

Business model and strategy

What we do

To insurance-minded homeowners, we provide policies to cover a range of home emergencies via subscription-based Membership services. The cost of repairs covered under our policies is underwritten by third-party insurers, to insulate us from surges in demand and ensure that we can always put our customers' needs first. Our HVAC installation, repairs and servicing capabilities mean that we can participate in the domestic green energy revolution by promoting eco-friendly sources of heat and cooling.

In Membership & HVAC, our established route to market is via partnerships with utilities and municipalities, for whom we are an important source of added value. Our data-rich marketing approach and careful product design help us to grow our customer base. Our customers stay with us because of the excellence of our customer service and the peace of mind our annual cover gives them. Our local networks of employed and subcontracted trades ensure consistently high service standards whenever we visit a customer's home.

For people who prefer to deal with issues as they arise ('Home improvers'), and DIYers who need specialist help, we have online, on-demand Home Experts platforms that match homeowners with local trades (tradespeople) – Checkatrade in the UK; eLocal in North America; Habitissimo, principally in Spain, Portugal and Italy; plus a minority interest in maison.fr in France.

In Home Experts, trades are our customers, and our job is to match them with consumers who need their services in their local area. We help them to grow their business by providing customer contacts and quote requests, and also manage their reputation with trustworthy online reviews.

We run our business in three largely autonomous divisions, which all benefit from our five key sources of value, these evolve as our business grows. Capital allocation decisions are made at Group level, for the benefit of the business as a whole.

Our Responsible business framework spans our three divisions and defines the way we work. We share expertise in managing environmental, social and governance risks. We are passionate about contributing to positive change in our industry – for example by promoting environmentally friendly energy sources and creating trades apprenticeships.

By giving our businesses autonomy, and collaborating to share expertise and experience, we aim to deliver strong, consistent earnings growth and move towards our vision of being the world's largest and most trusted provider of home repairs and improvements. We aspire to be able to do every job, in every home.

See page 10 for Market overview.

See page 20 for our Responsible business.

See page 32 for Principal risks and uncertainties.

Our key sources of value

David Bower, Chief Financial Officer, HomeServe plc

"HomeServe is built on five key sources of value, the combination of which is unique to us."



Partnerships: we create connections which generate value for all parties. In Membership & HVAC, we connect utilities and municipalities, homeowners and trades, in a network of relationships which is unique to us. In Home Experts, we connect consumers and trades and provide unique value add, such as the Checkatrade Guarantee. Our expertise at forming strong partnerships has taken years to build and is a competitive differentiator.



Capacity for innovation: in Membership & HVAC, we are constantly refreshing our customer and partner propositions to optimise customer growth and develop our affinity partnerships. Green energy is a key current focus, where we are promoting solutions to challenging aspects of the green homes revolution such as the cost of moving to an alternative heating and cooling source. In Home Experts, we are developing a unique business model to match consumers with quality trades to get jobs done well.



Customer obsession: we cherish our reputation for strong customer service by putting our customers at the heart of everything we do. In Membership & HVAC, our customers are homeowners and in Home Experts, our trades are our customers.



Trades network management: in both Membership and Home Experts, we create and manage networks of trades to deliver great service to consumers. These networks have taken years to optimise and perfect.



Financial resources and expertise: we are disciplined in the way we deploy capital and have clear processes in place to decide where we will, and will not, invest.

