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Renewed five-year focus for Credit Corporation

Credit Corporation (PNG) Limited's Board has set a new strategic direction for the organisation for the next five years, focusing on an enhanced customer experience in its finance business and a broader range of lending products that deliver on customer needs and business efficiency.

The renewed focus will deliver benefits for customers, as well as shareholders and employees, further cementing Credit Corporation's long-standing commitment to helping customers achieve their financial objectives.

Recently appointed Chairman Syd Yates said Credit Corporation was prepared to take a bolder stance on enhancing the customer experience from beginning to end, by leveraging the disruption taking place across the financial services industry.

"We now live in a world where customer perceptions are being shaped by disruptive technologies across various sectors and businesses," Mr Yates said.

"Organisations that do not respond to these changes are at risk, and our regulators are also looking to financial institutions to not only comply with the law, but also deliver services and products that align with evolving community needs and expectations.

"We are facing new demands from customers and we need to continue to adapt to these changing demands and position ourselves to maximise the opportunities for growth.

"With more than 40 years' experience in the South Pacific, we hope to create an experience that will appeal to retail and business customers at any stage of life."

The organisation's new strategic direction is ultimately driven by its new vision — to be the best performing financier in every market it operates in terms of customer experience and profitability.

Chief Executive Officer Peter Aitsi said as the Group embarks on its new strategic direction and brings about necessary changes, Credit Corporation's initial focus will be on a number of key priorities including financial performance, customer value, core systems and processes, and people.

"From a finance perspective, we will be investing in capability and growing the segment through digital competency, distribution maturity and a prudent funding strategy," Mr Aitsi said.

"We will also be seeking growth opportunities via M&A, geographic expansion and distribution network.

The property and investment businesses are key capital generating segments of Credit Corporation that support our finance business.

"In terms of property, we will be sharpening our focus on further lifting property presentation and maximising yields, and building a longer-term strategy for maximising asset performance.

"Another key business unit initiative is the diversification and optimisation of our investment portfolio, without capital or revenue impact, as a hedge against cyclical downward trends in other sectors."

With the right leadership in place, Credit Corporation remains positive as it progresses through the transformation, ensuring its governance structures and processes are also evolving and maturing at the same time.

"Our aim is to strengthen our risk and compliance structures to meet the ongoing requirements of regulators across the Pacific as we move towards best practice," Mr Aitsi said.

"This will be particularly important given our adoption of new International Financial Reporting Standards together with increased regulatory requirements that will have significant strategic, financial and compliance considerations for the Group."

Mr Aitsi said the impact of adopting the new standards, in addition to increased compliance costs, and ongoing challenging conditions in key markets will have implications for the Group's full year results and growth prospects.

Mr Aitsi said the time was now right for Credit Corporation to fully unlock the value of the long-term relationships it had forged across the Pacific communities it has served for more than 40 years.

"We will achieve this by looking to further our partnerships with companies and business leaders who want to make a difference in the communities where we operate," he said.

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About Credit Corporation (PNG) Ltd:

Credit Corporation (PNG) Limited commenced business in 1978 as a general finance company. It has grown successfully to become recognised as one of Papua New Guinea's most progressive institutions. For more information about Credit Corporation PNG visit: www.creditcorporation.com.pg