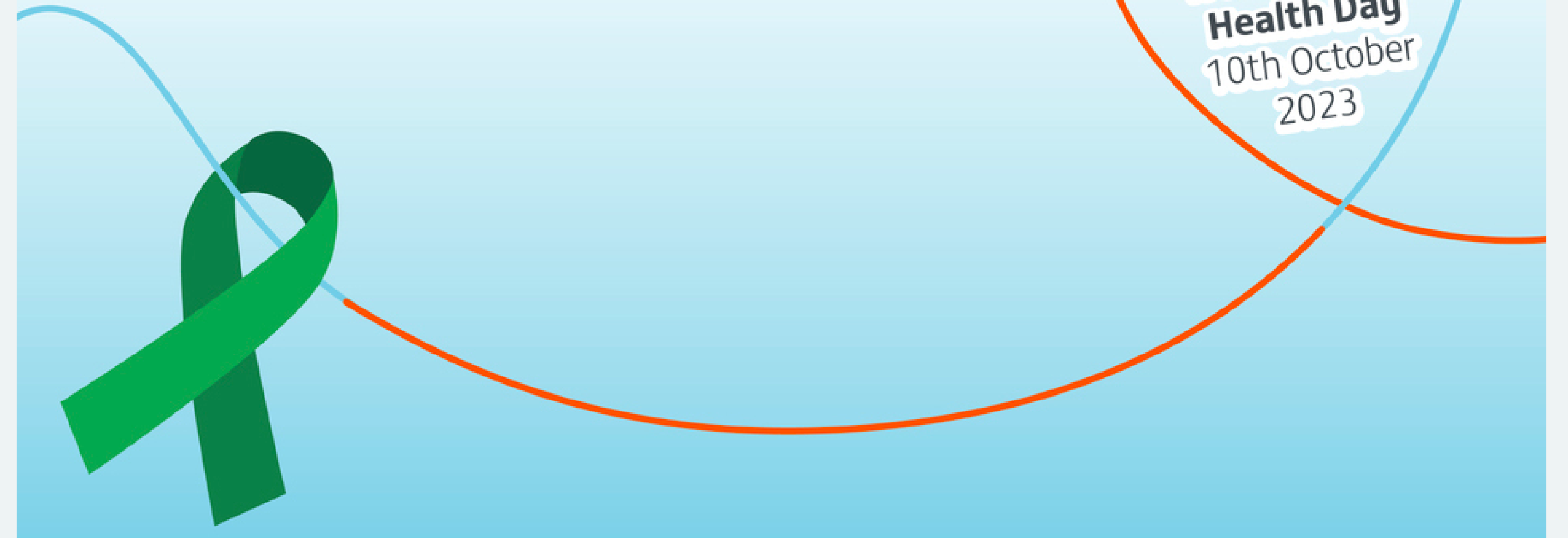
In 2023, we further expanded activities to ensure our colleagues' wellbeing:

- pay and benefits review, to account for cost-of-living increases faced by colleagues;
- Lowell Support Fund continues to offer short-term financial help to colleagues in need;
- used Global Mental Health Day to promote our extensive benefits including lifestyle apps and helplines such as Healthy Habit (DACH), Cuckoo (Nordics), and Yulife (UK);
- mental health first aider network;
- Group-wide menopause awareness, including guidance for colleagues and line managers; and
- a new UK head office that has been developed with WELL Building Standards<sup>26</sup> in mind and was assessed as BREEAM Excellent<sup>27</sup> upon completion in 2023.

<sup>26</sup> WELL is a performance-based system for measuring, certifying, and monitoring features of the built environment that impact human health and wellbeing, through air, water, nourishment, light, fitness, comfort and mind. Lowell's UK Head Office was built with their standards in mind.

<sup>27</sup> BREEAM is the world's leading science-based suite of validation and certification systems for a sustainable built environment. Lowell's UK Head Office has achieved their 'Excellent' standard.

# Lowell



## UNITED BEHIND THE THEME 'MENTAL HEALTH IS A UNIVERSAL HUMAN RIGHT'

In October, colleagues across the Group joined together to mark World Mental Health day. The focus was on improving knowledge, raising awareness and driving actions that promote and protect everyone's mental health. Chief People Officer, Bitte Ferngren, kicked things off by sharing an article outlining why our focus and support for mental health wellbeing is so important

and signposting useful support and knowledge-building materials on LinkedIn Learning. A testament to the trusting and open nature we've fostered, a number of colleagues chose to share some of their own personal experiences with mental health, anxiety, depression, neurodiversity and homelessness. Alicia Scurr, DEI lead at Lowell, said: "Celebration days like this are an

opportunity for Lowell to reinforce our commitment to employee wellbeing, address the specific challenges of a multi-national workforce, and contribute to a healthier and more inclusive workplace culture. We're delighted that colleagues also took the chance to connect on a personal level and share their own stories."

# Diverse and inclusive culture



## 2023 Objective

**Consolidate DEI fundamentals in our strategy to broaden our focus beyond gender, enhance leadership opportunities for women, and ensure colleague networks are effective across our regions.**

TARGET	2023
40% female in our leadership team by end of 2025	36%
A minimum of one female successor for all (100%) of leadership roles by end of 2023	62%

## Lowell's inclusiveness

**An inclusive organisation means that everyone has a 'voice at the table', each of us is heard, and a high degree of responsiveness is in place for the benefit of colleagues and for the business.**

In 2023, 80% of colleagues believed that, regardless of background, everyone at Lowell has equal opportunity to succeed. Indeed, equality has long been part of how we work at Lowell.

During 2023 we partnered with external advisors to assess our DEI maturity.

We scored 11 percentage points above the benchmark, which placed us in the 'Leading' maturity category.

In terms of governance, our DEI Council meets monthly, and is supported by a network of colleague 'Involve' groups in each of our regions for local action. The Council completed a review of our strategy in November 2023 and formalised the topic of equity within it. Starting with the UK, we began collecting data on a wide range of protected characteristics. Six months into this data collection exercise, 200 colleagues (11%) participated. In 2023, we continued with a series of engagement processes and survey tools to gather feedback:

## SURVEY RESULTS ACTIVITIES

- Celebration Days;
- a new Nordics 'Involve' group, part of Lowell's work to optimise inclusion and access to opportunity and resources;
- signatory to the Women in Finance Charter (UK) and Charta der Vielfalt (DACH);
- entry-level apprenticeship (with the Credit Services Association (CSA) in the UK);
- sharing our UK Apprenticeship Levy with our supply chain to support under-represented talent to access roles in our industry; and
- financial education, supporting young people with personal finance education. Delivered to schools in the Nordics and under-25s in the UK.

## DEI ROADMAP

2020



- DEI Vision: Nurture a culture where colleagues can be themselves
- DEI Council: Report to Executive Committee
- Acceptance and Equal opportunities: Tracked in annual survey

2021



- Robust data drives gender focus
- Gender targets align to best practice
- Succession planning approach rolled out

2022



- Colleague life cycle assessed through gender lens
- Maturity independently assessed as 'building'
- Diversity specifications for recruitment shortlists

2023



- Strategic focus on gender embedded across all people processes
- Maturity independently assessed as 'Leading'
- Personal characteristics data capture (UK)

2024



- Strategic focus on broader equity
- Personal characteristics data capture – target 50% (UK)
- Colleague life cycle assessed through personal characteristics lens

**92.2%**  
of males paid a bonus

**95.1%**  
of females paid a bonus

### Celebration Days

As an inclusive organisation, we regularly host Celebration Days looking across the spectrum of characteristics. In 2023, this included attending and sponsoring local PRIDE events, participating in World Day for Cultural Diversity, World Mental Health Day, Black History Month, and celebrating religious festivals throughout the year.

### Black Interns Initiative

As part of our focus on building diversity into our future talent pipeline, we were joined by six interns from the 10,000 Black Interns Initiative in 2023. Our interns spent their Summer academic break working in roles across Technology, Finance, Marketing, HR and Operations – gaining practical skills, experience of work, and building their professional networks to help remove the barriers many young people from minority communities face when entering the world of work.

### Diversity, Equity and Inclusion Signatories

During 2023, we signed the Charta der Vielfalt in DACH<sup>28</sup> and the Women in Finance charter in the UK.<sup>29</sup>

### Female leaders, female networks

Lowell wants to harness the wide range of competences available from many different groups in the organisation. Our recent focus has been to improve gender balance in our

senior management; at the end of 2023, we had one female successor for 62% of leadership roles (target 100%), with 36% of senior leadership roles held by women.

We continued to expand our female networks: the Nordics network enriched the talent pool for leadership candidates, while in the UK, 13 colleagues completed our first Women in Leadership programme, and a Level 3 Leadership apprenticeship was run to support the next generation of female leaders. We are steadily reducing barriers by enhancing policies in areas such as maternity/parental pay and conditions, remuneration, part-time working, and our menopause awareness network (UK).

### UK gender pay gap

As the UK's leading credit management services provider, Lowell is committed to providing a respectful, inclusive environment and a working culture which is productive, positive, and fair for all our colleagues. We provide statutory gender pay gap reporting for the UK on our website.

Improvements in both the mean UK pay gap of 21.92% (2022: 23.87%) and the median UK figure of 8.93% (2022: 12.03%) show our steady progress.<sup>30</sup>

## WOMEN IN CREDIT AWARDS

Two Lowell colleagues were recognised at the 2023 Credit Strategy industry awards<sup>31</sup>: Laura Parkinson received the Rising Star of the Year award for her work integrating Hoist into Lowell's business, and Helen Paterson received a Silver award in the Innovator of the Year category for her work shaping the digital offering at Lowell. We were also a finalist for the Women in Credit Awards' Employer of the Year, called out for our focus on menopause awareness, the DEI Involve group, and reverse mentoring.



“I'm really looking forward to being part of the Women in Leadership Apprenticeship. I signed up to progress my skills and knowledge and to take steps to help me in my career for the long-term. I'm hoping to build my confidence and understand more about the often unique challenges women can face and how to overcome, as well as building my support network and sharing thoughts and ideas.”

**ABBY EDWARDS**

“I feel really privileged to be part of a network with intelligent and driven women.”

**SARA EDBERG**

“It helped me build a strong network with peers from other countries and created a safe environment for sharing.”

**MARTINA GLÄNFELT**

<sup>28</sup> The [Charta der Vielfalt](#) promotes the recognition, appreciation and integration of diversity in business culture.

<sup>29</sup> UK Government, ['Women in Finance Charter'](#).

<sup>30</sup> UK gender pay gap reporting is a snapshot report as at 5 April 2023.

<sup>31</sup> Credit Strategy, ['Women in Credit Awards'](#).

# Community engagement



## 2023 Objective

Expand community investment and increase colleagues' access to volunteering opportunities.

TARGET	2023
Colleague volunteering	
All colleagues offered a paid day to volunteer for a cause of their choice	100%

# ~500

colleagues used their volunteering day, giving ~3,000 hours in 2023



In the UK our volunteers provided 'life skills sessions' to Turning Lives Around, who support 3,000 clients in northern England

<sup>32</sup> [Turning Lives Around](#).

## What we did

Since January 2023, across all UK, DACH, and Nordics regions, all colleagues can now take advantage of volunteering opportunities that contribute to our Mission: to make credit work better for all.

The annual Volunteering Day is for colleagues to support the causes that they care about. They are a valuable pool of skilled individuals who can make a difference in the community. Volunteering and community initiatives tend to focus on financial education and supporting the vulnerable. In 2023, approximately 500 colleagues used their volunteering day, giving almost 3,000 hours.

In the Nordic region, colleagues spent their time facilitating sessions in schools using our education pack, as well as supporting local charities and organisations on their premises to collect much-needed items and Christmas gifts for children, along with company donations.

In the DACH region, colleagues supported job counselling for refugees in association with local authorities. Other charitable activities in DACH included ongoing annual support for a Wish Tree campaign in Essen, a Wishing Star campaign in Wuppertal to support disadvantaged children in the areas



Lowell colleagues Mark Preston and Simon O'Shea using their volunteering day to renovate a Turning Lives Around centre in Middleton.

and taking part in Essen's Run for Dreams to raise money for the local Paediatric Research Network supporting cancer research.

In the UK, as part of our Turning Lives Around<sup>32</sup> charity partnership, we utilised the energy and skills of our UK colleagues to help refurbish premises and run 'life skills sessions', looking at bank accounts,

claiming benefits, savings, CV writing, and interview preparation. The charity has 3,000 clients in northern England who face a range of issues such as homelessness or drug abuse.

Many colleagues volunteer their personal time for causes close to their hearts. We encourage and support this wherever possible.





# Responsible Business

### Our ambition

To be a resilient and ethical business that also takes responsibility for the environment. We maintain the strongest foundations of responsible business through robust and transparent disclosure and continuous improvement.

### How we'll get there

We seek to uphold the highest standards of risk management and ethical conduct, based on good governance and a resilient business model. Our thriving corporate sustainability programme helps adapt the business to be future-fit by minimising carbon emissions and waste.

### The outcome we seek

Corporate value is enhanced through robust risk management and business relationships, and the trust of all stakeholders is preserved.

## OUR PROGRESS IN 2023



- New Group Sustainability Committee (GSC), with delegated Board authority, overseeing Lowell's strategy and commitments to the United Nations Global Compact (UNGC) and the Science-Based Targets initiative (SBTi).
- Revisions to our risk register and risk appetite, supported by further testing of risk controls, results in more effective and consistent governance across our operating regions.
- Significant reductions in our operational greenhouse gas emissions put us on track to achieve a 65% reduction by end of December 2025.

## KEY CHALLENGE



Data collection relating to carbon emissions from diverse data sources across our regional operations and value chain spend data from our various suppliers.



# Governance



## 2023 Objective

Update appetite and tolerance of risks and opportunities, clearer descriptions, tighter and clearer controls.

TARGET	2023
All (100%) executive management and senior management to have sustainability performance metrics in their formal objectives	100%
All (100%) of eligible colleagues to complete training relating to Lowell's anti-bribery and anti-corruption policies and procedures	99%
All (100%) of eligible colleagues to complete training relating to data security, protection, and privacy	99%

<sup>33</sup> Information on Investor Board as at 15 April 2023.

<sup>34</sup> Mattison Public Relations, ['More than half of FTSE companies now have a board-level ESG committee – the next metric in ESG corporate comms'](#).

## What we did

**Regarding statutory risk, we continue to deploy our governance functions so that the Investor Board can effectively take responsibility for the long-term success of the Group and deliver value to shareholders. Our Investor Board<sup>33</sup> is led by Andy Green, the non-executive and independent Chairman, who is joined by a further two independent Directors, Trond Brandsrud and Sally Ann Hibberd. The nine-strong Board is made up of two female and seven male members, six of whom have previous financial services experience, with an average tenure of 3.5 years.**

**The Board completes an annual self-assessment to review the extent to which they are delivering against their terms of reference. Board Committees have defined roles and objectives:**

- Group Audit Committee: provides oversight and safeguards the integrity of external financial reporting and systems of internal control across the Group, along with monitoring and oversight over the processes for internal and external audit;
- Group Risk Committee: provides oversight and advice on risk exposures, strategy, appetite, and tolerance;
- Group Remuneration Committee: approves

remuneration policies, ensuring that arrangements are designed to promote the long-term success of the Group;

- Group Sustainability Committee: ensures oversight on behalf of, and advice to, the Board, in relation to Lowell's Sustainability Strategy and related activities (see box); and
- Regional Risk & Control Committees: ensure all regional risks are managed in accordance with Lowell's Risk Framework and in compliance with local regulations.

### Group Sustainability Committee (GSC) launch

Lowell's governance stands out from the crowd – our new GSC is an exceptional instrument of governance in our sector; only 13% of FTSE-100 non-banking financial service companies have a comparable Board-level committee.<sup>34</sup>

Its purpose is to provide strategic advice, leadership, and challenge relating to the sustainability agenda – setting Lowell's appetite and ambition levels at a corporate level and challenging progress, as appropriate. The GSC is chaired by a Non-Executive Director (NED), and is attended by other NEDs, investor representatives, our Chief People Officer, our Chief Risk, Reputation & Sustainability Officer, and our Head of Sustainability. This

combination blends external oversight with internal expertise.

During 2023, the GSC focused on a deep dive into environmental impacts, an analysis into customers, clients, colleagues, and corporate affairs impacts, as well as a review of sustainability governance and data assurance.

The GSC recognises the difference between sustainability impacts relating to our business and the expectations held by the financial community (and other stakeholders) on environmental, social and governance (ESG) matters such as net zero carbon, and the demands of disclosure standards that are emerging.

It is supported by our SDG, established in 2020 to recommend enhancements to our Sustainability Strategy, create shared ownership and accountability, ensure delivery, and drive communications that differentiate Lowell. The SDG is chaired by our Chief Risk, Reputation & Sustainability Officer, and is attended by representatives from all regions and functions, and a Non-Executive Director (NED) from the UK Board.

We continue to take inspiration from organisations of a much larger scale, size, and regulatory interest than our own to bake-in best practice across our sustainability agenda.



Please see our website for further details on our approach to governance, including biographies for each of our Investor Board members



Please see the governance page on our website and 2022 report (pages 35–40) for the following information:

- committee details,
- Terms of Reference and governance structure;
- risk framework; training; and
- data protection, privacy, cyber security

### Regulatory landscape

We continue to review the regulatory landscape in order to ensure compliance. During 2023 we published additional information about Lowell in response to the German Supply Chain Act and the Norwegian Transparency Act. We have completed a series of energy audits at offices across the Nordic region as required by the EU Energy Efficiency Directive, with audits for offices in DACH and the UK scheduled for 2024. We have also reviewed the requirements for the Financial Conduct Authority's sustainability disclosure rules.

As part of our preparations for the Corporate Sustainability Reporting Directive (CSRD), which will apply to Lowell from 2025 with our first report due in 2026, we will complete a double materiality process during 2024 to determine which sustainability matters have the greatest impacts, risks and/or opportunities across our business activities. During 2024 we will complete further reviews of the EU Taxonomy Regulation, also applicable to Lowell in 2025.

### Reporting alignment

Since developing our Sustainability Reporting in 2021 we have completed an annual review of guidance, frameworks and best practice, including the Sustainability Accounting Standards Board (SASB), the Global Reporting Initiative (GRI), the EU Non-Financial Reporting Directive (NFRD), the UN Global Compact, the UN Sustainable Development Goals (SDGs), and the Task Force on Climate-related Financial Disclosures (TCFD) standards.

Our alignment to the SASB framework was selected initially based on feedback from investors and due to its sector-specific focus. This is supported by aligning our efforts to five of the UN SDGs (SDG1, SDG5, SDG 8, SDG13 and SDG 17).

In 2022 we became signatories of the UN Global Compact, and will complete our first Communication of Progress reporting during 2024. Alignment to the TCFD and GRI remains a consideration for the future as we continue to develop our approach to reporting. Insights from a double materiality process, to be completed during 2024, will help to inform decisions and timings about future reporting alignments.



Colin Storrar, Group CEO, preparing to present at a Leadership Town Hall event.

## LOWELL'S REPORTING GOVERNANCE

We continue to develop and enhance our approach to sustainability-related disclosures. In 2022 our Internal Audit function found that the governance mechanism to produce our sustainability report, and the process for selection and definition of the sustainability scorecard KPIs, had been developed in an appropriate manner and was subject to appropriate scrutiny across the organisation. Each year Internal Audit will review the accuracy and completeness of our sustainability report performance scorecard data on a sample basis. Internal Audit provided learnings during the report production process so that any required redress can be completed prior to publication.

Our 2023 report was developed by our Sustainability Development Group (SDG) who ensure the quality of the reporting and data scorecard processes. It is then subject to a robust five-stage executive-level approval process that aligns with the approach we take to financial reporting:

- 1. Regional Executives, Regional MDs, and Group Functional Directors**
- 2. Internal Audit - Scorecard Assurance on a sample basis**
- 3. Group CEO**
- 4. Group Sustainability Committee**
- 5. Group Audit Committee**

model, clearly assigning responsibilities for risk ownership and management, oversight, challenge and risk reporting and independent assurances. Further details of Lowell's approach to risk can be viewed on our website.<sup>35</sup>

### Risk refinements across our regions

To remain accountable to all stakeholders on sustainability impacts, risks, and opportunities, business leaders' decisions must consider various options, threats, future outcomes, and responses to each, using the best available information and expert advice.

This is 'risk and executive management' in action, governed by our overall Group Risk Framework and supported by a wide range of policies, including Risk Appetite. In 2023, we implemented some important changes to help all decision-makers understand Risk Appetite and tolerance:

- Appetite describes the type and amount of risk that Lowell is willing to accept to achieve its strategic objectives, expressed as scenarios;
- tolerance describes the limits Lowell has for risk-taking, applied to specific outcomes or metrics used to measure the delivery of our strategic objectives.

Working with representatives across our regions, we provided a series of

risk statements to be satisfied, such as "We refrain from presenting inaccurate information to customers or the wider public about debt or about our business." These indicate a Risk Appetite written in plain English with an associated call to action, which, in this case, would be to take all reasonable actions to ensure this scenario does not occur or to correct it quickly if it were to occur.

Controls, or 'guard-rails', are described to prevent undesirable consequences of such risk. Our risk-based approach to sustainability ensures that we:

- lead in our sector by aligning with industries that are ahead of our own;
- achieve a position of leadership as a trusted service provider;
- adopt governance that contributes to shareholder value;
- ensure all actions positively impact the broader debt collection industry;
- communicate our progress on external sustainability commitments;
- ensure communications align with current and forthcoming external disclosure standards such as the SASB, International Financial Reporting Standards (IFRS), and CSRD; and
- formally commit to credible global best-practice standards.

The Risk Appetite statements guide

## THREE LINES MODEL

To ensure alignment to our Group Risk Framework and appetite for risk, we organise risk management along the three lines of defence principle. Each line has clearly defined roles, responsibilities, and accountabilities.

1

### FIRST LINE:

Own and manage risk

- Ensure a risk-aware culture is maintained.
- Manage function in line with established risk appetite and escalate risks that are operating outside of appetite.
- Ensure all policies are complied with, and where applicable, policies that are owned are kept up-to-date and cascaded appropriately.
- Functions maintain the register of risks and controls associated with core business processes.
- Risk and controls are subject to regular assessment and testing to identify any areas where controls require strengthening to ensure they are managed in accordance with Lowell's risk appetite.
- Management is responsible for reporting and managing incidents promptly as and when they occur, ensuring that such incidents are addressed, and that any underlying control failures are identified via root cause analysis, and addressed to minimise the risk of reoccurrence.

2

### SECOND LINE:

Oversee, challenge, and report risk

- Overseen by Group Risk Committee.
- Strong risk leadership via Group Chief Risk Officer and three Regional Chief Risk Officers (all members of Group/Regional Executive Committees).
- Supported by the equivalent of approximately 60 full-time colleagues across the Group.
- Experts in place for all key risks, including cybersecurity, data privacy, model risk management, and strategic risk.

3

### THIRD LINE:

Provide independent assurance

- Overseen by Group Audit Committee.
- 10 FTE colleagues with co-source support.
- Strong leadership via Group Head of Internal Audit and Regional Heads of Audit.

decision-making towards outcomes that increase stakeholder confidence in executive management in uncertain situations. All Lowell employees must work within the Risk Appetite and associated controls. Any operation outside the guardrails of our Risk Appetite must be reported to the relevant regional Chief Risk Officer (CRO), and all risk tolerance breaches will be reported to regional and Board risk committees.

### Streamlining risk across our regions

In 2023, we also revised Lowell's Risk Library, to better assist the business in identifying, understanding, and managing risks. It is held on a software platform (Xactium), which also allows users to run risk assessments, report incidents, and track progress on improvement actions. The update aligns more closely with Lowell's structure and risk maturity, and

more clearly reflects our business models across the regions. Similar to our work on Risk Appetite, we craft each risk description in plain English so that our colleagues can more easily understand and contribute to managing our risks. As an added benefit, we have gained a much better understanding of the needs and unique risk positions of each region, and better collaboration between regional risk teams.

<sup>35</sup> Lowell, 'Lowell's approach to Risk'.

# 98%

of colleagues completed the  
Code of Conduct training session

## Business ethics in action

Following the introduction of our Group-wide Code of Conduct in 2022, which built upon existing regional policies, we are proud of the way our colleagues are dedicated to the spirit and content of the Code. Our completion rates for our biennial Code of Conduct training are high, which suggests that colleagues understand Lowell's corporate Values, seek opportunities for continuous improvement, and want to deliver excellent service levels to customers in debt. Our ongoing focus is on further embedding and monitoring performance against the Code of Conduct.

The momentum continued in 2023 following our signature to the UNGC, which obliges us to report progress (from 2024) relating to human rights, labour conditions, the environment, and anti-corruption.

We have a series of policies to maintain high standards of ethical conduct, with performance tracking in place, the summaries of which are found here:

- data security, protection and privacy: guidance is provided within a range of Group and regional policies, with annual mandatory training provided to all colleagues. During 2023, 99% of eligible colleagues completed this training;
- financial crime regional policies: annual mandatory training is provided to all

colleagues and regional operations ensure compliance with relevant regulation and risk-based best practice. In 2023, 99% of eligible colleagues completed this training. No Lowell client contract breached our own standards in terms of industries we will work with;

- gifts, hospitality, conflicts of interest: our Code of Conduct training covers a variety of ethical choices.

The provision of mandatory training on topics ranging from our Code of Conduct, data privacy and protection and financial crime is an important part of our governance framework and ensures our colleagues remain skilled and supported in these areas. Payment of performance-related bonus depends on colleagues having completed all of their required training each year. We also greatly value the insights and feedback provided through our schedule of audits by our clients that validate our high standards.

## Human Rights Policy development

Treating people ethically and fairly is central to our Values. During 2023, we completed a comprehensive review of existing policies that relate to human rights across our operating regions.

This includes, for example, policies on labour management, our modern slavery statement, our approach to social dialogue on issues such as employee health and

safety or freedom of association, and our compliance record with regional laws, legislation, standards, and collective agreements. A formal Lowell Human Rights Policy is currently under development.

## Promoting a 'speak up' culture

We actively promote a culture where colleagues are empowered to speak up and protected when they do so. Colleagues can do this via a mix of formal and informal channels that together ensure colleagues have the ability to share their feedback and raise concerns, ensuring colleague voices are heard. Lowell's Group Whistleblowing policy is available on our intranet and sets out the options available to colleagues wishing to raise concerns anonymously, with confidence and protection.

## SPEAK UP CHANNELS FOR COLLEAGUES

### Formal

- Electronic Whistleblowing systems (externally managed)
- Dedicated Compliance contact
- Designated regional 'speak up' colleagues
- Let's Talk performance management process
- Line manager notification
- Leadership team notification
- Lowell Voice – twice a year engagement survey
- Group Functions Engagement Ambassadors

### Informal

- CEO fireside chats
- Exec chat sessions
- Management chat sessions
- Skip-level meetings
- Virtual open Q&A sessions
- Colleague networks
- Involve groups
- Ideas schemes
- Bright recognition platform
- Intranet
- Yammer

### Consumer Duty regulation in the UK

In the UK, the Financial Conduct Authority (FCA) introduced new regulations, known as the Consumer Duty, obliging financial services companies to put consumers' need first and deliver higher standards of consumer protection. Lowell prepared for it rigorously: our 'inside-out' approach focused on our own business and people, by supporting our clients and suppliers, accompanied by advocacy to help shape the emerging regulations. See page 20 for more on Lowell's approach.

### Third-party management and sustainable procurement

Management of our suppliers is overseen by a central procurement team, with individual relationships managed as appropriate by subject-matter experts within the business. During 2023, we have completed a holistic review of our approach to third-party risk management, guided by the findings of a third-party audit during 2022. There has been a particular focus on sustainable procurement and how we assess and manage sustainability risks in our supply chain.

Specifically, we have:

- **enhanced our Group Procurement Policy**, which guides how suppliers are assessed, and relationships established and managed. It sets out the requirements in relation to the procurement of goods and services, and the ongoing risk management of third-party suppliers. The Policy details the control framework for all business units to follow in relation to third-party expenditure, including authorisation levels, third-party selection guidance, due diligence, onboarding, and exit management requirements. The Policy's goal is to ensure that goods and services acquired by Lowell to deliver business objectives provide value for money and are in line with the business strategy, operational, financial, legal, and regulatory requirements, as well as our Sustainability Strategy and commitment to the UNGC principles covering human rights, labour, environment, and anti-corruption. It is aligned with the relevant European and regional regulations. Adherence to the Policy enables Lowell to effectively identify, monitor, mitigate, and manage the risks associated with third-party relationships and outsourcing;

- **enhanced our Supplier Risk Assessment**, with a focus on environment, human rights and labour, to identify any potential issues. This process is supported by financial and compliance checks covering financial performance, politically exposed persons, sanctions screening, and negative media exposure screening;
- **implemented a Group Supplier Code of Conduct**, building on existing regional policies, to ensure that suppliers share our commitment to ethics and fair practices with focus on labour and human rights, data protection, financial crime, and the environment;
- **integrated adherence to the Group Supplier Code of Conduct into contracts** via our Terms and Conditions of business;
- **created a comprehensive Group Travel Policy** to drive down emissions by encouraging employees to select green travel options and prioritise virtual over physical meetings to eliminate unnecessary journeys wherever possible.



Lowell leaders at a town hall event.

Our Supplier Code of Conduct<sup>36</sup> forms part of our Terms and Conditions, which all Lowell suppliers are required to agree to prior to working with us. Guided by regulation, we have a strong focus on human rights issues in our own organisation and within our supply chain.

Anyone who wishes to raise any concerns about human rights or environmental protection within Lowell or our supply chain can follow our complaints procedure.<sup>37</sup>

<sup>36</sup> Lowell, '[Group Supplier Code of Conduct](#)'.

<sup>37</sup> Lowell, '[Complaints Procedure](#)'.

# Environment



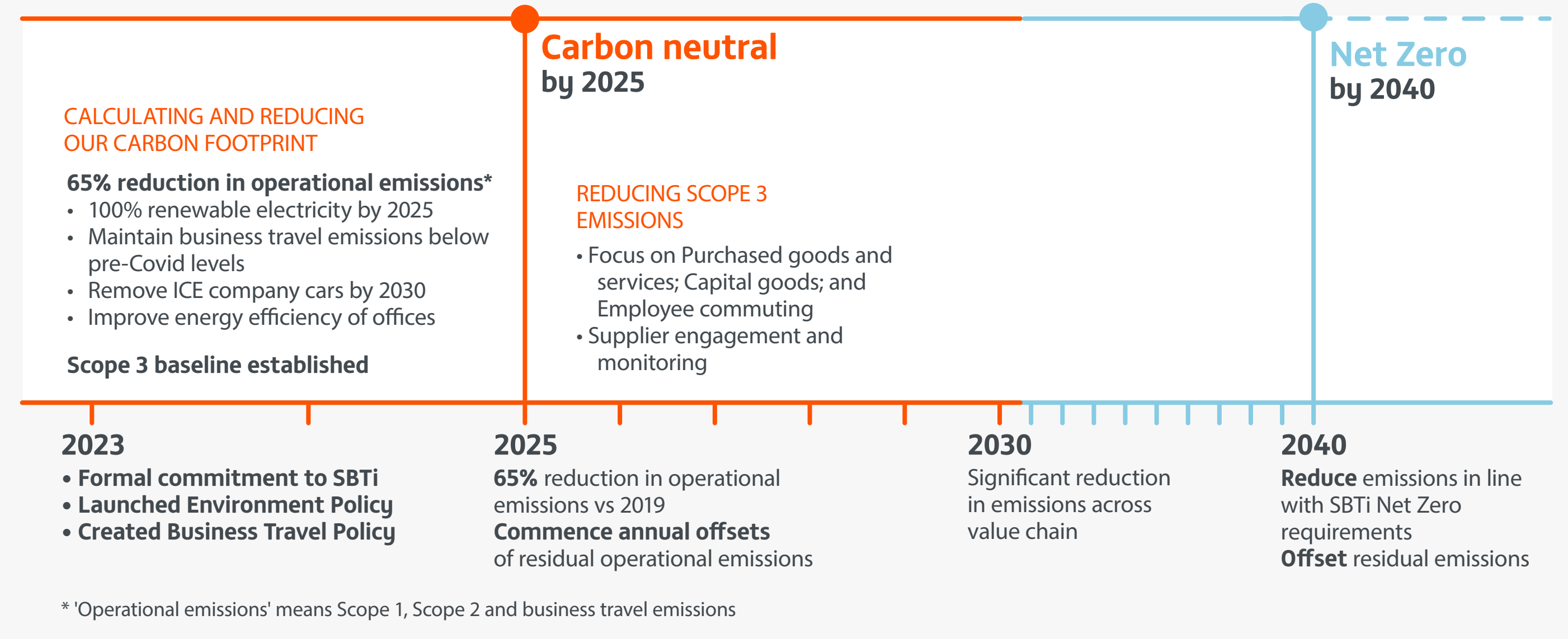
## 2023 Objective

Align our greenhouse gas emissions goals with the SBTi and establish a 2023 baseline for Scope 3 emissions.

TARGET	2023
<b>Environment – energy and carbon</b>	
Reduce absolute operational emissions by 65% by 2025 (2019 baseline) <sup>38</sup>	64%
100% renewable electricity by 2025	49%
<b>Waste</b>	
Zero waste to landfill (UK)	0

<sup>38</sup> Operational emissions here refer to Scope 1, Scope 2, and business travel emissions.

## OUR NET ZERO OVERVIEW



## What we did

**We continued to deliver action as part of a thriving corporate sustainability programme that helps adapt the business to be future-fit, by minimising greenhouse gas emissions and waste.**

### Our Net Zero ambition

Clients, capital markets and regulators expect companies to provide data on greenhouse gases as part of a commitment to net zero greenhouse gas emissions over time.

Lowell is a lean and efficient operation. Our business model aims for resilience, and this includes managing risks relating to energy price volatility and energy security concerns in Europe. Key features of our approach:

- credible ambition, with specific, measurable goals;
- aligned with current best practice;
- working to achieve net zero greenhouse gas emissions ten years ahead of the global deadline;
- first in the Credit Services Management industry to begin process to align with SBTi requirements;
- emblematic of core ethos of Lowell governance: resilience and leadership.

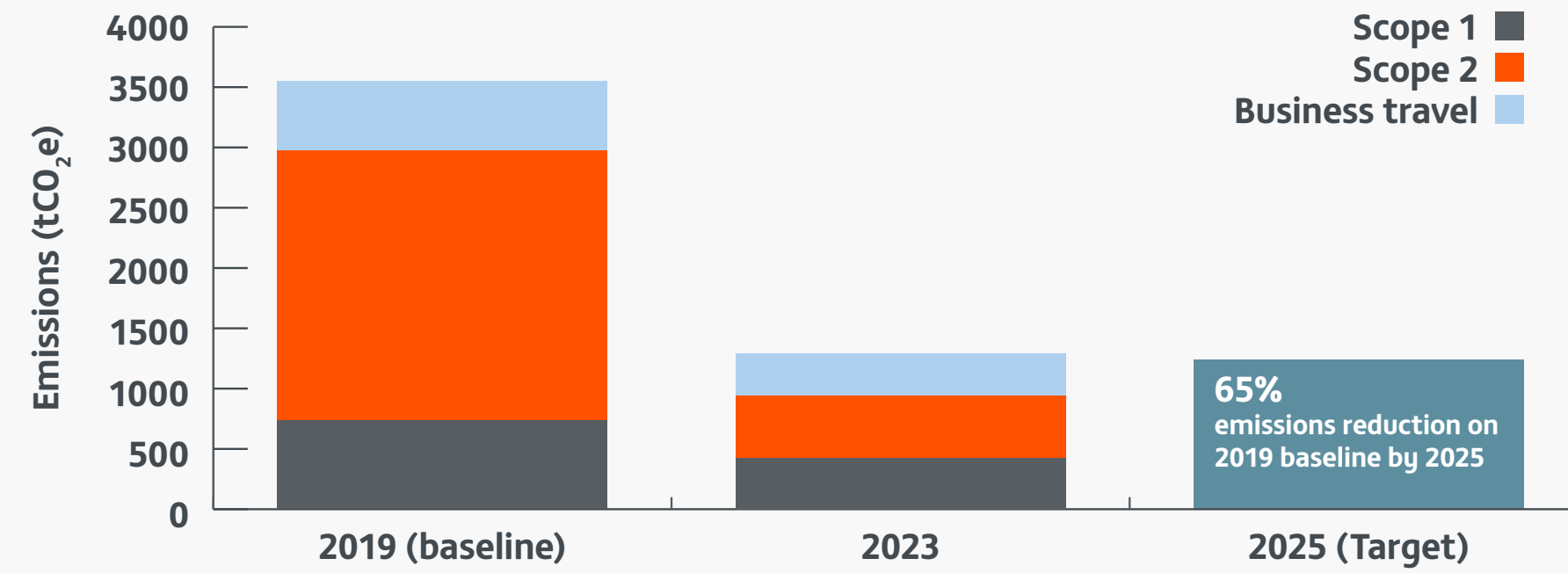
### Operational emissions

To ensure that we make absolute carbon reductions while achieving our carbon-neutral target, we have added a new target to reduce Lowell's operational emissions by 65% by 2025 (baseline: 2019). We've reduced greenhouse gas emissions from our office energy and business travel by 64% since 2019.

Switching to renewable electricity for our offices and implementing a new Business Travel Policy favouring lower emission transport are key to us achieving this goal.

**64%**  
reduction of greenhouse emissions  
from our energy use and business  
travel since 2019

### PROGRESS TOWARDS OPERATIONAL EMISSIONS TARGET



EMISSIONS (tCO <sub>2</sub> e)	2019 (BASELINE)	2022	2023
Scope 1	735	509	426
Scope 2 (market -based)*	2,243	696	515
Business travel	570	225	352
<b>Total</b>	<b>3,548</b>	<b>1,430</b>	<b>1,293</b>

\*Scope 2 location-based emissions (tCO<sub>2</sub>e): 2019 – 1,939; 2022 – 1,887; 2023 – 1,765

METRIC	UNIT	2019	2022	2023
Total energy consumption (incl. purchased electricity, heating, cooling)	MWh	11,457	9,713	<b>9,741</b>
Total electricity consumption	MWh	5,402	3,629	<b>3,621</b>
Total electricity consumption generated from renewable sources	MWh	939	2,327	<b>1,759</b>
Proportion of electricity consumption generated from renewable sources	%	17	64%	<b>49%*</b>

\* Decrease in our proportion of renewable electricity in 2023 is due to the introduction of nuclear energy into the energy mix of some of our electricity contracts. We will ensure that all electricity is derived from renewable sources by 2025.



Colleague utilising free onsite charging facility.



### Update on five-point emissions reduction plan

In 2022, we published a five-point plan for reducing our Scope 1 and 2 emissions. This has guided our approach during 2023, which we have reinforced through the introduction of a new Environment Policy.



Leeds office reception area.

<sup>39</sup> **WELL** is a performance-based system for measuring, certifying, and monitoring features of the built environment that impact human health and wellbeing, through air, water, nourishment, light, fitness, comfort and mind. Lowell's UK Head Office was built with their standards in mind.

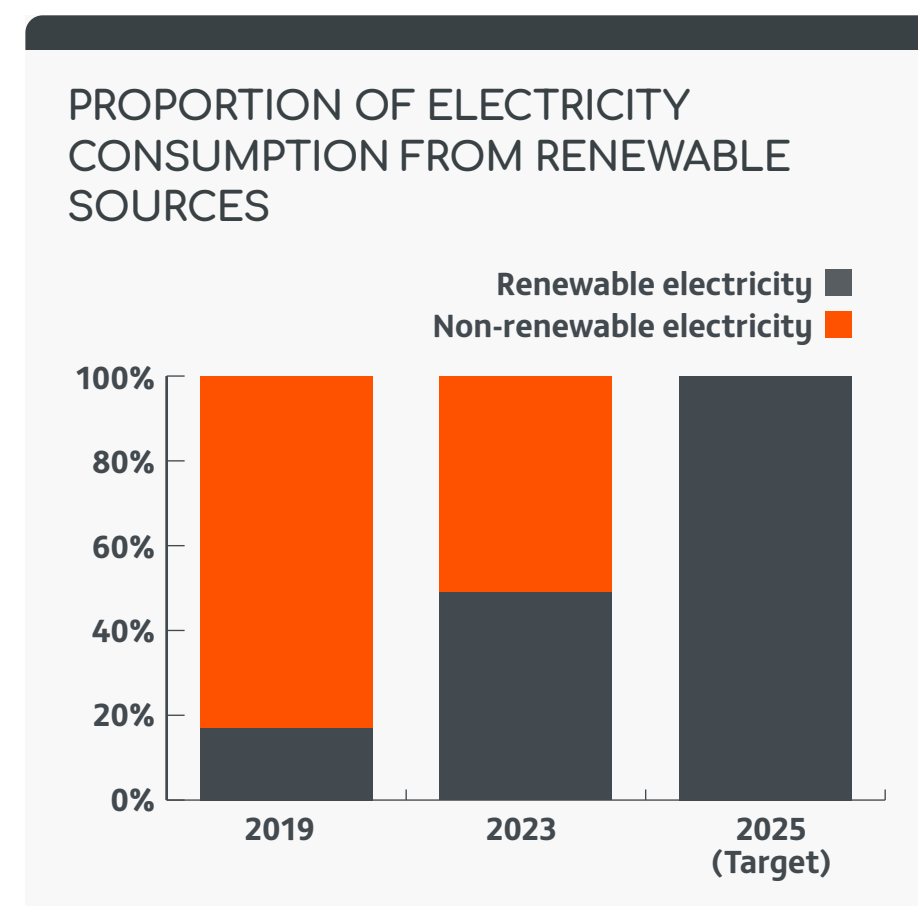
<sup>40</sup> **BREEAM** is the world's leading science-based suite of validation and certification systems for a sustainable built environment. Lowell's UK Head Office has achieved their 'Excellent' standard.

<sup>41</sup> Decrease in our proportion of renewable electricity in 2023 is due to the introduction of nuclear energy into the energy mix of some of our electricity contracts. We will ensure that all electricity is derived from renewable sources by 2025.

1

### Switching to 100% renewable electricity across all our sites by 2025

Switching to renewable sources of electricity is an important step in reducing our emissions. 49% of Lowell's electricity was sourced from renewable sources in 2023.



2

### Energy-efficiency opportunities

We also play our part in reducing demand as much as possible. In line with the requirements of the EU Energy Efficiency Directive, in 2023 we completed a series of energy audits of all sites in Denmark, Finland, and Sweden, with more planned for the UK and Germany in 2024. These audits inform recommendations on energy efficiency in buildings: our plans will prioritise sites with the highest emissions with long-term leases.

3

### Optimising office space to align with the needs of a hybrid working model

Our need for office space changes every year, shaped by our business strategy and the acquisition of new clients, but also by the shift to hybrid working. Where possible, we are reducing our office space; this lowers operating costs and energy consumption.

4

### Incorporating green credentials into new site requirements

In summer 2023, ~1,600 UK colleagues moved into our new purpose-built office, built and fitted-out to WELL standards<sup>39</sup> and which achieved BREEAM 'Excellent'.<sup>40</sup> The building includes a range of environmental features, including recycling centres on each floor. Local companies and manufacturers were used wherever possible and colleagues were closely involved in the design process to make sure that the building works for them, including the choice of office furniture, the changing and storage facilities required to support cyclists, electric charging requirements, and even the set-up and menu options at the coffee bar. A railway station is scheduled to be built nearby and we have also worked with Leeds City Council to ensure suitable bus routes for our colleagues.

5

### Removing all internal combustion engine vehicles from our fleet by 2030

We are currently developing a new Company Car Policy to remove internal combustion engine vehicles from our fleet by 2030.

~1,600

UK colleagues moved into a new BREEAM 'Excellent' office

49%

of electricity consumption generated from renewable sources<sup>41</sup>

### Business Travel Policy set up to manage emissions from business travel

During 2023, we completed a review of our business travel to create a new Business Travel Policy considering colleague safety, carbon emissions, and cost. It applies the five Cs of business travel to inform choices about transport. Specific exclusions include a ban on in-country flights and a requirement for journeys to be made by train rather than plane where the journey time by train is 3.5 hours or less.

- 1. Collaborate** – only travel when you need to physically connect, collaborate (not share information), or respond to client requests.
- 2. Combine** – make the most of every trip, meet all your contacts, and mix business meetings with team building.
- 3. Care** – safety comes first. Book through our travel management company so we know where you are should there be any issues.
- 4. Carbon** – choose locations that mean the fewest people have to travel the least distance, and avoid flying or driving wherever possible.
- 5. Cost** – book early to get the best deals and choose the options prioritised by the travel management company.

### Value chain emissions

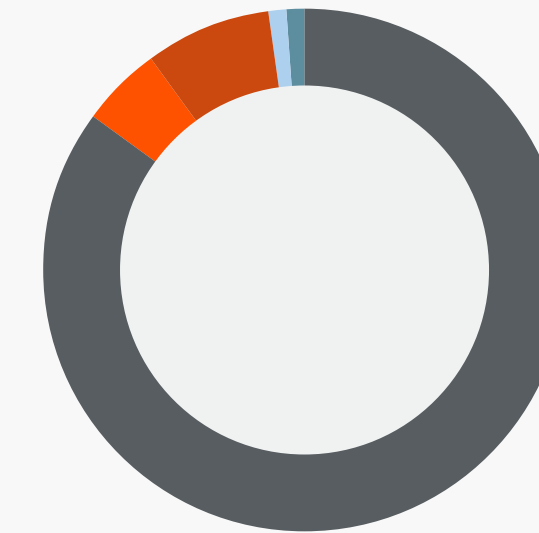
In 2023 we committed to, and are in the process of developing, our greenhouse gas emissions goals in line with the requirements of SBTi. This includes near- and long-term targets and Scope 3 emissions aligned with SBTi's Corporate Net-Zero Standard; we will publish our specific targets in 2025. To reduce our value chain emissions, we are preparing to monitor supplier emissions, include environmental criteria in supplier selection, and enable colleagues to use 'low-carbon' transport for their commutes. We worked on a full inventory of our Scope 3 GHG emissions data for 2023, covering all categories relevant to our business activities, including the following key components:

- **purchased goods and services, and capital goods:** accounting for 90% of Lowell's scope 3 emissions across regional operations, we began collecting procurement data during 2023 and started planning the next stage: preparing to engage with key suppliers on accurate emissions data and opportunities for reducing emissions associated with the products and services supplied to Lowell;

- **employee commuting:** accounts for 8% of Lowell's scope 3 emissions. We collected data on employee commuting habits via a staff commuting survey across our regional operations.

To contribute to reduction targets, colleagues require easy access to low-emission modes of transport, such as rail, cycling and electric vehicles. In the UK, colleagues were asked about their commuting and public transport preferences; the new office at Thorpe Park in Leeds has excellent transport services and is fitted with over 70 electric charging sites. During 2024 we will complete a review of the availability of low-emission transport methods for each of our top ten sites, selected for a combination of factors including number of colleagues based there and emissions intensity.

### SCOPE 3 EMISSIONS 2023 29,811 tCO<sub>2</sub>e



- **85%** Purchased goods and services
- **5%** Capital goods
- **8%** Employee commuting
- **1%** Business travel
- **1%** Other\*

\* Includes fuel- and energy-related activities, waste and upstream leased assets



**New for 2023, Lowell's Environment Policy sets out our environmental commitments to lessen our impact by reducing the greenhouse gas emissions we create, reducing waste generation, focusing on recycling, and managing our non-mandated paper consumption levels.**

“Setting our scope 3 baseline was a very extensive and complex process. We're now looking forward to working with our largest suppliers to identify opportunities to reduce the emissions associated with the products and services we need to run our business.”

**CAROL ORD,  
GROUP HEAD OF SUSTAINABILITY**

**Improving resource efficiency**

Strong environmental performance is emblematic of robust, well-run, and efficient business practices. Colleague engagement on environmental issues is therefore vital.

In 2023, 45% of colleagues were engaged on the topic of environmental impact via our Environment Involve Group, our SDG, and our Sustainability Community on Yammer.

Meanwhile, driven by our Environmental Policy, we want to minimise the impacts associated with resource use by advocating for the responsible use of physical resources and materials. We run promotions about better paper use, showing sustainable sources, labels, and different ways to use it. We sent zero waste to landfill in the UK. Meanwhile, see the graphic to the right for other waste and recycling activities at Lowell.

During 2023, the colleagues in our Environmental Involve Group (EIG) continued to share their experiences of electric vehicles, efforts to reduce food waste and avoid plastic packaging, and taking public transport to our new UK offices in Thorpe Park, Leeds.

“It’s been a pleasure being part of Lowell’s Environment Involve Group and I hope next year brings even more rewards and energy savings for the company.”

**ALLAN RHODES,  
CUSTOMER ACCOUNT ASSOCIATED**

**45%**  
of colleagues were engaged on the issue of environmental impact



A recycling station at our new UK Head Office.

**Waste management** Minimising waste and maximising recycling

- Recycling at all sites
- Zero waste** to landfill in the UK
- ICT (Information, Communication and Technology) waste will be minimised through reuse and recycling
- Paper reduction part of business-as-usual letter reviews
- Piloting different paper types, weights
- Reviewing length of customer letters

**Sustainable procurement** Ensuring the services and materials we procure are in line with our commitments to GHG reduction and broader environmental protection

Preference for sustainable paper

- Group Supplier Code of Conduct shares our expectations
- Environmental, Social and Governance (ESG) factors in supplier selection and review processes

**Office supplies, fixtures and furnishings:** Re-use, recycle and prioritise local and sustainable suppliers

# Performance scorecard



## Better for Customers

SUB-TOPIC	METRIC	TARGET	KEY PERFORMANCE INDICATORS		
			2023	2022	2021
Trusted and engaging	Customer Net Promoter Score (NPS) <sup>1</sup>	Achieve above market rates <sup>2</sup>	<b>UK:</b> 54 Q1: 56, Q2: 52, Q3: 54, Q4: 55 <b>Nordics:</b> 55 Q1: 56, Q2: 56, Q3: 55, Q4: 55 <b>DACH:</b> Currently monitoring results internally	<b>UK:</b> 59 <b>Nordics:</b> 52 <b>DACH:</b> N/A – process for collecting customer NPS score yet to be established	<b>UK:</b> 67 <b>Nordics:</b> 51 <b>DACH:</b> N/A – process for collecting customer NPS score yet to be established
	Group client customer treatment score <sup>3</sup>	>85%	93%	99%	97%
Personalised approach	Number of debt-free customers <sup>4</sup>	N/A	2 million	2 million	2 million



## Better Ethics and Understanding

SUB-TOPIC	METRIC	TARGET	KEY PERFORMANCE INDICATORS		
			2023	2022	2021
Lowell Values and ways of working	Group colleague engagement score <sup>5</sup>	75 by December 2025	71	73	69
	Group colleague engagement survey response rate	80% (ongoing target since 2021)	79%	79%	81%
	% of employees that completed Group Code of Conduct training within the last two years <sup>6</sup>	100%	98%	97%	N/A – new metric from 2022
Our promise to clients and customers	Group client satisfaction score <sup>7</sup>	8.5 (ongoing target since 2021)	8.1	8.2	8.6



## Better for Society

SUB-TOPIC	METRIC	TARGET	KEY PERFORMANCE INDICATORS		
			2023	2022	2021
Colleague development and wellbeing	Colleague engagement survey score for 'happy' <sup>8</sup>	75 (ongoing target since 2022)	73	75	71
	Colleague engagement survey score for 'opportunities to learn and grow' <sup>9</sup>	70 by December 2025	69	69	64
	Colleagues offered a volunteering day <sup>10</sup>	100%	100%	54%	N/A – new metric from 2022
	Colleague volunteers	N/A	490	157	N/A
	Colleague volunteering hours	N/A	2,852	653	N/A
Diverse and inclusive culture	Company-wide gender breakdown <sup>11</sup>	N/A	Female: 61% Male: 39%	Female: 61% Male: 39%	Female: 61% Male: 39%
	Senior team gender breakdown <sup>12</sup>	40% female by December 2025	Female: 36% Male: 64%	Female: 32% Male: 68%	Female: 33% Male: 67%
	% of senior leadership roles with at least one female successor in place <sup>13</sup>	100% (ongoing since December 2023)	62%	42%	N/A – new metric from 2022
	Employee turnover <sup>14</sup>	N/A	21% (of which 15.5% is voluntary)	23% (of which 19% is voluntary)	22% (of which 17% is voluntary)



## Responsible Business

SUB-TOPIC	METRIC	TARGET	KEY PERFORMANCE INDICATORS		
			2023	2022	2021
<b>Governance</b>	% of executive management and senior management with sustainability performance metrics in their objectives <sup>15</sup>	100%	100%	59%	N/A – new metric from 2022
	Number of substantiated complaints received concerning breaches of customer privacy, and losses of customer data across our Group <sup>16</sup>	N/A	7 customer-related complaints being upheld in the complainant's favour (by the UK Information Commissioner's Office and the UK Financial Ombudsman Service) relating to data privacy or data protection matters, representing 0.000045% of our customer base	23 complaints upheld by regulators relating to data privacy or data protection matters, representing 0.00015% of our customer base	16 complaints upheld by regulators relating to data privacy or data protection matters, representing 0.00012% of our customer base
	% of eligible colleagues who have received training on Lowell's anti-bribery and corruption policies and procedures <sup>17</sup>	100%	99%	95%	94%
	% of eligible colleagues who have received training relating to data security, protection and privacy <sup>18</sup>	100%	99%	96%	94%
<b>Environment</b>	Scope 1 emissions (tCO <sub>2</sub> e) <sup>19</sup>	N/A	426	509	551
	Scope 2 emissions (market-based) (tCO <sub>2</sub> e)		515	696	724
	Scope 3 emissions (tCO <sub>2</sub> e) <sup>20</sup>	N/A	29,811	N/A – new metric from 2023	N/A – new metric from 2023
	Reduction in operational emissions (Scope 1, Scope 2 and business travel emissions) against 2019 baseline	65% reduction by December 2025	64%	60%	63%
	Waste to landfill (UK-only) (tonnes) <sup>21</sup>	0	0	0	0
	% of colleagues Lowell has engaged on environmental impact <sup>22</sup>	N/A	45%	46%	N/A – new metric from 2022

# Footnotes

## Better for Customers

- 1 – Net Promoter Score (NPS) is a widely-used market research metric which measures the extent to which our customers are willing to recommend our services to others, based on an average annual score. UK Net Promoter Score includes voice and digital channel results from customers who are being managed by Lowell (e.g. it excludes customers being managed by Overdales or other third parties). In May 2023 we switched to a new survey provided in the UK, results from June onwards are from our new provider. In Nordics we track NPS on voice channels only. In UK and Nordics the survey results are aggregated across periods, channels and countries with each survey response having an equal weighting in the NPS calculation. We're now collecting an NPS measure in the DACH region and will report this externally in 2024 once we have visibility of longer-term trends, and are achieving response rates that enable us to break the results down at a customer journey and /or entity level to complete further analysis.
- 2 – 'Above market rates' is defined as scores above the financial services sector average for NPS in all the countries we operate, based on publicly available information.
- 3 – Group client customer treatment score measures the extent to which our clients think we treat our customers in the right way. The % shown is an aggregation of our regional scores and includes all clients who rated us as 7+ when asked to rate their satisfaction regarding the extent to which we treat customers in the right way (UK and Nordics) or Fairly (DACH) on a scale of 1-10, where 1 is 'not at all' and 10 is 'completely'. There is no direct external benchmark for this specific question. Based on looking at top quartile data across core KPI metrics captured by our UK Customer Experience partner, TLF Research, any score of over 85% is often deemed excellent. No responses were received from Austria in 2023.
- 4 – The number of customers who became debt-free with Lowell, through any combination of paying off their accounts in full and/or having their accounts written off during the year. This figure excludes customers impacted by a one-off exercise to close circa 300k statute barred accounts in the UK during 2023.

## Better Ethics and Understanding

- 5 – Group colleague engagement score measures how positively our colleagues experience our values and ways of working based on average scores relating to how happy they are working at Lowell and how likely they are to recommend us, as calculated by a third-party provider. For alignment to SASB, this is stated as 67% of colleagues responding favourably on the topic of engagement.
- 6 – The Group Code of Conduct training is biennial and was completed by colleagues in the DACH, Nordics and UK region during 2023. The next training is scheduled for 2025.
- 7 – Group client satisfaction score measures how satisfied our clients are with Lowell's performance. Each client responds on a 1-10 scale and these responses are aggregated up to Group level, with each client having an equal weighting. A score of over 8.5 is deemed excellent (based on data provided by our UK Customer Experience partner TLF Research using their B2B benchmarking data, using client data that has been captured over the last 25 years). No responses were received from Austria in 2023.

## Better for Society

- 8 – A reflection of how happy colleagues are working at Lowell, based on average scores, to demonstrate that we are building a positive workplace within society, as measured by an external third party.
- 9 – A reflection of the extent to which colleagues feel they have opportunities to learn and grow at Lowell, based on average scores, to demonstrate that we are building a positive workplace within society, as measured by an external third party.
- 10 – All Lowell colleagues are able to take a paid day to volunteer for a cause of their choice that aligns to Lowell's company Mission, to make credit work better for all. The numbers reported are colleagues who have used this day during 2023.
- 11 – Gender of Lowell colleagues shown as a % as of 31st December 2023. Lowell colleagues is all Lowell employees, it excludes contingent workers.
- 12 – Gender of senior leaders shown as a % as of 31st December 2023. Lowell's senior leadership population is defined as Executive team members and their Direct Reports, along with other significant roles, such as Operational Leaders, who are responsible for a significant number of colleagues. When calculating gender diversity for our senior team, contingent workers are excluded. We do not currently collect data on ethnic diversity in our workforce. In 2023 we launched a colleague census in the UK to collect additional data.
- 13 – Lowell's senior leadership population is defined as Executive team members and their Direct Reports, along with other significant roles, such as Operational Leaders, who are responsible for a significant number of colleagues. Contingent workers are excluded.
- 14 – Attrition data is calculated on a 12-month rolling period as of the effective date and excludes temporary workers.

## Responsible Business

- 15 – Executive and Senior management is defined as colleagues who participate in the Executive and Senior Leaders Bonus Plan and were employed by Lowell as at 31 December 2023. Contingent workers are excluded.
- 16 – Customer complaints relating to data privacy or data protection matters that have been upheld by any regulator in any of our operating countries as a % of our customer base. We are open and transparent with our regulators and co-operate with them whenever we are contacted about complaints raised with them by customers in relation to data privacy or data protection matters.  
  
In 2023, this engagement resulted in 7 customer related complaints being upheld in the complainant's favour (by the UK Information Commissioner's Office and the UK Financial Ombudsman Service). In addition to those upheld by a regulator, our internal complaints processes in the UK determined a further 10 complaints submitted to the Information Commissioner's Office should be upheld and one further complaint submitted to FOS was proactively resolved prior to their review.  
  
Most of the complaints related to issues with responses to data subject access requests or inaccurate credit file reporting. When expressing the number of substantiated complaints as a percentage of our customer base, this is the distinct number of customers who had an active account with Lowell at any point during 2023.  
  
Please note, figures reported in 2022 and 2021 included those complaints upheld by our regulators as well as by our internal complaints processes.
- 17 – The number of eligible colleagues who completed training on the topic of anti-bribery and corruption during the year, expressed as a % of those employed by Lowell as at 31 December 2023.
- 18 – The number of eligible colleagues who completed training on data security, protection and privacy during the year, expressed as a % of those employed by Lowell as at 31 December 2023.
- 20 – Emissions data covers Scope 1 and 2 emissions for all of Lowell's regions: the UK, DACH, and Nordics. Where actual activity data was unavailable, suitable estimations were made. All GHG figures were calculated in line with the GHG Protocol.
- 21 – The scope 3 inventory covers all 15 categories set out in the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard and supporting Technical Guidance. Emissions were estimated for the entire corporate value chain in accordance with the GHG Protocol Corporate Value Chain Scope 3 Accounting and Reporting Standard. Both financial and physical quantities are converted into GHG emissions using recognised emission factors.
- 22 – Waste data is unavailable for our DACH and Nordics regions because Lowell is not in control of waste management in its offices there.
- 23 – Colleagues who we deem to have been engaged on environmental impact during 2023 includes: members of our Environment Involve Group, members of our Sustainability Development Group, active members of our Sustainability Community on Yammer, colleagues who have completed our annual colleague commuting survey and/or read or participated in our Leadership Climate Update or Science Based Targets initiative.

# Alignment to SASB

We have aligned the Lowell Group Sustainability Scorecard with the Sustainability Accounting Standards Board (SASB) Professional and Commercial Services sector guide.

→ p44–46  
View our full  
KPI scorecard



SASB TOPIC	SASB METRIC	OUR RESPONSE
Data Security	Description of approach to identifying and addressing data security risks.	See Group Risk framework and details of our approach to data protection and information security on pages 36–37 in this document. See % colleagues who completed relevant training on page 34 in this document.
	Description of policies and practices relating to collection, usage, and retention of customer information.	See description of our approach to collecting using and storing customer data on pages 36–37 in this document.
	(1) Number of data breaches, (2) percentage involving customers' confidential business information (CBI) or personally identifiable information (PII), (3) number of customers affected.	See regulator complaints relating to data privacy or data protection matters on page 46 with further footnote on page 47. Additional information relating to SASB: 1 of the 8 complaints upheld by a regulator related to a personal data breach which was not reportable to a regulator.
Workforce diversity and engagement	Percentage of gender and racial/ethnic group representation for (1) executive management and (2) all other employees.	See gender diversity on page 28 in this document. Omissions: Collection of data on ethnicity in our workforce is in the early stages, starting with a census in the UK in 2023.
	(1) Voluntary and (2) involuntary turnover rate for employees.	See employee turnover on page 45 in this document.
	Employee engagement as a percentage.	See group colleague engagement score (overall) on page 8 in this document. Source and methodology: We run an online Group colleague engagement survey twice a year via a third-party provider. Our overall Group colleague engagement score is based on the average score from the question 'How happy are you working at Lowell?' and 'I would recommend Lowell as a great place to work'. Our survey uses an average score metric. 67% of colleagues respond favourably on the topic of engagement.
Professional Integrity	Description of approach to ensuring professional integrity.	See description of our Values and ways of working on page 17 in this document.
SASB activity metric	Number of employees by: (1) full-time and part-time, (2) temporary, and (3) contract.	See employee information on page 8 in this document. Number of employees: 8 (Full-time – 3,431, part-time – 763). Temporary and contract colleagues: (Temporary – 142, Contract (fixed term contract) – 181).



# Supporting the bigger picture

→ p44–46



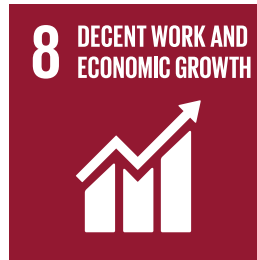


View our full  
KPI scorecard

## Maximising impact

As part of our environmental, social and governance (ESG) processes, we continually benchmark ourselves through market reviews against our peers and acknowledged business leaders, as well as wider best practice and standards. The insights we gain help us to set and adapt key metrics to underpin our social and environmental goals. We recognise that only by working together will we be able to respond swiftly to meet the largest external challenges, such as climate change.

## Sustainable Development Goals

We have aligned our Sustainability Strategy with five of the UN Sustainable Development Goals (SDGs), and five SDG targets where we can make the most impact. Our priorities and Values – such as treating customers as individuals to help them get out of debt and developing tools to achieve broader financial health – enable us to take real, positive actions to support the SDGs.

HOW WE SUPPORT THE SDGS	SDG TARGET	LOWELL FOCUS AREA	LOWELL KPI OR ACTIVITY
 <p><b>SDG 1: End poverty in all its forms everywhere.</b> Lowell's initiatives that improve financial security and tackle debt for vulnerable customers can contribute to reduced levels of poverty and increased economic stability.</p>	1.2: By 2030, reduce at least by half the proportion of men, women, and children, of all ages living in poverty in all its dimensions, according to national definitions.	<b>Better for Customers</b> Supportive and personalised debt resolution for all.	<ul style="list-style-type: none"> <li>The number of customers who became debt-free with Lowell in 2023.</li> </ul>
 <p><b>SDG 5: Achieve gender equality and empower all women and girls.</b> As a company with a majority of female colleagues, we are focussing on improving gender diversity among our senior management and executive levels to ensure that women have equal participation in decision making.</p>	5.5: Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life.	<b>Better for Society</b> Put people first to build a stronger business and society.	<ul style="list-style-type: none"> <li>Gender diversity across the organisation.</li> <li>Gender diversity in senior management.</li> </ul>
 <p><b>SDG 8: Promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all.</b> Lowell enables broader financial health for customers through the services and support we provide.</p>	8.10: Strengthen the capacity of domestic financial institutions to encourage and expand access to banking, insurance, and financial services for all.	<b>Better for Customers</b> Supportive and personalised debt resolution for all.	<ul style="list-style-type: none"> <li>Offer a range of debt support tools and services by region.</li> </ul>
 <p><b>SDG 13: Take urgent action to combat climate change and its impacts.</b> Lowell's ambition to become Net Zero by 2040, and use 100% renewable electricity by 2025, demonstrates our commitment to combat climate change.</p>	13.2: Integrate climate change measures into national policies, strategies, and planning.	<b>Responsible Business</b> A resilient and efficient business, supporting a low carbon world.	<ul style="list-style-type: none"> <li>Greenhouse gas emissions (Scope 1, 2 and 3).</li> <li>% renewable electricity.</li> </ul>
 <p><b>SDG 17: Strengthen the means of implementation and revitalise the global partnership for sustainable development.</b> By contributing to wider financial knowledge and improving sector standards, Lowell encourages partnerships and sustainable financial development.</p>	17.17: Encourage and promote effective public, public-private, and civil society partnerships, building on the experience and resourcing strategies of partnerships.	<p><b>Better Ethics and Understanding</b> Set the highest standards and build a positive sector.</p> <p><b>Better for Society</b> Put people first to build a stronger business and society.</p>	<ul style="list-style-type: none"> <li>Improve sector insight and understanding.</li> <li>Contribute to wider societal knowledge on financial vulnerability and debt management.</li> </ul>

# ESG Index

THEME	ISSUE	DIRECTORY	REFERENCE
<b>Environmental</b>	Climate Change	Responsible Business – Environment	Pages 39–42
	Energy	Responsible Business – Environment	Pages 39–41
	Procurement	Responsible Business – Improving resource efficiency	Pages 42–43
	Travel	Responsible Business – Environment	Page 42
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<b>Social</b>	Client Engagement	Better Ethics and Understanding	Page 18
	Customer Engagement	Better for Customers	Pages 11–13
	Diversity, Equity and Inclusion	Better for Society – A culture of diversity and inclusion (D&I)	Pages 30–31
	Education and Financial Inclusion	Better for Society – Supporting better financial education	Pages 24–25
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	Employee Health and Wellbeing	Better for Society – Colleague development and wellbeing	Page 29
	Employee Training and Development	Better for Society – Colleague development and wellbeing	Page 27
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THEME	ISSUE	DIRECTORY	REFERENCE
<b>Governance</b>	Bribery and Anti-corruption	Responsible Business – Business ethics	Page 34
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	Conflicts of Interest	Responsible Business – Governance	Page 37
	Corporate Governance	Responsible Business – Governance	Page 37
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	Whistleblowing	Responsible Business – Governance	Page 37

The report covers the whole of Lowell across our three regions: UK (England, Northern Ireland, Scotland and Wales), Nordics (Denmark, Finland, Norway and Sweden) and DACH (Austria, Germany and Switzerland).

The content in this report is provided as general information only and is based on evidence and data available to Lowell at the date of this publication. As Lowell is committed to sustainability, it takes care to gather relevant and accurate information; however, Lowell makes no representation or warranty, express or implied, as to the accuracy or completeness of the information, and Lowell accepts no liability for the content of the report or any errors, inaccuracies or incompleteness in such content. Lowell reserves the right, without giving reasons, at any time and in any respect, to amend, add to, or omit elements of this report.

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This report does not constitute advice and you should take professional or specialist advice before taking, or refraining from, any action on the basis of this report.

For further information about our company and the work we do, visit [www.lowell.com](http://www.lowell.com)

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