



2022

Sustainability Report

together.[®]

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Sustainability report

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Our ESG journey towards a sustainable future

“As we disclosed last year, we have been working hard to formalise our ESG strategy in line with our purpose and vision for the future. We are pleased that we are now in the position to publish our first Sustainability Report, which outlines our environmental, social and governance ambitions and commitments.

Through the support of key colleagues across the business, as part of this process we have been able to map out what diversity and inclusion looks like at Together and devised a strategy to help us to achieve a number of significant aspirations in this area. We have made a great start on the journey of ensuring we have a more inclusive and dynamic working environment, allowing all of our colleagues to achieve their full potential.”

Gerald Grimes
Group CEO Designate



Realising ambitions together

Our vision

To be the most valued lending company in the UK

Our strategy

Our strategy is to deliver for each of our stakeholder groups, by meeting their diverse needs and expectations.

We are investing in future proofing our business to build an agile model that will enable us to react quickly to societal changes and realise opportunities as they arise.

Our purpose

Realising people's ambitions by making finance work

Our culture and values

A unique family-like culture and entrepreneurial spirit underpinned by strong embedded values:

-  Respect for people
-  Doing the right thing
-  Being accountable

Our stakeholders

-  Customers
-  Colleagues
-  Communities
-  Regulators
-  Investors



A purpose-driven and sustainable model

With a near 50 year track record spanning several economic cycles, Together's successful business model is underpinned by our unique family-like culture and entrepreneurial spirit, with a diversified funding structure and strong, established relationships.

We deploy our unique strengths and resources...

People and culture

purpose-driven culture with real people making real decisions to help our customers solve problems and realise opportunities

Established partnerships

with customers, brokers, mortgage networks and clubs and intermediaries

Wealth of expertise

and industry know-how in financially inclusive property lending

Full service model

quick and efficient in-house originations, servicing and collections

Deep, diverse funding

combining listed bonds, private and public securitisations, revolving credit facility and shareholder funds

Successful multi-cycle track record

spanning nearly 50 years

...to make finance work...

Residential mortgages

1st and 2nd charge mortgages for owner occupiers

Buy-to-let mortgages

for customers ranging from single property accidental landlords to professional portfolio landlords

Bridging loans

regulated and unregulated loans for residential and commercial property acquisitions

Commercial term loans

1st and 2nd charge loans secured on a variety of property types to support business growth

Development finance

tailored finance for residential new build and conversions to commercial constructions

...for all of our stakeholders



Our customers and partners

We help our customers realise their ambitions by offering common sense solutions with speed and certainty, and being easy to do business with by putting ourselves in their shoes. We are open and straightforward with our partners, who help to realise our customers' ambitions. Realising ambitions for...



Individuals and families
to buy their dream homes



Later life customers
or helping the next
generation to get on
the property ladder



Entrepreneurs
to start and grow
their businesses



SMEs and businesses
to solve problems,
realise opportunities
and create jobs



Landlords
to provide homes and
build portfolios



Developers
to create communities for
people to live and work in



Colleagues

by providing an inspiring purpose, a diverse and inclusive culture and a springboard to play their part and give back to society.



Regulators

by treating customers fairly and placing ourselves in their shoes, maintaining a high level of personal conduct and building a proactive regulatory partnership.



Communities

by improving environments, being a force for good and developing the next generation by promoting diversity, inspiring creativity and encouraging young entrepreneurs.



Our shareholder and investors

by creating sustainable value and long-term relationships as one of the UK's most successful and respected lenders.

Shaping our business for the future

In conjunction with our purpose and vision launch, we also outlined our key objectives for delivering our strategy over the next 5 years.

To deliver this strategy, we must meet the expectations of our key stakeholders. We are committed to creating value for our stakeholders and accordingly have set ambitious objectives to meet these expectations.



We are already implementing a strategic agenda that delivers transformational change and drives efficiency benefits to further enhance the experience for our customers.”

Gerald Grimes
Group CEO Designate

> We employ a number of KPIs in the business to track the value we provide for our stakeholders. For further details, see KPIs on page 42 of the 2022 Annual Report.



Colleagues

At Together, we are committed to providing an inspiring purpose for our people and creating a diverse culture in which everyone can play their part. We strive to enable all colleagues to realise their ambition and are committed to giving something back to society.

In August 2022, after the year-end, we were awarded Investors in People silver accreditation, taking the first step in meeting our objective to achieve external recognition for our investment in our colleagues, 18 months ahead of our plan.

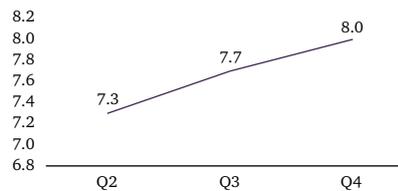
Our objectives

- To be recognised externally as a great place for our employees to work
- To achieve external accreditation that we do the best for our colleagues in supporting and developing them

Related KPI

We utilise a number of KPIs and other qualitative measures to monitor progression against our objectives. A related KPI is shown below for our colleague stakeholder group:

Colleague Engagement Score



Customers

The Group is committed to making sure we are easy to do business with and that we are providing our customers with certain and prompt decisions. We want to be recommended by our customers so we ensure that we action the feedback received. We pride ourselves on our can do attitude in offering common sense solutions.

Our objectives

- To achieve customer experience ratings that we can be proud of
- To achieve a great net promoter score
- To be externally accredited for our customer service

Related KPI

We utilise a number of KPIs and other qualitative measures to monitor progression against our objectives. A related KPI is shown below for our customer stakeholder group:

Customer Experience Rating





Shareholder & Investors

The Group is one of the UK's most consistently profitable lenders and is recognised for creating long-term sustainable value. We are a strong, straightforward and financially inclusive business that focuses on helping underserved customers realise their ambitions. The Group remains committed to building long-term relationships with partners and offering appropriate returns. This is all against a backdrop of the highest levels of governance, risk management and transparency.

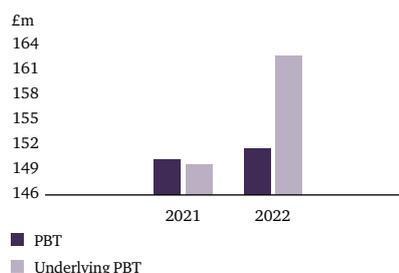
Our objectives

- To continue to grow a high-quality secured loan book
- To deliver increased profitability and sustainable returns
- To improve our corporate credit strength

Related KPI

We utilise a number of KPIs and other qualitative measures to monitor progression against our objectives. A related KPI is shown below for our shareholder and investors:

Profit before tax



Communities

Together has a long tradition of actively supporting local, regional and national charitable campaigns. Whilst we offer support to a range of groups within our community, we are particularly passionate about supporting young people. We work in partnership with schools and youth groups to inspire creativity, lead initiatives to encourage young entrepreneurs and enable our colleagues to share their experiences and skills to develop the next generation. The Group is also committed to improving the environment in which we live and work.

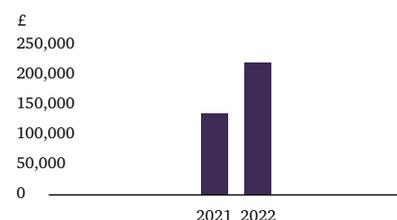
Our objectives

During the year, we established our ESG strategy under which we identified our five key priorities along with relevant targets.

Related KPI

We utilise a number of KPIs and other qualitative measures to monitor progression against our objectives. A related KPI is shown below for our community stakeholder group:

Charitable donations



Regulators

As one of the UK's leading specialist lenders, we want to be an exemplar in the market and to foster a proactive partnership with the regulator. We have a culture that treats customers fairly and we empower our people to achieve a high level of personal conduct. This culture of respect and accountability is a key driver in achieving good customer outcomes.

Our objectives

- To be recognised externally for our treatment of vulnerable customers
- To be recognised externally for our clear customer communications



Our social and environmental responsibilities

Our purpose is realising people’s ambitions by making finance work.

Our vision is to be the most valued lending company in the UK.

While we refer to our overall Environmental, Social and Governance (ESG) strategy, this report sets out our approach to sustainability; particularly our commitment to acting in a responsible manner, ensuring we positively contribute to society and reduce our impact on the environment. Our strategy is based on four key priority areas which are underpinned by strong governance.

Our approach to sustainability

As a large local employer, we recognise the importance of our contribution to society, our local communities and our duty to our environment. Together has a long tradition for supporting underserved customers and through our colleague-led ‘Let’s Make it Count’ programme, we have a longstanding commitment to local communities and charities. This year, following input from our colleagues, customers and investors, we have developed a comprehensive ESG strategy which builds on our ongoing work and recognises the importance of our commitment to sustainability, in line with our purpose and vision for the future.



Our Priorities	Targets & Measures
 Our planet	<ul style="list-style-type: none"> To reduce our carbon emissions, from our own operations by 70% by 2027 To reduce our direct energy consumption by 50% by 2030 To be net zero for our own operations by 2030 To be net zero for our direct and indirect emissions by 2050¹
 Our customers	<ul style="list-style-type: none"> To provide at least one green mortgage product that recognises our customers’ progress in improving the energy efficiency of their home by the end of 2023 To establish a partnership with an industry specialist by the end of 2023, to link our customers to experts with insight and knowledge to help improve the energy efficiency of their homes
 Our colleagues	<ul style="list-style-type: none"> To achieve our committed diversity and inclusion targets on gender, age, ethnicity and disability by 2026 <ol style="list-style-type: none"> 33% of senior management roles² to be filled by women by December 2022, 50% by the end of 2026 20% of senior management positions to be filled by colleagues from underrepresented ethnic groups by the end of 2025 20% of colleagues in 55+ age bracket by the end of 2026 3 additional Togetherness groups in place by the end of 2022 Disability metrics in place by the end of 2022 To obtain silver accreditation for ‘Investors in People’ by end of 2023 and then work towards gold accreditation
 Our community	<ul style="list-style-type: none"> To deploy in excess of £1m in the community through our Let’s Make it Count programme in FY23 By the end of 2025, 50% of colleague volunteering days to be used annually³ (approximately 5,250 hours based on current colleague numbers) To help finance 1,000 affordable properties by the end of 2025 We are committed to signing the Sustainability Reporting Standard for Social Housing by the end of 2023

1. This incorporates the following commitment made in the FY21 Annual Report and Accounts

- all cars in the fleet to be electric or hybrid by 2025
- all energy suppliers to be switched to green tariffs or sustainable energy sources by 2025

2. Senior Management roles are defined as the Executive Board, not including NEDs, and Executive Direct Reports (EDRs).

3. This incorporates the following commitment made in the FY21 Annual Report and Accounts

- creating an environment where colleagues use their allocated two days paid leave a year for charitable and community purposes

Sustainability materiality assessment

Throughout the process of establishing our ESG strategy, it has been integral for us to ensure that it aligns with our Group strategy and the expectations of all of our key stakeholders. Therefore, as detailed in last year's Annual Report, we appointed a specialist external ESG consultancy to work with us to develop an ESG strategy. They have reviewed our existing sustainability approach and conducted a materiality assessment to understand the opportunities and issues that were material to our key stakeholder groups. This helped us to frame our overall approach to sustainability and to identify the next steps in delivering it. The key stakeholders included in this process were our colleagues, investors and intermediaries.



Materiality process

Identifying the impact

We conducted a materiality exercise, considering environmental and social issues to establish stakeholders' expectations of Together and ESG. This involved understanding business ESG risks and opportunities, and understanding what sustainability initiatives are already being undertaken within the business.

Using relevant outcomes from the materiality process, we built a preliminary risk review register for discussion, expansion, critique and rating.

Working with our internal teams, an ESG peer benchmarking exercise was conducted and considered Together's alignment with industry standards. This included the UN Sustainable Development Goals (SDGs) and reporting legislation such as a review of the Company's ISS and MSCI ESG reports.

Stakeholder engagement

Interviews were carried out with key stakeholders, including members of the Board, the internal ESG project group, members of Let's Make it Count and diversity and inclusion Togetherness groups, our banks and investors, colleagues and intermediaries. All key communications mediums were reviewed, including funding partner presentations, websites, social media and the intranet.

Developing our approach to sustainability

Building on the materiality exercise, we developed an ESG strategy that closely aligned with the priority issues identified through the consultations, while also responding to any funding partner, compliance or external standards spanning the breadth of social and environmental issues.

The resulting strategy defined key activities and timelines, which will enable the delivery of each of the targets. It also made recommendations for the roles and resources that will support the delivery of these targets and captured existing ESG-related work and strategies that we had planned, to integrate it with our existing wider business activities. The recommendations built upon the commitments made last year, with the strategy being incorporated into our wider approach to sustainability.



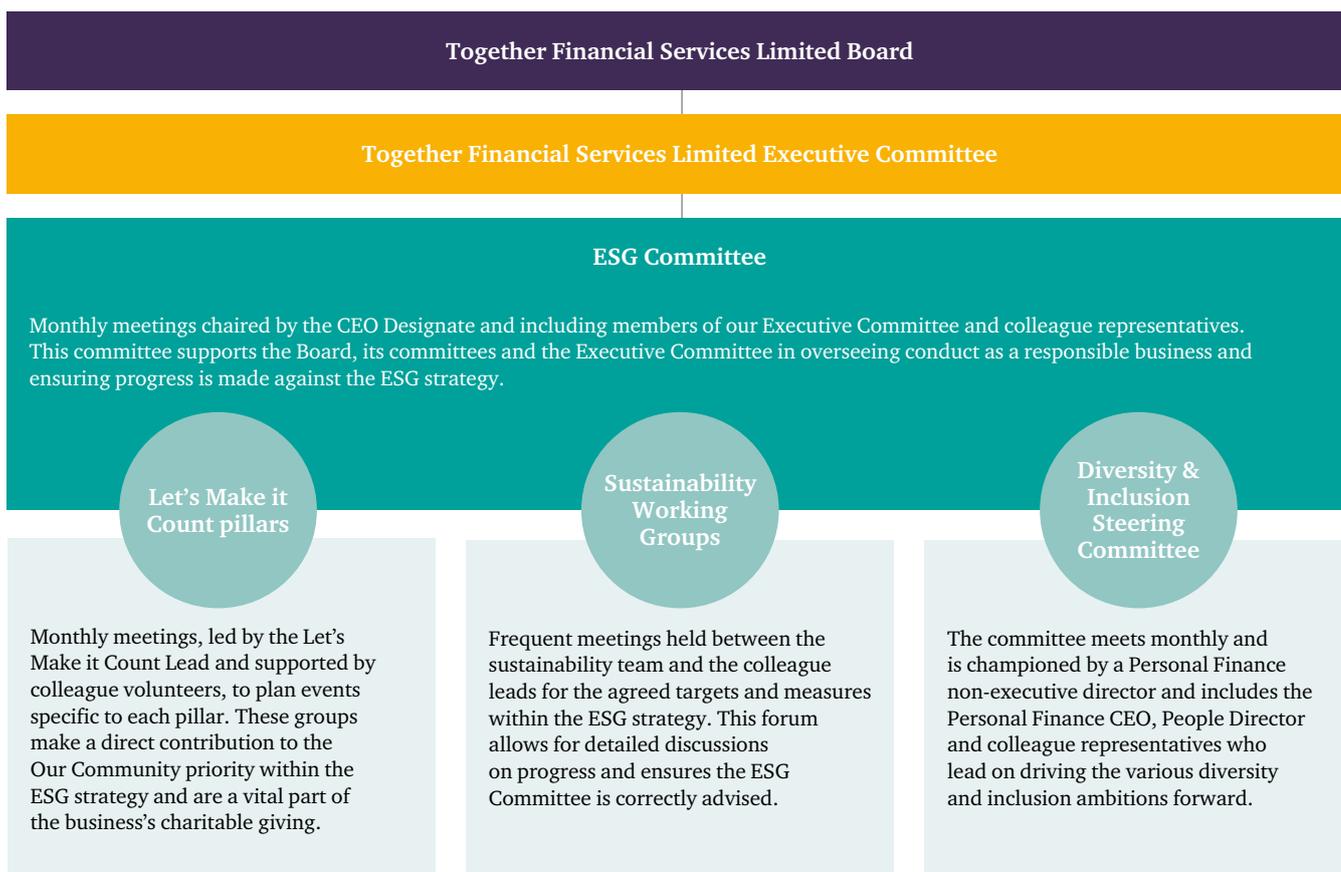
Governance

We understand the importance of strong governance in assuring that the Group’s operations are successfully managed in the interests of the shareholder and other key stakeholders. It is paramount to supporting the effective delivery of our overall ESG strategy and being able to demonstrate that we always act with integrity, objectivity and impartiality is fundamental to our business.

Our existing Group governance structure demonstrates that we are committed to becoming more transparent by:

- Making existing governance structures more visible, publishing policies and terms of reference for the governance committees
- Continuously reviewing our compliance with the Wates Principles to ensure we comply with the six pillars of the principles

Going beyond our existing Group governance, we also need to ensure that we embed sustainability within the business and have the necessary level of oversight. During the year, we have established our ESG Committee, a management level committee which supports our Executive Committee and Board to ensure progress is made against the ESG strategy and our approach to sustainability remains a business priority. In addition, the committee will be continuously monitoring and reporting on our progress against our targets and their performance indicators.



> Further details on the activities of the Board and committees during the year can be found in the Corporate Governance Statement on page 70 of the 2022 Annual Report.



Our Planet

We understand that we have an important role to play in reducing our own emissions. As a financial services business we appreciate that our scope 1 and 2 emissions will only make up a small percentage of our full emissions. Currently we do not know the full extent of our scope 3 emissions but we expect that the emissions outside our direct operations will make up a significant proportion of our future reported energy performance results.

Greenhouse Gas (GHG) performance

We support the UK's ambition to reduce GHG emissions to net zero by 2050.

Energy performance results

Energy use by source	Units	21/22	20/21
Gas	kWh	831,409	993,294
Electricity	kWh	1,858,804	1,664,074
Transportation	kWh	294,313	227,998
Total		2,987,526	2,885,366

GHG emission results

Emissions by category*	Units	21/22	20/21
Scope 1 – Combustion of gas and fuel for transport	tCO ₂ e	288.6	240.3
Scope 2 – Purchased electricity	tCO ₂ e	359.5	388.0
Total		648.1	628.3

Intensity ratio

Emissions by category	Units	21/22	20/21
Total emissions T/CO₂e employee		0.9	1.1

* Note that scope 3 emissions are not currently measured by the Group.

Over the next year, we will work to establish a strategy for delivering our net zero ambitions. The key considerations and strategic focus areas will be:

1. Reducing the impact the business has on the environment by reducing our own emissions and establishing an accurate baseline for our scope 3 emissions.
2. Supporting our customers in transitioning to a more energy efficient way of living and, in the future, developing products and servicing to support this.
3. Integrating climate considerations into our risk management framework.

During this reporting period we have commenced plans to develop and refurbish our head office buildings. The energy efficiency of the offices will be a key consideration in developing our plans and we aim to incorporate energy efficient solutions which are available. We have continued to make changes that impact our scope 1 emissions by upgrading car park lighting and the installation of a further four electric vehicle charging points.

Emissions by category

Explaining scope 1, 2 and 3



Scope 1

Direct emissions
Combustion of gas and fuel for transport



Scope 2

Indirect emissions
Use of electricity
Purchased electricity



Scope 3

Indirect emissions
Upstream and downstream activities to provide service to customers
Transportation

Reducing emissions

Carbon emissions reduction

70%

by 2027

Net zero carbon operations

by 2030

TCFD

Climate-related Financial Disclosures

During the year, new legislation has been enacted by the UK government, which introduces new requirements on businesses to report climate-related financial disclosures. The legislation largely reflects the recommendations issued by the Task Force on Climate-related Financial Disclosures (TCFD) first published in 2017.

The Group is not yet in scope of the disclosure requirements, however we have given consideration throughout the year to our assessment of climate risk, and the information that will be required to be disclosed upon the Group reaching the thresholds which will bring us into scope of the requirements.

Our Climate Considerations

The Group recognises the importance of protecting the environment, and acts to reduce its impact. We acknowledge our responsibility, which is incumbent upon all businesses, to play our part in seeking to address the impacts of the climate crisis. In our Annual Report for the year ended 30 June 2021, we set out several environmental commitments, which will help improve the Group's climate footprint and emissions. For details of these commitments, and actions taken during the year, refer to this Sustainability Report.

Climate change, through considering our impact on our planet, is one of the five key pillars of our ESG strategy, and evidences the commitment of the Board and management of the Group to the climate agenda. We are focused upon minimising the impact of our operations on the environment, whilst also maintaining one of our core values of financial inclusivity by lending to underserved customers, in order to assist our customers in reducing their own environmental impact.

We are conscious that the regulatory landscape will continue to evolve, and therefore the Group is focused upon further developing our response to the existing requirements. This will allow us to be best placed to meet the disclosure requirements upon meeting the criteria, and provides a foundation to further develop our reporting of climate-related issues.

Whilst the Group is not currently in scope of the requirements, we have elected to provide commentary of our progress against each of the four pillars of the TCFD aligned disclosure requirements, ahead of future adoption upon coming into scope of the criteria.



We are rapidly developing our integration of climate-related risks into our existing frameworks, as we look to play our part in the move toward a lower carbon economy.”

Steve Miller
Chief Risk Officer

This commentary provides a summary of the activities and progress which the Group has made to date in these areas, and our plans to progress further. Within the commentary, forward-looking focus areas have been described where relevant, to provide some further context around work planned and currently underway.

TCFD pillars



Governance

Under the requirements, which are aligned to the TCFD recommended disclosures, in-scope entities are required to describe the governance arrangements (at both board and management levels) of the company, in relation to assessing climate-related risks and opportunities.

Activities during FY22

ESG considerations impact upon the Group's strategy, for which the Board has overall responsibility, and therefore the Board has had oversight of ESG matters in fulfilling this function throughout the year.

In addition to this direct oversight, Board sub-committees, including the Risk Committee and Audit Committee, have considered climate-related matters during the year. This includes proposals to embed the assessment of climate risk across the Group's principal risks and requirements on climate-related financial disclosures.

A new ESG committee has been formed during the year. This committee, chaired by the Group CEO Designate, is responsible for guiding the Group's ESG strategy, actions and targets.

The ESG Committee has met during the year, with key activities including:

- Approval by the committee of its terms of reference;
- Approval of ambition statements and targets in respect of the Group's defined ESG priority areas, which includes climate change;
- Consideration of climate-related risks and opportunities, and their integration into the Group's existing level one risks.

Opportunities and developments for FY23

The Board will, both directly and through delegation to relevant sub-committees, oversee further development of the Group's integration of climate risk into its risk appetite and risk management frameworks.

This will be achieved through introduction of a specific climate-related risk management framework, and integration of climate risk into our existing risk management structures.

The ESG Committee will be formally embedded within the Group's governance structures. It is anticipated that it will report to the Group Executive Committee and Board, and will guide the Group's ESG strategy, actions and targets.

The ESG Committee will monitor all aspects of the Group's ESG agenda, including climate-related risks and opportunities.

The Group anticipates continuing to develop its climate-related expertise through working with a range of partners and external advisors, to inform our ongoing risk assessment and consideration of climate-related matters in business planning.



Strategy

The Group is developing its consideration of climate-related matters within its overall and ESG strategies. Once in scope of the disclosure requirements, the Group will be required to:

- Describe the climate-related risks and opportunities identified by the Group over the short, medium and long term;
- Describe the impact of climate-related risks and opportunities on the Group’s business, strategy and financial planning; and
- Describe the resilience of our strategy in the context of climate scenarios.

The Group has undertaken activities during the year in relation to these areas, and the scope and magnitude of these is expected to increase in FY23.

Activities during FY22	Opportunities and developments for FY23
<p>The Group has considered relevant time horizons for defining short, medium and long term in the context of climate-related risks and opportunities.</p> <p>The Group lends on a range of commercial and residential securities, with products ranging in maturity from short-term bridging loans to longer-term residential mortgages.</p> <p>Given the nature of the Group’s portfolio, and having regard to the nature of the physical and transition risks posed by climate change, these time periods have been defined as:</p> <ul style="list-style-type: none"> • Short term – less than three years; • Medium term – up to 10 years; • Long term – more than 10 years. 	<p>Climate risk will be assessed as part of the financial planning processes, in order to consider the materiality of its potential impacts across the time horizons implicit within those financial plans.</p> <p>Further work will be carried out to quantify the Group’s potential exposure to climate impacts, when assessing credit risk on our loan portfolio. As part of this, we anticipate partnering with third parties to access additional data sources.</p>
<p>In line with industry standard, both physical and transition risks arising from climate change risk have been considered, and mapped against existing level one risks within the Group’s ERMF. A draft of this work has been presented to the Group’s ESG Committee, but has not yet been through formal governance procedures.</p> <p>The short-term exposure to physical risks is low, however these increase as the time horizon extends. Key physical risks that could manifest in the long term include risk of losses due to reduced house prices arising from climate change impacts such as flooding.</p>	<p>The Group will develop its framework and scenario analysis in order to further consider the possible impacts of both physical and transition risks upon the Group’s business activities and strategy.</p>
<p>In the short and medium term, key transition risks include the risk of increased losses due to falling property prices as a result of legislation (such as minimum EPC ratings) and increased risk of default by our customers as energy costs rise as a result of the transition to a net zero economy.</p> <p>The Group continued to measure its scope 1 and 2 carbon emissions to fulfil requirements under SECR reporting. In addition, the Group has initiated a process to engage an expert third party to assist in establishing a baseline for our scope 3 emissions, which is ongoing at the year-end.</p>	<p>The Group expects to consider opportunities such as green mortgage products and securitisations and conduct analysis to identify the opportunities which generate the greatest value for our stakeholders and align to our ESG strategy. This may include partnering with third parties in order to meet the needs of our stakeholders.</p> <p>The Group expects to finalise measurement of scope 3 financed emissions, using the most relevant reporting framework for our business.</p> <p>This will allow the Group to develop more in depth understanding of the impact of business activities on the climate, and aid the pursuit of climate-related targets, such as achieving net zero carbon emissions for our operations and mortgage portfolio by 2050.</p>

Risk Management

The Group has undertaken actions during the year to develop the assessment of climate-related risk, in the context of the Group's wider risk management framework.

Under the disclosure framework, the Group will describe:

- Our processes for identifying and assessing climate-related risks;
- Processes for managing climate-related risks; and
- How these processes are integrated into the Group's overall risk management.

Activities during FY22	Opportunities and developments for FY23
The Group has undertaken activities to identify climate-related risks, which have been considered by the ESG Committee, Enterprise Risk Committee and Board Risk Committee during the year.	Climate risk will be embedded within the Group's enterprise risk management framework.
Climate-related risks cut across the Group's principal risks and uncertainties, and therefore climate risk has been considered against each of these existing level one risk types.	The Group will continue to assess how climate risk-related management information and data can be used to enhance our monitoring and management of climate risk impacts upon our business and portfolio.
The Group has engaged with partners and suppliers in order to increase access to relevant data in order to inform our assessment of climate risk across our loan book.	Engagement with stakeholders across the Group will continue ahead of the anticipated finalisation of a climate-related risk framework.
This includes enhancing data collection in respect of EPC ratings, and data relating to physical risks such as subsidence and flooding.	This climate-related risk framework will be taken through the Group's governance channels once complete.
Where required, the Group has also purchased additional data sources to provide greater insight into climate-related risks facing our portfolio.	
The ESG Committee was established, with one aspect of its role being to identify and monitor climate-related risks and opportunities. For further information, see the governance section of these disclosures.	The Group will further develop risk metrics to measure climate-related risks against established and approved risk appetite levels. These will be monitored through the Group's existing risk governance channels.

Metrics and Targets

During the year, the Group has developed metrics and targets, in addition to those included within the Annual Report for the year ended 30 June 2021, which align to the five key priorities described within the Sustainability Report.

These metrics will allow the Group to monitor our progress against climate-related commitments, and are used in the ongoing assessment of climate-related risks and opportunities described above.

Upon the Group coming in scope of the TCFD aligned disclosure requirements, we will:

- Disclose the metrics used to assess climate-related risks and opportunities in line with our strategy and risk management processes; and
- Describe the targets used to manage climate-related risks and opportunities, and performance against targets.

Also within the scope of the TCFD aligned disclosures is a requirement to disclose scope 1, scope 2 and scope 3 Greenhouse Gas (GHG) emissions, and the related risks. The Group already discloses scope 1 and 2 GHG emissions within the Sustainability Report.

Activities during FY22	Opportunities and developments for FY23
The ESG Committee has formally approved metrics and targets for each of the ESG priorities, including climate change.	Further metrics and targets may be defined and monitored as the Group continues its ESG journey.
The Group is in the process of establishing relationships with an industry leading third-party specialist in order to establish our scope 3 emissions baseline values.	Scope 3 baseline values will be established. The Group will use this information to inform the further development of our road map to net zero by 2050.
The Group has partnered with suppliers to enhance data collection relating to environmental factors, such as EPC data on our mortgage portfolio.	As we enhance our library of data on our mortgage portfolio it will further inform our ongoing assessment of risks and opportunities relating to climate-related matters.



Our customers

As one of the UK's leading specialist lenders that is also financially inclusive, Together supports a wide range of underserved customers who may struggle to obtain financing from other sectors of the market to help them to realise their ambitions.

We help a wide range of customers including those with complex or multiple incomes, self-employed, later life borrowers, SMEs, high net worth individuals, those with thin or impaired credit and those seeking to purchase a property that may be non-standard or who are in a complex purchasing situation. As evidenced in our 'The Rise of the Modern Mortgage' research on page 14 of the 2022 Annual Report, 53% of UK adults exhibit one or more non-standard characteristic⁴, which may typically restrict access to finance. Our experienced underwriters are also able to help customers that need funds quickly to realise opportunities or solve problems, including underserved SMEs, businesses, high net worth individuals and property investors across the UK.

Customer experience

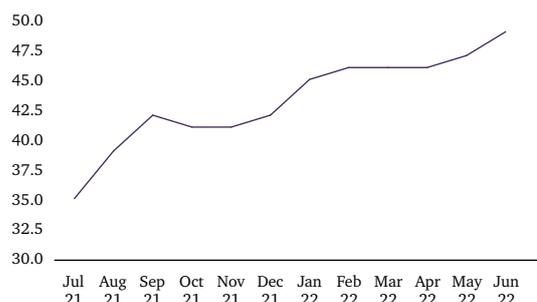
Over the last year, we have continued to invest in our business to further improve the experience for our customers. As part of our drive to deliver the best customer service in the UK specialist lending market, since October 2021 we have been working with Plain English, an independent group championing for plain English in public communication, to review all of our key automated and manual customer letters. Plain English's belief that everyone should have access to clear and concise information aligns with our own aim to simplify and improve how we communicate not only to our customers, but also to our colleagues internally. Upon completion of the letter review process, we have been awarded the Crystal Mark accreditation. Our next steps are to achieve accreditation on our website and digital offerings, and work with our colleagues internally to move to a simpler way of communicating that is embedded in our culture.

In addition, the acceleration of our technology and transformation programme has allowed us to invest in technology and process improvements to enhance our efficiency and the experience for our customers. Our focus has been on ensuring that we continue to use technology to do what technology does best, and allow our people to do what they do best. We have maintained this momentum and have achieved significant progress during the year. For more information, see the update on our technology and transformation progress in the Update from our Chief Information Officer on page 15 of the 2022 Annual Report.

Listening to our customers

The improvements we have made over the past 12 months have been reflected in our net promoter scores (NPS), with the accompanying graph showing a steady increase in positive customer feedback across the Group on a monthly basis, reflecting improved customer journeys resulting from the actions we've taken following customer feedback.

NPS scores
2021-2022



Customer review platforms continue to be an important measurement of our customer service and on Feefo, Trustpilot and Google Reviews, at the end of June our rankings were over 4 out of 5 stars on each of the platforms. This is an improvement from FY21 during which the average ranking was over 4 stars on Feefo and Trustpilot and 3.9 on Google. 77% of total Trustpilot reviews throughout the year were rated 5 stars, up from 66% at FY21. In January, we were proud to receive a Feefo Platinum Trusted service award for the second year running, in recognition of our ongoing efforts to go above and beyond to deliver exceptional customer service.

Vulnerable customers

In addition, we have continued to identify vulnerable customers at various points in the customer journey and invested in best in class training with the Money Advice Trust for our frontline colleagues to ensure that our customer and colleague wellbeing is at the heart of all of our interactions. We have also supported a number of our colleagues to achieve an industry-wide accreditation on the Vulnerability Academy run by UK Finance in partnership with the Money Advice Trust. The academy is focused on helping firms to meet their legal and regulatory responsibilities for vulnerable consumers, embed vulnerability within the organisation from product and service design, lending and on-boarding, customer service, data recording and analytics, collections, fraud, and across all channels.

Customer energy efficiency

To assist our customers with improving the energy efficiency of their properties, as outlined within our climate change priorities, we are assessing a potential partnership with an industry specialist. We understand that the reality of making suitable energy improvements to properties is a daunting prospect for the majority of UK property owners and we want to ensure that where possible, our customers are offered assistance with this task. Any future partner needs to have been prudently selected to ensure a continuity of service and experience, which matches our expectations.

To assist with meeting our target to offer a green mortgage product, we are conducting market research to help with understanding the needs of our customers. This will ensure that the product is designed with input from customers and that their needs will be met by the final product design.

Innovating
for
customers

Green
mortgage
product to
improve
home energy
efficiency

by the end of 2023

4. Our 'The Rise of the Modern Mortgage' study of over 7,000 consumers was conducted by Opinium in June 2022.



Our colleagues

Diversity and Inclusion (D&I)

We are committed to promoting a dynamic and inclusive workplace in which colleagues of all backgrounds and demographics can work together cohesively and are supported to achieve their full potential. During the year, our Diversity and Inclusion Steering Committee, which is championed by Liz Blythe, non-executive director of the Personal Finance division, expanded its membership to include colleague representatives from across the business, and we have devised a diversity and inclusion strategy with five aspirations leading up to 2026. The committee's remit includes gender, age, ethnicity, LGBTQ+ and disability. Its aim is to support senior leadership in ensuring alignment between the Group's operations and strategic aims, and its diversity and inclusion goals.

Gender

As part of Together's pledge to playing our part in making financial services a more gender-balanced industry, we are proud to be a signatory to the Women in Finance Charter, an integral part of our diversity and inclusion strategy. Our Gender Pay Gap Report 2022 was published in April 2022 and can be found on our website. Together remains committed to increasing the number of women in senior management positions, with targets to increase the percentage of women in that group to 33% by December 2022 and to 50% by the end of 2026. The percentage of women who make up our senior management currently stands at 31% (up from 26% as at September 2021). Pete Ball, Chief Executive of Personal Finance and a member of the Group Board, is the accountable senior executive for gender diversity at Together.

We continue to listen to our colleagues on how we can better create a more inclusive environment for our female colleagues. To date, we have run a number of focus groups dedicated to increasing the number of women in leadership positions across our business and have relaunched our Togetherness group Women@Together.

Ethnicity

We aim to increase the representation of colleagues from underrepresented ethnic groups in senior management positions from 6% to 20% by the end of 2025. As part of this journey, we are consistently working hard to ensure that we promote an inclusive working environment at Together. We value the views and contributions of our colleagues and following feedback, we have made a formal decision to move away from using the acronym 'BAME' to describe black, Asian and minority ethnic individuals and will instead refer to 'underrepresented ethnic groups'.

Age

With 8% of colleagues currently in the over 55 age bracket and an ambition to reach 20% by the end of 2026, we have signed up to become an Age Inclusive employer by accreditation and will now begin to action the charter of commitments we have committed to Age Inclusive employers play a leading role in changing attitudes for the better and challenging age discrimination by changing behaviour and cultures in their own businesses, networks and communities, and reaping the benefits of inclusive recruitment practices. This scheme will allow us to recruit and retain great talent.

Disability

In line with our ambition to have disability metrics in place, we have commenced a series of changes to the HR system to rephrase the disability questions in line with the Equality Act 2010, which are due to be completed in the coming months. In July 2022, we were proud to join the Business Disability Forum and we are currently deciding on future actions to fully utilise their expertise as we progress the inclusion journey at Together. We aim to work with them to improve knowledge and inclusion of disabilities across the business to aid our customers and colleagues with training, inclusion audits and specialist support. Work is underway to increase visibility and awareness of disabilities through internal blog posts and roundtable discussions, which allow colleagues to gain insights and learn how to celebrate individual differences.

Togetherness groups

To help celebrate differences, remove barriers and allow colleagues to fulfil their potential, we currently have a number of networking groups under the 'Togetherness' umbrella:

- Women@Together – To promote a network that champions equality, celebrates and empowers women and provides a safe space to connect at Together
- To connect women from across Together, to share experiences, inspire new initiatives and increase connections
- To raise awareness across Together about issues impacting women in the workplace
- To shine a spotlight on the achievements of women at Together, encouraging women to pursue their goals without bias or barriers
- To play our part in creating a workplace where inclusivity is embedded into everyday decision making and behaviours
- Mind Matters – The network strives to raise awareness of common mental health conditions in the workplace and seeks to promote understanding, and empower anyone experiencing a mental health problem to speak openly about their mental health.
- Kaleidoscope – To celebrate diversity and equality at Together, to ensure every colleague has a voice and is able to flourish, regardless of sexuality or gender identity.
- Young Professionals Network – This group's purpose was to help develop those new in their role and Together, helping them grow their network and develop their career. Following a hiatus due to the pandemic, as a part of the diversity and inclusion strategy we are re-engaging this Togetherness group.

Due to the work done by the existing groups and the positive overall impact they have for diversity and inclusion at Together, we are committed to helping colleagues establish additional Togetherness groups. These will be colleague led and all colleagues are encouraged to play their part in helping Together embrace diversity and inclusion.

Promoting inclusivity

Women in senior management positions

33%

by December 2022

50%

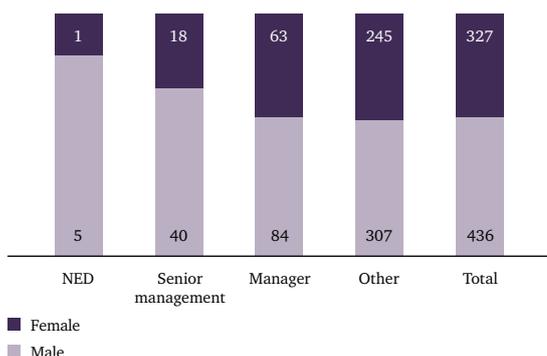
by the end of 2026

Colleagues from under-represented ethnic groups in senior management positions

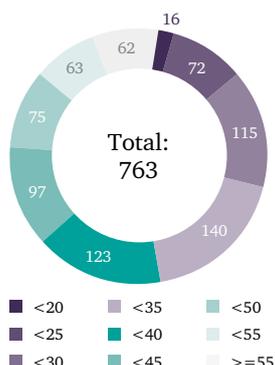
20%

by the end of 2025

Our people in numbers



Age



Colleagues' wellbeing

We place great emphasis on the wellbeing of all of our colleagues and based on the feedback we receive, we are able to continuously improve. We have established annual and quarterly colleague surveys, scored on a 1-10 scale. During the year, we achieved an engagement score of 8.0, and in the last round, after year-end, a score of 8.2, demonstrating strong engagement and a high level of colleague input.

In addition, we have introduced a number of initiatives to support the mental wellbeing of our colleagues throughout their careers with Together. We have introduced mandatory mental health awareness training for all of our people managers to ensure that these individuals are equipped with the skills to allow them to better identify colleagues who may benefit from mental health support.

We have also established assistance schemes such as an Employee Assistance Programme that offers support to all of our colleagues on a wide range of matters, such as mental health support, with eight free counselling sessions available. Another scheme, 'Able Futures', provides support to those who live with mental health difficulties and offers a nine-month programme with a vocational coach.

Additional assistance is offered through an internal network of 'Wellbeing Champions' who provide colleagues with a safe and confidential environment to talk about their mental health, and give guidance on where to seek support. Wellbeing Champions received specific training, and enable any colleague experiencing a mental health problem to speak openly about the impact it has on their day-to-day lives.

In light of the current economic situation characterised by the increased cost of living, we have enhanced our colleague value proposition to further support colleagues now and in the future. Colleagues have been given a £2,000 fuel allowance to help with their winter bills, increased life assurance cover, increased remuneration following a salary review, early payment of our bonus scheme, increased holiday entitlements, free daily breakfasts, and monetary recognition for long service from 2 years' service which previously started at 5 years.

Investors in People

We are proud of the business we have built together and have a history of investing in the development of our colleagues, helping them to realise their ambitions. This year we applied for the 'Investors in People' accreditation to help us assess progress against our strategic objectives and to guide our plans for the future.

We set an ambition to obtain silver accreditation by the end of 2023 and then work towards gold accreditation. In August 2022, after the year-end, we were awarded Investors in People silver accreditation, taking the first step in meeting our objective to achieve external recognition for our investment in our colleagues, 18 months ahead of our plan. This exemplifies the culture at Together, and is evidence of the steps taken to empower and involve our colleagues, creating sustainable success.

Learning and development

As an organisation, we recognise the importance of developing our future talent pipeline to ensure we achieve ongoing business success and to deliver our sustainability ambitions through the organic growth of our people. We have a graduate programme, apprenticeship programme and offer professional qualifications and apprenticeships.

Graduates offer the business a dynamic and innovative approach to the way in which we do things. We are proud to have recruited 12 graduates in 2021 and in 2022 this number will rise to 14. As an alternative for those who do not attend university but wish to enter the world of work, our apprenticeship programme allows apprentices to build experience, skills and confidence, while gaining recognised qualifications. In 2021 we recruited 13 apprentices and in 2022 we are recruiting 8. Over the course of the two years, we have successfully supported over 60 colleagues through a professional qualification or an apprenticeship.

Supporting our people

55+ colleagues

20%

by the end of 2026

INVESTORS IN PEOPLE
We invest in people Silver

Silver accreditation

by the end of 2023

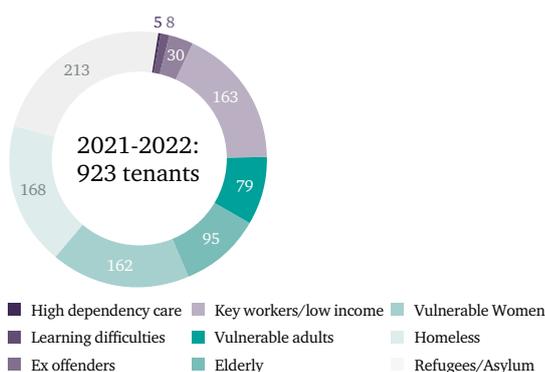
work towards

Gold accreditation



Our Community

Social housing by demographic



Social housing

In January, we officially launched Together's social housing initiative, following years of funding in this space, as a dedicated taskforce in partnership with regulated housing associations to help ease the UK's shortage of available homes. We currently work with five for-profit providers as well as numerous private social housing landlords. Due to the funding gap in the sector, with smaller housing associations not being funded, as well as 1.3 million people still on social housing waiting lists, we believe that it is important for us to help to alleviate that national crisis by playing our part.

We have experienced colleagues who are used to helping deliver funding projects for housing associations and are able to move quickly to do this in the right way to support the vulnerable. As a strong and well-funded business, we also have the capital to support this initiative and the regulator, social housing lawyers and social housing valuers to guide us.

In the last year, we have been able to provide funding for 148 properties, securing homes for 923 tenants. The individuals housed ranged from refugees and asylum seekers to low-income individuals, key workers and the elderly, and we are delighted to be progressing with our target of helping to finance 1,000 affordable properties by the end of 2025.

Let's Make it Count

During the past year the structure of our colleague-led 'Let's Make it Count' programme has been updated. By streamlining activities from the previous six pillars into four pillars, it has provided us with a more focused approach to community engagement.



Our aim is to drive engagement in community support and whilst all of the pillars align to this, to do this most effectively, we have decided to focus our efforts on the following core areas:

- Local communities
- Charities
- Training and mentoring for young people
- Environmental

The revised framework:

Let's get Giving – Fundraising programme of events that spans across local, regional and national campaigns to help a wide range of worthy causes.

Let's get Caring – Working with a range of local charities and organisations, offering support to different groups within our community.

Let's get Sharing – Our training and mentoring programmes are supported by colleagues from across the business, helping local school and college students.

Let's get Green – Passionate about creating a greener working environment for colleagues, reducing our environmental footprint as a business and making a difference to the local area.

We have also committed extra resources to our Let's Make it Count programme, which included creating a permanent role to help coordinate and maximise the impact of the programme. By offering all colleagues the opportunity to have two days annually of volunteering allowance we have created a framework, aligned with the programme for our colleagues to volunteer at our chosen charities, as well as being able to volunteer at a registered charity of their choice.

Next year, we aim to capitalise on the streamlined Let's Make it Count programme and our colleagues' engagement with our existing charity partners, as well as charities of their choosing to deliver an increasingly positive impact on our local community.

Donations and fundraising

As well as aiming to deploy in excess of £1m in the community through our Let's Make it Count programme in FY23, throughout the year, Together and our colleagues donated and helped raise the following:

	Value (£)
Total	Over £240,000
Together	Over £206,000
Colleague fundraising	Over £34,000

In August 2022, we agreed a partnership with Reaseheath College, spanning 5 years. Their unique construction department provides industry-led full time and apprenticeship courses. Learners develop a range of specific skills in three distinct trade areas, alongside professional tradespeople. Their world-class facilities and industry focused technical courses help support continued student success.

Tax Strategy

We are aware that the taxes we pay are part of our contribution to society and, therefore, take our tax compliance obligations seriously. In the year ended 30 June 2022, we paid £24.5m of corporation tax. We aim for our tax affairs to be transparent and do not pursue aggressive interpretations of tax laws. The Group are committed to having an open and transparent relationship with HMRC and we respond to their queries in a timely and appropriate manner.

Political donations

During the year, neither the Group nor the Company made any political donations.

Investing
in our
community

Finance
1,000
affordable
houses

by the end of 2025

Deploy in
excess of
£1m in the
community

in FY23

Realising ambitions to build communities



Our partnership with Together over the last fifteen years has been vital in enabling our business, and the communities we are building, to grow. We are thrilled to continue our collaboration and take the next phase of the Climate Innovation District forwards.”

Chris Thompson
MD of Citu



£2.2bn

of new loans originated
by our Commercial
Finance division

Together has supported Citu, the pioneering sustainable developer behind the regeneration of large swathes of Leeds city centre on both banks of the River Aire.

The finance provided by Together will allow Citu to start building the latest residential phase of its Climate Innovation District, which, once complete, will be a leading community of more than 1,000 new low carbon, timber-framed homes underpinned by climate conscious leisure, offices, a primary school, care home and a state-of-the-art facility where the buildings are manufactured.

“

Citu has an amazing vision, which in many ways ties in with our own as a lender in supporting schemes that not only make a massively positive difference to the immediate local community but which also have a positive effect on the much wider population.”

Ian Pickering

Head of Development Funding



Realising ambitions for supported living

“

We are delighted to have completed this deal which represents our largest single investment yet. With households currently facing significant financial instability at the very same moment house prices continue to rise, the need for supported housing has never been more pressing. This deal will go a long way towards achieving our ultimate goal of helping to solve the UK’s homelessness crisis and ensuring the most vulnerable members of our society have access to a home.”

Guy Horne
CEO and co-founder at HSPG



Together won the Business Moneyfacts award for Innovation in the SME Finance Sector for our social housing funding initiative

Together partnered with HSPG, one of the UK’s leading social impact real estate firms, to deliver 592 units of low-level supported housing.

The landmark deal – HSPG’s largest single investment to date of over £70m – will see the firm work with six housing providers across 18 local authorities in delivering this vital accommodation.

 [View this story online](#)

“

As a business with an established reputation in the property sector, we’re absolutely committed to accelerating the delivery of inclusive communities and affordable homes, and we’re delighted to have partnered with HSPG on the delivery of this significant deal.”

Alex Bodie
Head of Social Housing



Further information

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