

## Modern Slavery

### Modern Slavery Statement 2021

Where we use **we, us,** or **Lowell** in this statement, we mean Lowell Financial Ltd (company number 04558936) on behalf of itself and each of the following UK companies:

- Lowell Portfolio I Ltd (Company number 04857418)
- Lowell Solicitors Limited (Company number 08647091)
- Simon Bidco Limited (Company number 09709443)
- Metis Bidco Limited (Company number 07652466)
- Lowell UK Shared Services Limited (Company number 08336897)
- Lowell Group Shared Services Limited (Company number 08647094)
- Overdales Legal Limited (Company number 07407310)

We are now publishing Lowell's fifth slavery and human trafficking statement in accordance with section 54 of the Modern Slavery Act 2015 for the financial period 1 January 2020 to 31 December 2021. This statement sets out the work that we have undertaken to develop our systems and processes to increase transparency and eradicate the risk of modern slavery in our business and throughout our supply chains since we published our fourth modern slavery statement.

The Covid-19 pandemic in 2020/21 has seen an unprecedented disruption to way of life and the world's economy. The mental and physical well-being of our customers and colleagues has been a focal point of concentration for the business, so that we can work together through this crisis. Although this has taken priority, we have continued to develop our approach to ensuring we eradicate the risk of modern slavery and human trafficking in both our business and supply chains.

### Our Business

Our business is one of Europe's largest credit management companies with a mission to make credit work better for all.

We are comprised of a number of legal entities, some of which are authorised and supervised by regulatory bodies. We serve every part of the credit management value chain across a range of sectors. With combined expertise in debt purchase, third party collections, litigation, business process outsourcing, credit management and e-commerce.

1. Debt purchase: We buy customer accounts from businesses in a range of sectors and apply our customer-focused approach to help people find affordable, sustainable ways to pay back what they owe.

2. Third party collections: We provide specialist collection services for other businesses. This is particularly useful for businesses where collecting payments is not central to their day-to-day operations. By understanding our clients and supporting their customers, we help them focus on what they do best, while protecting their reputation.

3. Business services: We also offer a range of other business and technology solutions for clients to help them work better.

4. Litigation services: Lowell Group's SRA-regulated law firms provide litigation services to Group companies and other businesses.

We are proud to work with our clients, which include some of the largest and most respected companies in the UK and range from banks, retailers, credit card, mobile phone, home shopping to utility (gas, electricity and water) companies.

## **Our Colleagues**

Working at Lowell is about collectively pursuing our vision to make credit better for all, striving to deliver a great experience for our customers and having strong regulator and client relationships through which we are changing the conversation about debt.

We now have approximately 1500 colleagues in the UK and we continually aim to create a place where everyone works with pride and high levels of colleague engagement. It is extremely important to us that we have a positive work culture where there is trust, accountability and collaboration.

We make sure that we comply with all relevant employment legislation, offering salaries for our entry roles over and above National Minimum Wage. We are an equal opportunities employer; diversity and inclusion is part of our people agenda, and we strive to provide a flexible and competitive compensation and benefits package. We are a highly regulated business and key 'reward' decisions are governed through our formal remuneration committee.

We promote a great working environment and support the physical and mental wellbeing of colleagues through a number of initiatives, as part of our UK people and culture strategy. We have a continual focus on growth and development, by providing a suite of relevant learning provisions tailored to individual needs and in line with our corporate strategy.

## **Working With Our Suppliers**

We have expertise in a number of credit management areas including, debt purchase, third party collections, litigation-based collections, business process outsourcing, data analytics, credit management and other value added services.

In order to support the quality and standard of the services we provide to our clients, customers and colleagues, we procure a range of goods and services including, but not limited to, information technology services, payment & invoice services, and catering and cleaning services. The Lowell supply chain is predominantly based in the UK and EU.

Our procurement function and Third-Party Risk Management Framework have continued to develop over the last 12 months and both operate effectively to oversee and manage strategic supplier relationships.

This year we have embedded our 'purchase to pay' system tool, Coupa. We have also rolled out our automated due diligence process, which contains a dedicated questionnaire for suppliers who we consider could potentially pose a medium to high modern slavery risk.

Due diligence is carried out on all new suppliers and our existing suppliers are subject to ongoing monitoring. A risk assessment is carried out for each supplier and they are categorised. This determines the level of ongoing monitoring for each supplier, if a modern slavery risk is identified, then we take a more rigorous approach to the due diligence we conduct.

We have adapted our ongoing monitoring of suppliers since the start of the pandemic, and currently carry out desktop monitoring and audits of medium and high-risk suppliers. We will consider whether face-to-face audits are appropriate to recommence in the coming 12 months.

We will continue to review, update and improve our procurement processes over the next 12 months across our European business and will be harmonising standard operating procedures for both procurement and third-party management.

We incorporate robust anti-slavery provisions within our contractual arrangements as a matter of course.

## **Our Policies**

We have a number of policies in place, which support our anti-slavery work, including our money laundering policy, procurement policy, speak-up policy (which is our whistleblowing policy), equal opportunities policy, recruitment policy, anti-bribery policy and corporate social responsibility policy.

In particular, our speak-up policy encourages colleagues to report any concerns about malpractice or wrongdoing. We also work with an independent third party provider to provide colleagues with an additional option to raise potential issues and to ensure that they feel able to do so on an anonymous basis. We are committed to the highest possible standards of openness, probity and accountability and we expect our colleagues and others that we deal with, who have serious concerns to come forward and voice those concerns.

We will review, update and, where appropriate, develop and improve our policies over the next 12 months

### **Objectives and Key Performance Indicators**

Last year we set ourselves the objectives of:

- reviewing and updating our colleague reward packages;
- continuing to embed and mature our Third Party Management framework; and
- identifying any additional training, in particular, for procurement and HR colleagues.

We achieved these objectives through our Third Party Management forum, automated due diligence system and we continue to review our colleague reward packages through our remuneration committee, and we will continue to identify and provide relevant training to our colleagues.

In addition, we updated our client due diligence to include a more robust anti-slavery assessment and we continued to incorporate anti-slavery provisions into our contracts with our suppliers.

Our objectives for the next 12 months are to:

- review our money laundering policies and internal training with respect to Slavery and Trafficking;
- continue to embed our ESG sustainability Framework including our approach to Modern Slavery; and
- harmonise our standard operating procedures for third party management across our EU businesses.

Given the nature of our objectives, we do not believe that it is appropriate at this time to set key performance indicators in respect of our ongoing work in relation to modern slavery. This will be kept under review and we may adopt key performance indicators in the future.

This slavery and human trafficking statement for the financial year ending 31 December 2020 has been approved for and on behalf of all of the companies named at the beginning of this statement.

**John Pears**

**CEO, UK**

**Approved on**