DebtManagers

We believe in creating a fairer financial world.

By changing the way customers in financial difficulty are managed.

Our story.

We've spent years helping everyday Kiwis get through tough financial times, recognising that empathy and fairness is a more socially responsible way to recover bad debt.

But while we've been committed to making it easier for customers, some continue to penalise by adding excessive interest and fees. This approach makes it much more difficult for people who are already struggling, to become debt free.

We don't think that's right, so this year we've decided to tell our story and challenge the status quo. Changing our name to DebtManagers is part of that. It signals how we rehabilitate customers with fairer repayment plans and relationships built on trust and respect. How managing people out of debt protects brand reputations while still delivering the fairest value realisation. It works because we've created a successful business based on this principle of fairness.

Our goal is to work with more Kiwi businesses who share these values and make an even bigger difference to the customers, companies and communities we work with.

From

Debt collection

Old, out-of-date methods.

To

Debt management

Modern, empathetic and empowering approaches.

So what is debt management?

- Knowing that putting people first pays off.
- Acquiring delinquent debts to enable rehabilitation of customers.
- Not adding excessive fees or interest.
- Incentivising customers so they wish to make fair and sustainable payments.
- Engaging in trust-based negotiations with vendors, suppliers, and customers.
- Visiting communities, talking with financial mentors, debtors and any other interested third parties.
- It's fair to assume customers with a contract understand they have an obligation to repay their debt.

Social Impact

Social value breakdown

DebtManagers creates social value across different aspects of people's lives.

Social Value
$160m

Social Return on investment
$1:10.40

Social value generated for each participant
$2,497

*External and independent quantitative validation of outcomes by **Impact Lab**.

Better for your customers

21 Total NPS score

"Thank you for helping me to settle my outstanding account. The reason that got me to finally do something about it was the compassion and dignity the staff showed to me."

David.

"Everyone else wanted me to pay heaps per week but you listened and treated me fairly."

Cheryl.

Best practice and validation

Definition of best practice

Tell JO – Are you ok? –

Access Easy English

External validation

ImpactLab

NZ only but expanding into Australia

AUT

Underlying reports available on request

Managing Wellness through TellJO

Our TellJO programme has been recently implemented as we strive to provide wellbeing and support for our vulnerable customers.

TellJo is an independently developed digital platform that facilitates wellbeing assessments for our customers. It also provides access to resources for financial, physical, and mental health support.

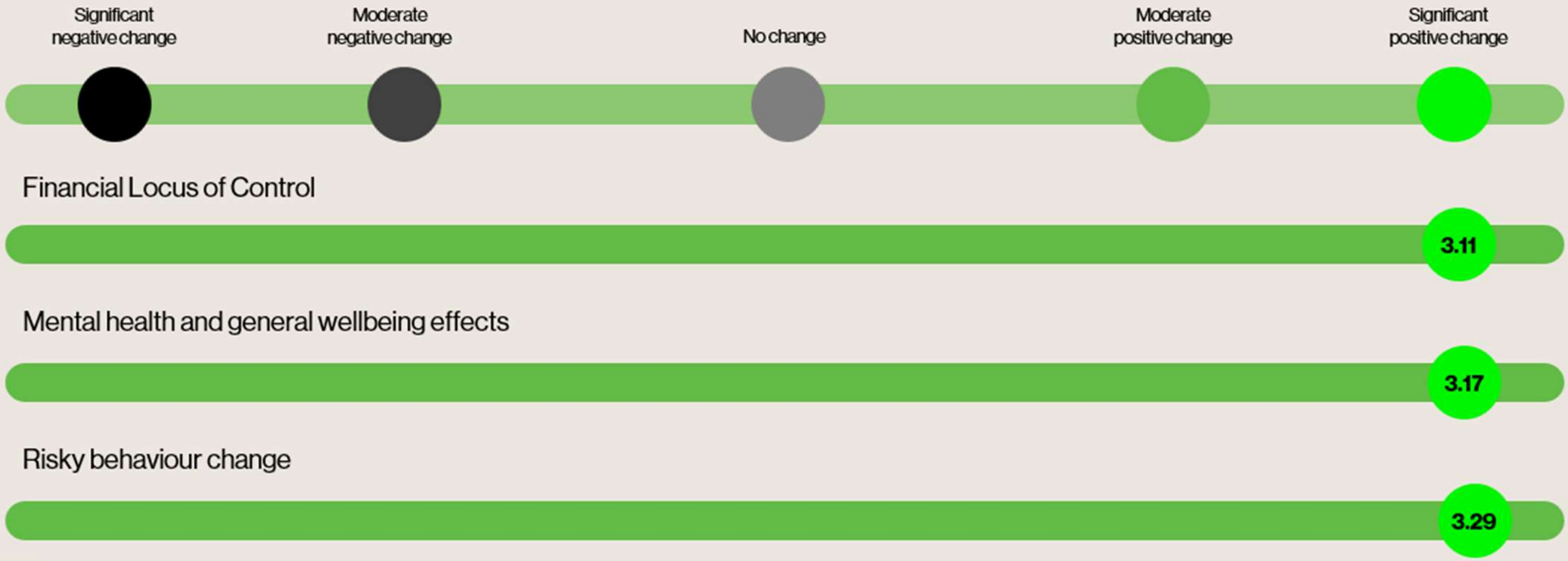
At **DebtManagers** we understand that life can bring different challenges which can affect how our customers manage their money.

All of our support services are tailored to our customers needs and their location (using our broad community resources).

Some of the ways we can support our customers with wellness needs identified through **TellJO**

Auckland University of Technology

DebtManagers commission AUT academic researchers to conduct a study in 2024 to test whether beginning the debt management process with us improves a customer wellbeing.



DebtManagers

Auckland University of Technology - Conclusions

Key finding of the report:

The results discussed in this report show clearly that, in the highly stressful situation of both voluntary and involuntary debt management arrangements, DebtManagers clients reported that, **because of their interactions with DebtManagers, they experienced strongly positive improvements in mental health and wellbeing, Financial Locus of Control and behaviour.**

While international research shows that ‘traditional’ debt management often exacerbates a raft of negative outcomes for clients, in the 29 items across the three scales this report measured, **not one item showed a statistically significant negative outcome for DebtManagers clients.** Given the fraught context of debt management, this is remarkable.

The findings in this report suggest that there are **opportunities for DebtManagers to further invest in and develop** the positive learning impacts their approach makes in clients Financial Locus of Control, financial literacy and general understanding of debt management.

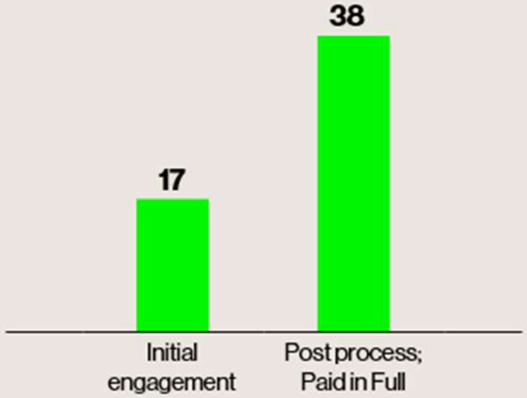
There is strong evidence that this learning impact is associated with improved mental health and wellbeing outcomes. There also appears to be an opportunity to **continue to develop face-to-face visits by DebtManagers staff to the clients’ homes.**

It is also noteworthy that almost a quarter of all respondents self-identified as neurodiverse. There may be opportunities in the future to adapt DebtManagers communication to more effectively meet the needs of neurodiverse clients.

Read the full report on our customer outcomes

Net Promoter Score

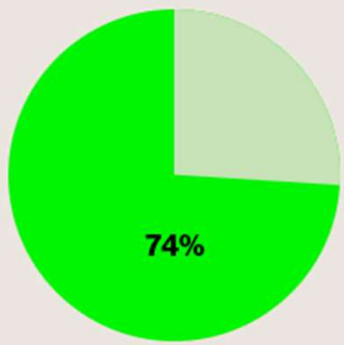
Overall NPS - financial year to date
(commencing June 2024)



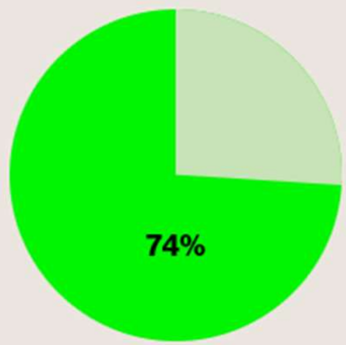
NPS results show that our customers are initially disenfranchised. Our fairer process guides them through the repayment journey and NPS more than doubles through the engagement.

We asked our customers three questions to measure their satisfaction and our brand and service perception.

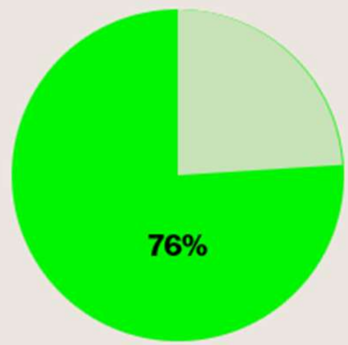
I was treated fairly and provided a simple way to repay my debt.



DebtManagers not adding extra fees helped me pay my debt back easily.



I wish other debt collectors and government collection staff treated me like **DebtManagers**.



Customers are Likely or Highly Likely to agree with the above statements.

Writing off debt, not people.

Like most Kiwis, DebtManagers believes that when you borrow money or use a service there is an obligation to pay back the amount you agreed to. It's how the economy thrives and is fair.

We also realise there are times when paying your debts back can be difficult due to health, job loss or other issues. So we've developed the DebtManagers Debt Relief Programme to write-off up to $1,000,000 of debt when it's the right thing to do.

In other words, we'll wipe some or all of the amount your customer owes to allow them the chance to get back on their feet. There are conditions that apply and as a financial mentor, you can ask for debt relief on behalf of your customer.

To find out more about this ground-breaking scheme, please visit debtmanagers.co.nz.

FM frequently asked questions

What is the best way to contact DebtManagers?
- DebtManagers main line - 0800 683 738
- Leanne Carter, Wellness and Vulnerability Manager - 0800 740 008 / lcarter@debtmanagers.co.nz
- Chris Fifita – 022 525 9738 / cfifita@debtmanagers.co.nz
- financialmenor@debtmanagers.co.nz

What is the DebtManagers Debt Relief Programme criteria?
- The customers circumstance dictates the request, we are not the professionals so we rely heavily on your assessment and therefore recommendation. So we encourage you to apply and we'll do our best to help.
- Engagement with a Financial Mentor for 3 months
- If after the affordability assessment the customer is in a position to enter into a payment plan throughout the 3 months period, we encourage the customer makes payments.
- No legal escalation has taken place on the matter.

FM frequently asked questions – cont.

Do you really have an in-house Financial Mentor?

- Yes, our Wellness & Vulnerability Manager Leanne Carter was in the FM space for 8 years before joining the team.
- Her expertise an insights is continuing to shape our systems and process particularly for our customer facing teams.

Can you take over the all my customer/client debts that are with other creditors?

- We'd love to, however we can only action debt that has been assigned to DebtManagers
- You are more than welcome to ask them if they would like to assign the matter to us.

How can we add our FM service to the DebtManagers FM network on the website?

- Contact us with your service name, address and phone number.

How can I make a complaint ?

- Please call me (022 525 9738) or you can email complaints@debtmanagers.co.nz
- If you aren't satisfied with our decision, you can refer the complain to the Insurance & Financial Services Ombudsman (IFSO) an external, independent and impartial disputes resolution scheme and its free (www.ifso.nz)

Have more questions ? Please don’t hesitate to come see me or give me a call.

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