

# Q2 SME PULSE SURVEY

We know the knowledge of our broker panel is our best resource when it comes to understanding the EMS lending market.

That's why we've launched our SME Pulse Survey. Our goal is to provide a quarterly snapshot of the borrowing trends of small business owners and track patterns over time which we can share with you.

Q2 data is based on the insights of 86 brokers on our commercial lending panel. If you'd like to take part in our next SME Pulse, keep your eyes peeled for the next survey hitting your inbox.

## KEY HEADLINES FOR Q2

**48%**

of brokers feel SMEs' appetite for external finance is increasing

**42%**

find it difficult to access finance on behalf of their clients

**50%**

Believe introducing new technology could help improve SMEs access to credit

Those surveyed said the most common reason for taking out loans among SMEs was for growth and business expansion.

Most brokers surveyed haven't seen borrowing to fund net zero actions in the last six months, but most do see retrofit as a potential opportunity for additional lending.



"Small businesses have had a difficult few years, so it's encouraging that some of the brokers on our panel are seeing business confidence returning and more SMEs looking to expand. These businesses are the lifeblood of the UK economy, so we continue to work together with brokers to support and grow as many of the nation's small businesses as possible."

**Tom Renwick**  
Head of Business Banking

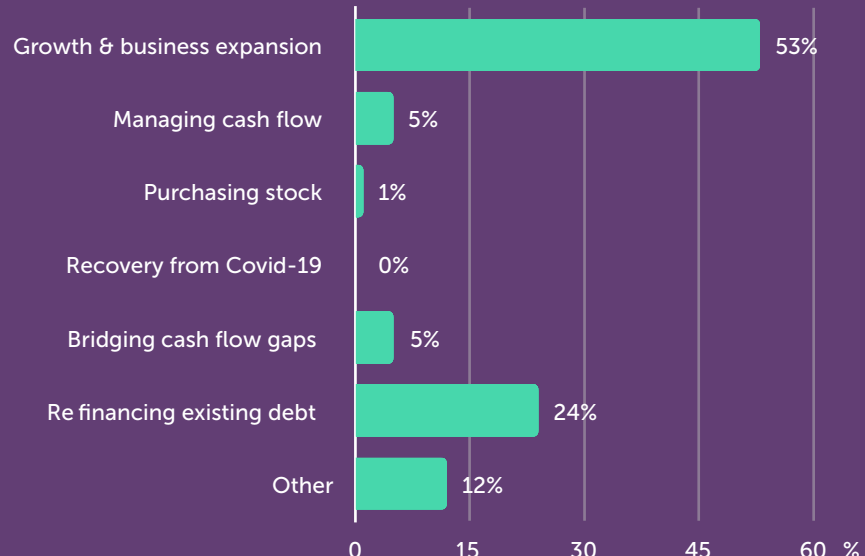


"Looking at the businesses we have worked with, plenty of firms are looking to expand despite choppy conditions, and it's up to lenders and brokers to provide easy access to the funding they need. The wider industry has lagged behind the technological leaps made in the mortgage market for a long period of time, but is crying out for a step change in terms of speed, ease and certainty. Automated decisioning and timely access to financial information to allow lenders to facilitate this are key to delivering the service that customers and brokers demand."

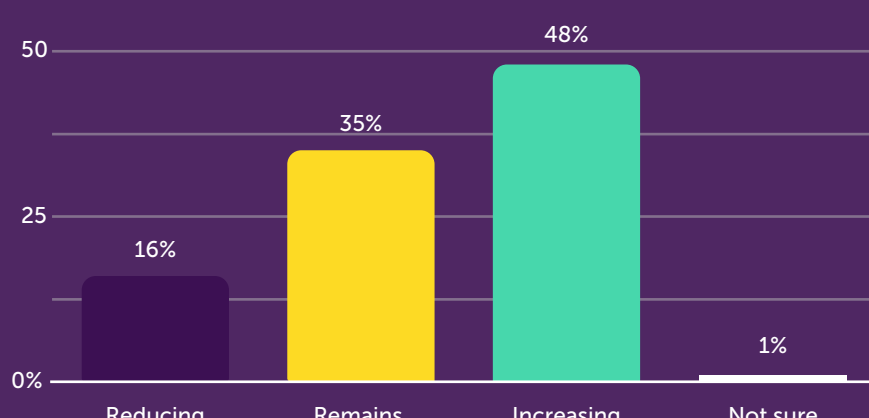
**David Castling**  
Head of Intermediary Distribution

## THE RESULTS

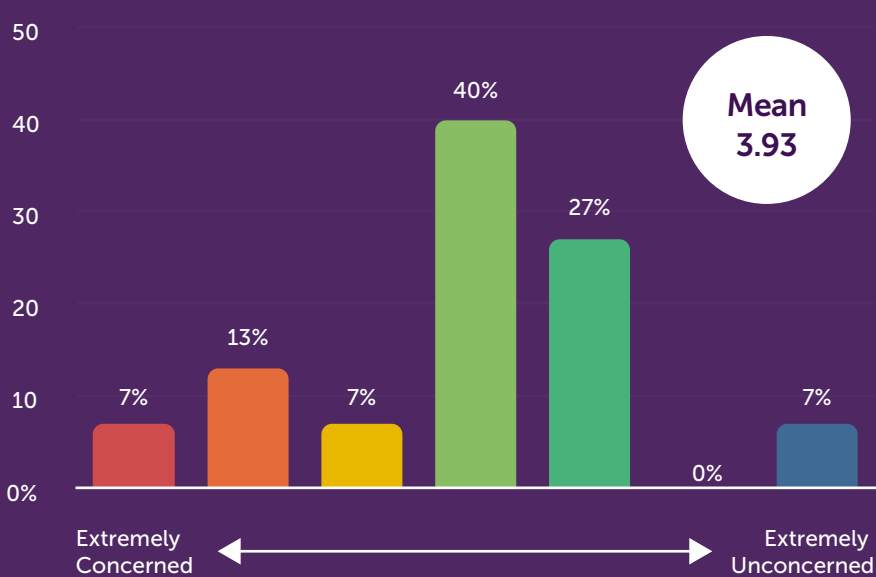
### 1. What is the most common purpose for taking out a loan among your clients?



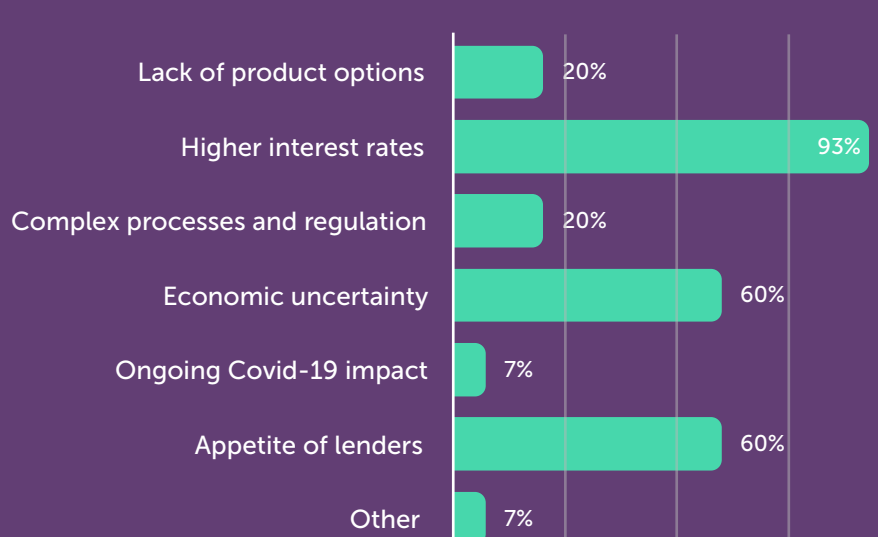
### 2. Do you believe that SMEs' appetites for external finance is increasing or reducing?



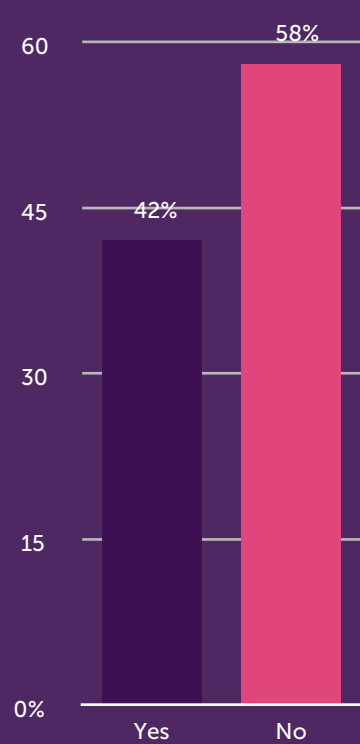
### 3. How concerned or unconcerned are you that SMEs' appetite for external finance may decline?



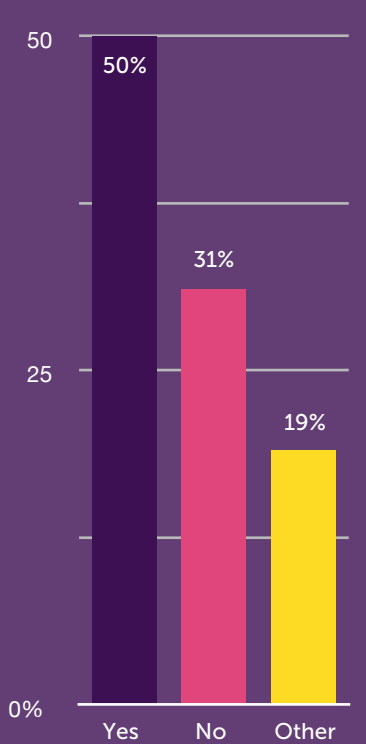
### 4. What do you think is causing any potential slow down in appetite for business lending?



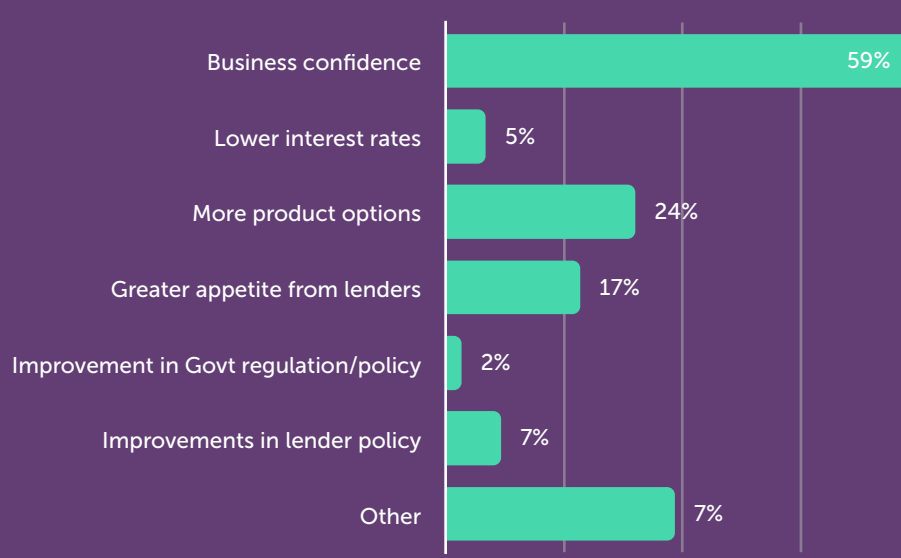
### 6. Do you currently find it difficult to access financing on behalf of your clients?



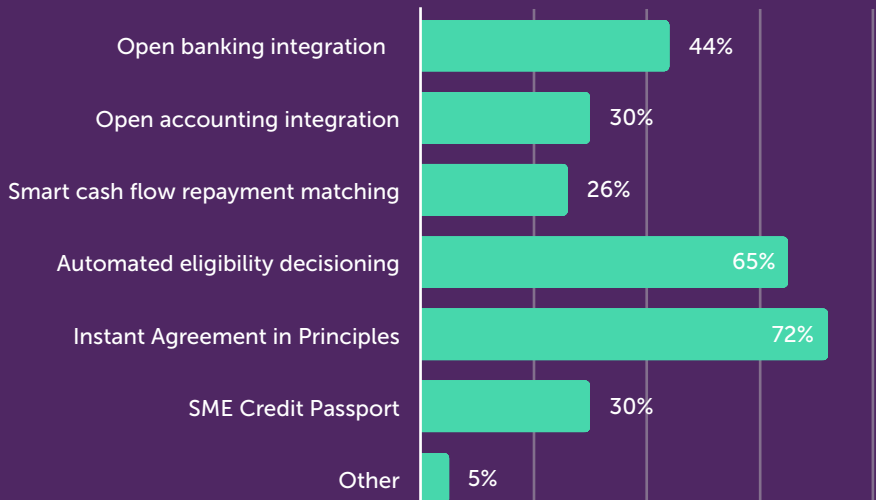
### 7. Do you believe the introduction of new technology would improve SMEs' access to credit?



### 5. Why do you think that SMEs' appetite for external finance may be increasing?



### 8. What technology do you think would be beneficial?



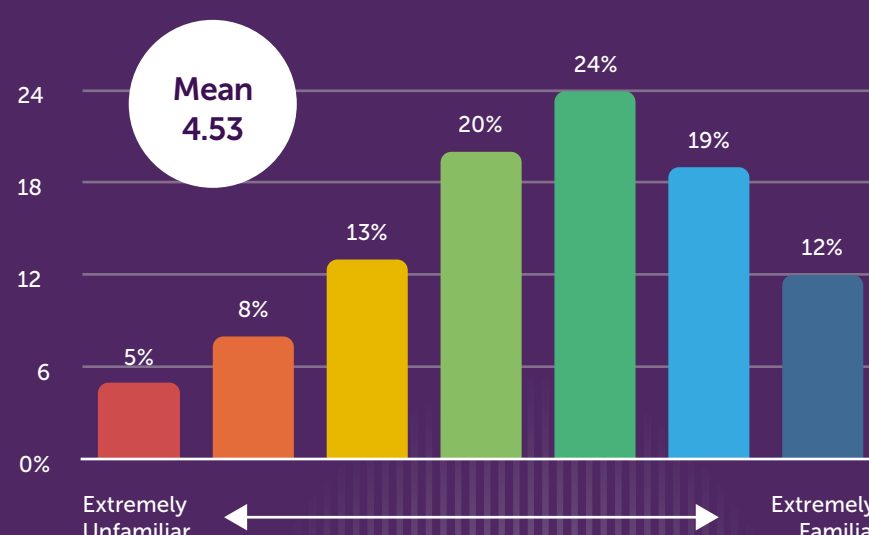
### 9. Have you seen a rise in your clients accessing finance to support net zero actions in the last six months?



### 11. Do you see the shift to net zero and the retrofit of the UK's non-residential building stock as a potential opportunity for additional lending?



### 10. How familiar or unfamiliar are you with the Government's tightening of the rules around the Minimum Energy Efficiency Standards (MEES) Regulations which came into effect from 1 April 23



# THANK YOU