



# Our People & Planet Impact

## Progress Report

May 2023

# Contents

**3** A word from **our CEO**

**4** A bit **about us**

**5** Why our **impact** matters

**6** Our impact: **Customers**

**10** Our impact: **Community**

**12** Our impact: **Employees**

**15** Our impact: **Planet**

**16** Our **governance framework**

**17** A nod to **the future**

# A word from **our CEO**

When Mat Montgomery and I started Evolution Money in 2011, trust in financial services companies was at an all-time low.

More than that, we knew millions of hard-working ordinary customers in the UK were finding themselves with a less-than-perfect credit record, often through no fault of their own.

A change in job, temporary illness, or pure bad luck might have excluded them from access to finance at attractive rates. When they asked for help from the financial services industry, the computer was simply saying “No”.

**We created Evolution to offer these customers a solution.**

We were determined that our customers should feel supported rather than judged. Our lending business would start by really listening to our customers. Only then would we make objective decisions designed to deliver practical support.

**By putting customer support at the heart of our business,** we knew we could build a robust business for the long term. A business that our staff and investors could be proud of, but most importantly, one our customers could place their trust in.

Today we are still on that journey but with a team of more than 160, with growth resulting from our commitment to the core values we hold of **trust, mutual respect and personal responsibility.** I am proud to see our Evolution team embrace this philosophy every day as they support our customers and each other.

We believe the success of business should not be purely judged upon profit and growth. This is why **giving back has become a priority** for us. Of course, we still have a primary focus

on obtaining investment, that’s what makes our business sustainable, but we remain equally committed to making a difference wherever we can for all of our people.

In everything we do, **we aim to contribute positively** to our wider community; specifically through our work with our chosen charities, We Mind the Gap and Wood Street Mission, where we actively help younger, underprivileged people in our community.

The articulation of our purpose, **“To create financial inclusion by providing bespoke lending solutions to UK homeowners,”** is much more polished today than 12 years ago. Our mission to provide affordable loans to those excluded is perhaps even more critical now than ever.

**I am proud of our progress to date and look forward to building on this in the future.**



**Steve Brilus**  
CEO and Co-Founder

# A bit about us

**Our purpose is to create financial inclusion by providing bespoke lending solutions to UK homeowners.**

Evolution Money was founded in 2011 after the last major credit crunch to provide credit to those homeowners who, because of an imperfect credit history, were being refused finance in a time of real need.

We deliver a personal and non-judgemental application process. Instead of relying only on credit scores, we consider a complete picture of our customer's financial situation to determine what they can afford. So, whether their car breaks down, their boiler fails, or they want to consolidate their debts, and when other lenders have said no, we're there to support them.

## **Why is access to finance so important?**

For us, financial inclusion means every household has access to an affordable lending solution. As we see it, credit is essential for many households and communities in the UK, but millions currently can't access a loan at a fair cost even though they can afford to borrow.

## **Why is this?**

We know individuals with a poor credit profile or a complex financial situation in the UK are disproportionately underserved by mainstream lenders.

Many families and communities also live in low-income, under-served communities where they are asked to pay more than they should. This so-called Poverty Premium compounds the challenge for many customers who come to us for support.

## **Reducing fears**

A significant part of our work with customers is helping reduce their worries and anxieties around taking on a secured loan. For example, the fear that their home may be at risk if a loan is secured against their home. Whilst that is, by definition, possible, in 11 years of working with customers, Evolution Money has never needed to repossess a customer's house or pursue this solution. Why? Because Evolution Money proactively identifies when a customer is in arrears early enough for us to find a better solution for the customer.

**We do it all with trust, mutual respect and personal responsibility.**

# Why our **impact** matters

As a business, we are responsible for our impact on both people and the planet. We must strive to mitigate any negative impact we may have.

Increasingly, people want to work for companies with a **real purpose**. This is our first progress report and whilst we have achieved a lot, we appreciate that there is still more to do.

## **A better Evolution Money**

We take particular pride in...

- 1** The trust our customers, our investors, and our staff place in us.
- 2** Listening to our customers without judgement.
- 3** Providing customers access to funds at competitive rates.
- 4** Empowering our customers to take better control of their financial situation and responsibilities.

## **A better World**

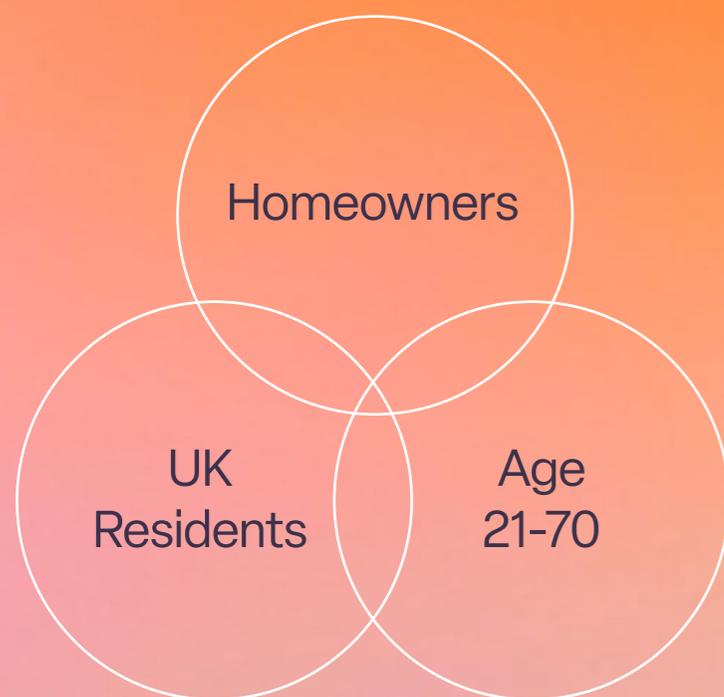
We take particular pride in...

- 1** Our diverse and inclusive team maintaining high levels of engagement as a result of the support provided by the business.
- 2** Our partnership with charities We Mind The Gap and Wood Street Mission helping under-privileged people in our community.
- 3** Our certification by Green Small Business, who are helping us turn our environmental values into good business practice.

# Our impact: Customers

Who our customers are...

**Our customers sit within these three core criteria:**



Evolution Money serves the millions of people who currently can't access a loan at a fair cost even though they can afford to borrow. These people will have an impaired credit history or a complex financial situation that requires a personal and empathetic approach, both of which are viewed as 'high-risk' by mainstream lenders.

**We lend to customers with special circumstances:**



Adverse credit profile  
(e.g. a default, missed payment or CCJ in the last 30 days – 24 months)



Impaired credit score



High Loan to value on their property



High levels of existing debt

**We also lend to customers who would be seen as a "complex case", who mainstream lenders may not wish to lend to:**

- Help to Buy properties
- Customers with evidence of regular gambling
- Retired customers
- Additional forms of income
- No mortgage payment history, e.g. 1<sup>st</sup> time buyers
- Contract workers
- Self Employed
- Shared house ownership

# Our impact: Customers

What we do for our customers...

## At Evolution Money, we offer a better solution.

We provide finances for households in the UK, without judgment and with compassion. Every day, our highly trained and expert team help break down the many barriers preventing individuals from accessing affordable credit. Our commitment is to provide our customers with fair-valued loans, empowering them to control their financial situation and responsibilities better.



### Our customers **believe**\*

Evolution money **goes above and beyond** to offer advice and to help **improve their financial situation**.

Their **personal circumstances are considered, rather than** being a rigid decision based on credit scores.

Communication is our strength in the application process and ongoing relationship.

**The value in having one direct contact to speak to** is imperative to avoid repeated information.

\*Source: Customer Understanding Research Report 2022



### We **haven't ever** had to repossess

Since our inception, we have ensured that our customers are protected. Through our thorough underwriting process and proactive approach, we have never needed to repossess a home when a customer is in arrears.



### Evolution loans have a **very positive impact** on customers

Regardless of the reason for taking out the loan, when customers have nowhere else to turn, they often talk about having a weight lifted off their shoulders.



### **Absorbing** additional costs

Instead of increasing financial pressure on our customers in times of need, we have not charged any additional interest or fees for any missed payments.

For example, in the last 12 months\*\* we have absorbed an estimated **£1.1 million in costs**.

\*\* Last 12 months reflects the period September 2021 to August 2022

# Our impact: **Customers**

What our customers say...

**£400**

Customers report they are, on average, £400 a month better off after taking out a loan from Evolution Money

**90%**

of our customers surveyed say they have already achieved their financial goals after help from Evolution Money

**93%**

of our customers surveyed say they are financially better off after consolidating debts with an Evolution Money loan

**100%**

of our customers surveyed say support from Evolution Money has helped them achieve their financial goals at least partially

# Our impact: **Customers**

What our customers say...

## Rebecca's Story

**Rebecca's Evolution loan helped her navigate overwhelming debts and re-evaluate her spending habits for her and her daughter.**

Rebecca, aged 47, lives with her 8-year daughter and works as an NHS appointments coordinator. She took an Evolution loan to pay off credit card debts.

**"I've not been doing very well financially. I've just been spending on the credit card, and that's almost maxed out. I wasn't struggling with the payments but it wasn't leaving anything left each month....I was going to be £200 better off, so it was pretty obvious."**

**"(With) the disposable income I have at the end of every month when I've paid my bills. I've got a nice amount and can enjoy my weekends and my free time; I didn't have that before."**

## Michelle's Story

**Michelle's Evolution Loan helped her pay off four credit cards and simplify her bills to reduce her outgoings.**

Michelle, 58, lives alone and works as a manager in an electronics company. Michelle found herself in "a bit of a pickle", having built up what appeared to be unmanageable credit card debt across four separate cards.

After talking with Evolution Money, Michelle was offered a solution that worked for her. A single loan to help her manage her money better. Importantly, moving forward, she was able to have a clear picture of her finances.

Michelle's Evolution loan relieved her of the stress she was feeling, allowing her to feel more comfortable and happier about her finances.

# Our impact: **Community**

Who our community is...

**We are proud of our Manchester roots but even more proud of the work our people do, along with the help and support they provide to our whole community, whether they're team members, customers, partners or the people of Manchester. Our community extends to people, places, and causes.**

Manchester is one of the biggest and most exciting cities in the UK. It is an energetic and innovative place to live and work in for those of us lucky enough to call this historic city home. The cradle of the Industrial Revolution, Manchester has an industrial, economic and cultural history that is second to none. And our team at Evolution Money are happy to see us following that rich tradition.

Our immersion in everything Manchester even extends to naming our meeting rooms. Our big decisions aren't made in a Board Room but in the Rolls-Royce Room, and where other companies may have a Training Room, we encourage out-of-the-box thinking in our Happy Mondays Room. In addition to acknowledging our city's historic firsts with The Atom Room and The Suffragette room, down-to-earth popular culture also gets a look in with our Vimto Room.

# Our impact: **Community**

What does our community say?

**We wholeheartedly believe in action and recently formed a strong relationship with a local charity helping younger people, We Mind the Gap.**

WMTG offer fantastic programmes for their gappies, young people (16-25) who are identified as having ‘gaps’ somewhere in their lives, gaps which may limit their ability to reach their full potential. The charity provides several opportunities through work placements, team building and communication activities, with each activity aiming to fill the gaps in a young person’s life.

**Our values align with WMTG’s** family-oriented approach to support, consistency and care.

Not only are we delighted to have been able to donate **£33,000** throughout our partnership with WMTG, but we’ve also benefitted directly by following and supporting their 12 month journey.

And the best news of all is that we have committed further funding and a **four-week placement for one gappie.**

**We work with Wood Street Mission to support several initiatives that positively impact young lives.**

Wood Street Mission is a children’s charity helping children and families living on a low income in Manchester and Salford. They provide practical assistance to help meet children’s day-to-day needs and improve their life chances.

The charity provides new toys and gifts or young people up to age 14 in the Manchester and Salford area to **ensure they have something special to open on Christmas Day.** An initiative that we have been involved with for some time.

In addition – we have pledged a **£5,000 donation** which will be evenly split between their other projects: Smart Start School Uniform & Books Forever.

“Faced with a cost-of-living crisis, the funding provided by Evolution Money has been crucial, and has allowed us to ensure that we can still deliver on our commitment to support our young people through whatever they face as a barrier to work and moving forward in life. This support also allows us to ensure the achievements of our young people are properly celebrated through our graduation ceremony, and that we are able to broaden horizons outside of Manchester through our residential trips and activities.”

**Victoria Lewis**

WeGrow Manchester Programme Lead

# Our impact: **Employees**

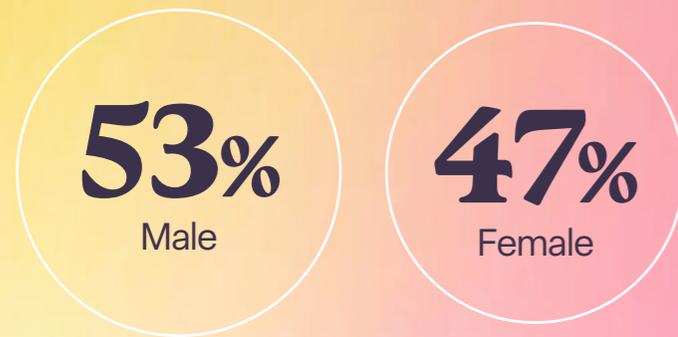
Who are our employees?

At Evolution Money, our vision is to foster a genuinely diverse, equitable and inclusive environment for our 160 strong workforce. We remain committed to providing a safe and inclusive workplace.

## Gender



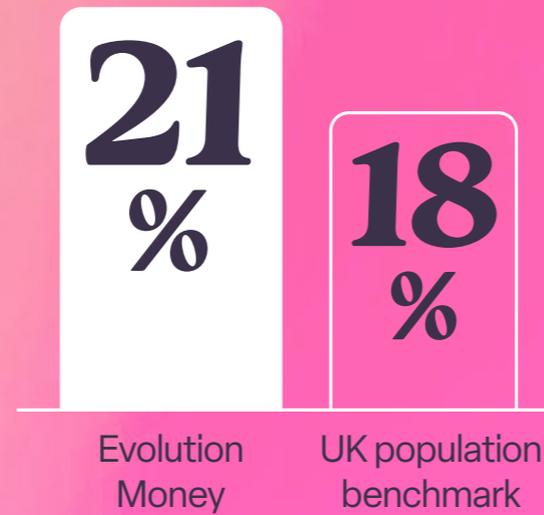
In July 2022, we employed **146 employees**, and our workforce was:



July 2022 statistics

## Ethnicity

Representation of minority ethnic groups was **21.66%** as of July 2022 compared to the UK population benchmark of **18.6%**.



## Sexuality & gender identity

Representation of LGBTQIA+ groups was **6.61%** as of July 2022 compared to UK census population estimates of **3.5%**.



## Disability



In October 2022, we became a **Disability Confident Committed employer** but we know we can work harder and better to improve our appeal and accessibility to potential future employees who may identify as disabled.

# Our impact: **Employees**

What we do for our employees...

**We provide benefits above and beyond what you'd expect from a company of our size.**

## **Some of the ways we go the extra mile:**

We strive to make life at Evolution Money enjoyable with added-value employee services, including at-desk concierge services, free fruit, healthcare benefits, paid training, study sponsorship, social events, and one-off payments to support the increased cost of living.

## **Some of the things we are continuing to work on:**

- 1** Strengthening and embedding diversity, equity and inclusion within the business, we are working with **Inclusive Companies** to audit our DE&I benchmark and help us to create effective strategies to reach our goals.
- 2** Ensuring we are a truly equitable and inclusive place to work by **shaking up our recruitment processes.**
- 3** Investing in our **learning and development** programmes.
- 4** Increasing levels of **transparency** through communications.
- 5** Enhancing **parental, maternity and sick pay.**

 Since July '22, Evolution Money has been one of 60 pioneering UK companies participating in the 4 Day Week pilot programme in conjunction with 4 Day Week Global.

# Our impact: **Employees**

What our employees say...

**86%**

of employees say they have confidence in the Directors at Evolution Money

**81%**

of employees believe Evolution Money loans offer a valuable service to customers

**90%**

of employees say they know how their work contributes to the goals of Evolution Money

**87%**

of employees say they know what they need to do to succeed at Evolution Money

“There’s a great culture at work and a very relaxed atmosphere. Our big focus is on trust and personal responsibility, allowing the team freedom to manage their own work day as long as leads get serviced.”

Liam

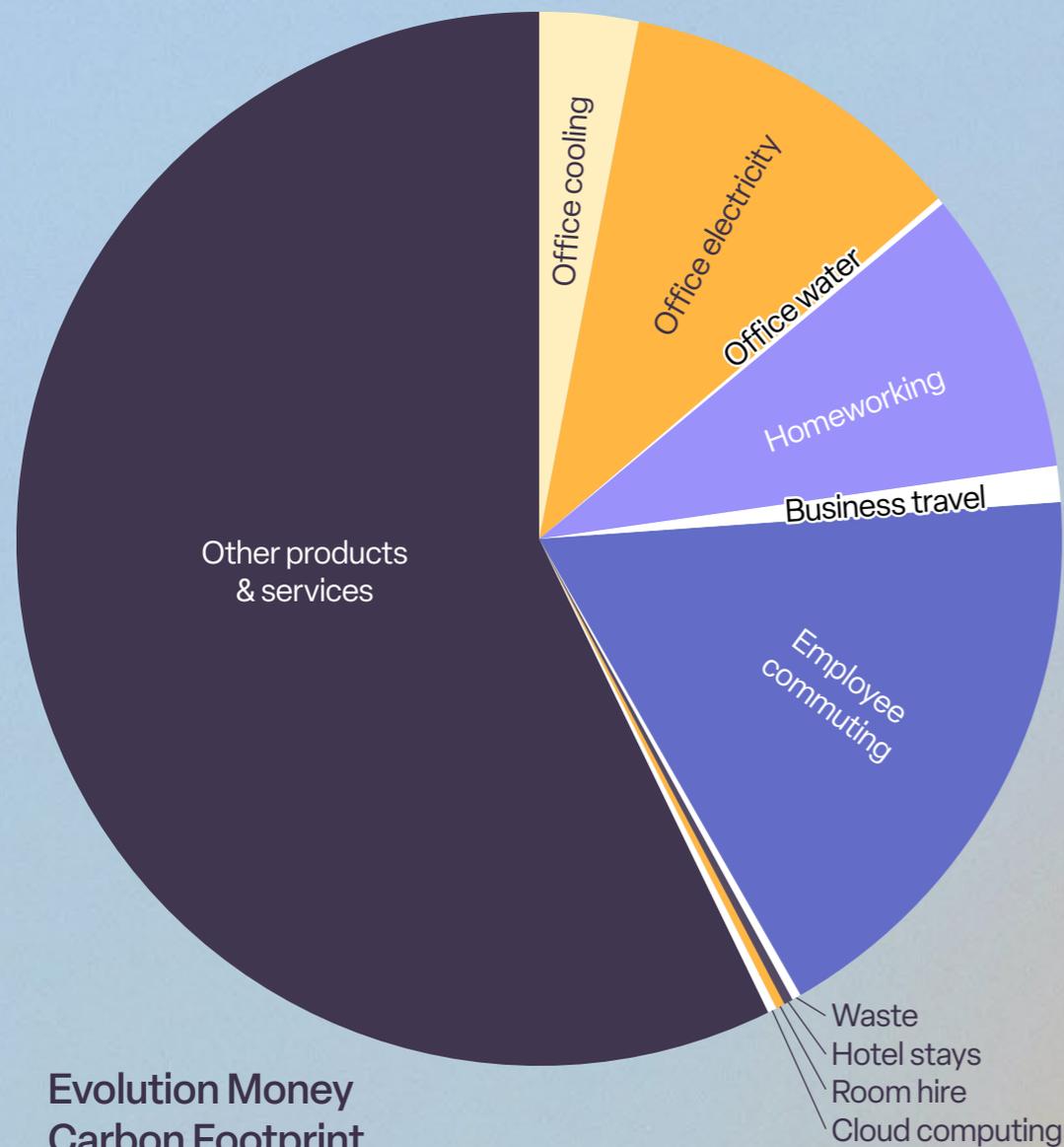
Lending Manager

“All team members have a real voice and feedback is actively encouraged. I find it very comforting that any feedback, positive or negative, is listened to and escalated if required. I also know I have a manager who is committed to investing in me.”

Jim

Project Manager

# Our impact: Planet



We are embedding **environmental values** throughout the business, and we're delighted to be certified by **Green Small Business**, through which we are unreservedly committed to **carbon reduction and waste minimisation**.



## We're doing our bit in the office

We've introduced an Environmental policy that umbrellas our commitments towards the environment. Kicking our efforts off by implementing **energy conservation** and **recycling measures**, plus **removing single use plastics**.

When it comes to purchasing goods and services, we're auditing our suppliers and we are adopting an **Environmentally Preferable Purchasing policy**.

We publicly report our carbon footprint annually. See our carbon footprint pie chart.

## And we're helping our employees do their bit too

To enable a greener commute we surveyed the barriers to public transport and are now exploring ways to improve our employee's footprint.

We are also trialling an **EV funding scheme** with the senior management team and have implemented a **cycle to work programme**.

As we have a hybrid working policy in place we are also supporting employees to run energy-efficient home offices.

# Our governance framework

**Evolution Money adopts a robust governance framework, the purpose of which is to assure the Board that the activities undertaken by the business demonstrate fair consumer outcomes and comply with regulatory expectations.**

Our governance framework comprises of six overarching Executive Committees, each of which reports to the Board and plays a pivotal role in ensuring that the business delivers on its objectives and strategies and that risk is effectively overseen and managed.

We are proud to introduce our ESG committee, made up of key stakeholders **to ensure that business decisions at Board level are then considered with the environmental and social aspects in mind** alongside the other five important committees in the business.

## Governance framework



Three industry bodies oversee and set our regulations and act as a universal level of governance. Their rules inform our internal governance strategy.



# A nod to **the future**

We continue to drive positive change with **trust, mutual respect and personal responsibility.**



## For our community

- ✔ Be actively involved within our local community by providing financial support, time and expertise to local charities.
- ✔ We will continue working closely with our partnerships, We Mind the Gap and Wood Street Mission, to drive actionable change.



## For our business

We have been extremely pleased with the feedback we received from our first piece of independent customer research. In the future, we will seek customer feedback through an ongoing formal programme.

Continually assess the quality of our customer outcomes and understand if we are delivering on our purpose and values.



## For our people

Our focus is on improving our workforce's diversity, inclusivity and equity. We have taken some positive steps and are working on recruitment strategies to support our goals.

- ✔ Improving the representation at our company as a proud Disability, Confident, Committed employer.
- ✔ Continuing to improve our diversity across LGBTQIA+, cultural, ethnic, generational and gender.
- ✔ Promoting an inclusive workforce where everyone believes they have a voice they can use.
- ✔ Supporting each employee so they can contribute their best for Evolution Money by providing them with the support and training they need.

And we will continue to measure employee engagement to understand all of this, including assessing the effectiveness of the 4-day working week trial.



## For the planet

Our carbon footprint audit was a first for the business and allowed us to see the impact of our operation.

We are committed to making positive actions to reduce our carbon emissions and make nature positive decisions in our office, within policies and with suppliers. We are committed to the following:

- ✔ Introduce a Corporate Business travel policy.
- ✔ Introduce and implement an Environmental Purchasing Policy – encourage suppliers to respect sustainable development criteria.
- ✔ Audit all suppliers on their ESG approach.
- ✔ Implement a formalised process for ensuring unnecessary lights, air conditioning and IT equipment are switched off.
- ✔ Introduce a formal company hybrid/ homeworking policy.
- ✔ Focus on our paper usage, with aims to reduce this by 10% .
- ✔ Target a reduction in our carbon footprint by closely monitoring our electricity usage.



**Thank you** for showing  
interest in our business