

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, you are recommended to seek your own financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000, as amended if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.

If you have sold or otherwise transferred all your shares in Hargreaves Lansdown PLC (the “**Company**”), please send this document, together with the accompanying Form of Proxy, as soon as possible, to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected for delivery to the purchaser or transferee. If you have sold or otherwise transferred only part of your holding, you should retain these documents.

HARGREAVES LANSDOWN PLC

(Incorporated in England and Wales with registered no. 02122142)

Proposed Related Party Transactions and Notice of General Meeting

Sponsor

Barclays

This document should be read as a whole. Your attention is drawn to the letter from the Chairman which is set out on pages 5 to 7 of this document.

Notice of a general meeting of Hargreaves Lansdown PLC to be held at 11.00 a.m. on 7 March 2017 at the office of Numis Securities Ltd at The London Stock Exchange Building, 10 Paternoster Square, London EC4M 7LT is set out on pages 18 to 22 of this document. Details of the action you are recommended to take are set out on page 7 of this document. Whether or not you plan to attend the General Meeting, please complete the enclosed Form of Proxy and return it in accordance with the instructions printed on it as soon as possible, but in any event so as to be received by the Company’s registrars, Equiniti, at Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA, by no later than 11.00 a.m. on 3 March 2017 (or, in the case of any adjournment, not later than 48 hours (excluding non-working days) before the time fixed for the holding of the adjourned meeting). Alternatively, if you hold Ordinary Shares in uncertificated form, you may also appoint a proxy by completing and transmitting a CREST proxy instruction in accordance with the procedures set out in the CREST Manual ensuring that it is received by Equiniti by no later than 11.00 a.m. on 3 March 2017 (or in the case of any adjournment, not later than 48 hours before the time fixed for the holding of the adjourned meeting). The completion and return of a Form of Proxy or using the CREST electronic proxy appointment service will not prevent you from attending, speaking and voting at the General Meeting, or at any adjournment of such meeting, in person should you wish to do so.

This document should be read in conjunction with the accompanying Form of Proxy and the definitions set out in this document. The whole of this document should be read and, in particular, your attention is drawn to the letter from the Chairman.

No person has been authorised to give any information or make any representation other than those contained in this document and, if given or made, such information or representation must not be relied on as having been so authorised. The delivery of this document shall not, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date of this document or that the information in it is correct as at any subsequent time.

Barclays Bank PLC (“**Barclays**”), which is authorised by the Prudential Regulation Authority (the “**PRA**”) and regulated by the Financial Conduct Authority (the “**FCA**”) and the PRA in the United Kingdom, is acting solely for the Company in relation to the matters set out in this document (the “**Transaction**”) and nobody else and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Barclays nor for providing advice in relation to the Transaction or any other matter referred to in this document. Apart from the responsibilities and liabilities, if any, which may be imposed upon Barclays by the Financial Services and Markets Act 2000, as amended (“**FSMA**”) or the regulatory regime established thereunder, Barclays does not accept any responsibility whatsoever or make any representation or warranty, express or implied, concerning the contents of this document, including its accuracy, completeness or verification, or concerning any other statement made or purported to be made by it, or on its behalf, in connection with the Company or the Transaction and nothing in this document is, or shall be relied upon as, a promise or representation in this respect, whether as to the past or future. Barclays accordingly disclaims, to the fullest extent permitted by law, all and any responsibility and liability whether arising in tort, contract or otherwise (save as referred to in this document) which it might otherwise have in respect of this document or any such statement.

TABLE OF CONTENTS

EXPECTED TIMETABLE OF PRINCIPAL EVENTS	3
DIRECTORS, COMPANY SECRETARY AND ADVISERS	4
PART I — LETTER FROM THE CHAIRMAN	5 to 7
PART II — BUSINESS OF THE GENERAL MEETING	8 to 11
PART III — ADDITIONAL INFORMATION	12 to 15
PART IV — DEFINITIONS	16 to 17
PART V — NOTICE OF GENERAL MEETING	18 to 22

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

	Time and Date
Publication of this document	8 February 2017
Latest time for receipt of individual Forms of Proxy for General Meeting	11.00 a.m. 3 March 2017
Voting record date	6.30 p.m. 3 March 2017
General Meeting	11.00 a.m. 7 March 2017

Future times and dates are indicative only and are subject to change by the Company. If the expected timetable of events changes from the above, the Company will release an announcement to this effect.

References to time in this document are to London time.

DIRECTORS, COMPANY SECRETARY AND ADVISERS

Directors

Mike Evans (Chairman)
Ian Gorham (Chief Executive)
Christopher Hill (Chief Financial Officer)
Christopher Barling (Senior Non-Executive Director)
Shirley Garrod (Non-Executive Director)
Stephen Robertson (Non-Executive Director)
Jayne Styles (Non-Executive Director)

Company Secretary Judy Matthews

Sponsor

Barclays Bank PLC
5 The North Colonnade
Canary Wharf
London
E14 4BB

Lawyers

Osborne Clarke LLP
One London Wall
London
EC2Y 5EB

Registrar

Equiniti
Aspect House
Spencer Road
Lancing
West Sussex
BN99 6DA

PART 1 – LETTER FROM THE CHAIRMAN

HARGREAVES LANSDOWN PLC

(Incorporated in England and Wales, with registered no. 02122142)

Directors

Mike Evans (Chairman)
Ian Gorham (Chief Executive)
Christopher Hill (Chief Financial Officer)
Christopher Barling (Senior Non-Executive Director)
Shirley Garrod (Non-Executive Director)
Stephen Robertson (Non-Executive Director)
Jayne Styles (Non-Executive Director)

Hargreaves Lansdown PLC
One College Square South
Anchor Road
Bristol
BS1 5HL

8 February 2017

Dear Shareholder,

Notice of General Meeting and Proposed Related Party Transactions

1. Introduction

The Board has become aware of a technical issue in respect of the payment of a number of historic dividends paid by the Company. The Relevant Distributions affected by this issue are set out in paragraph 1 of Part II of this document.

The Companies Act 2006 (and before that, the Companies Act 1985) provide that a public company may pay a dividend out of its distributable profits as shown in the last accounts circulated to members or, if interim accounts are used, those that have been filed at Companies House. The requirement for the relevant accounts to have been circulated to members or, in the case of interim accounts, to have been filed at Companies House applies even if the Company in question has sufficient distributable profits at the relevant time.

The Company has always filed its statutory annual accounts on time in accordance with the requirements of the Acts, and at all times had sufficient profits and other distributable reserves to justify the Relevant Distributions.

However, the Company has not satisfied the following procedural requirements of the Acts before making the Relevant Distributions:

- (a) the Company did not file interim accounts at Companies House before making the Relevant Distributions in March 2008, April 2011, April 2012, April 2013 and March 2016 (the Company's previously filed accounts not showing sufficient distributable profits). In each case this constituted a procedural breach of section 838(6) of the 2006 Act (and section 272 of the 1985 Act in respect of the Relevant Distributions made in 2008) that requires a copy of the interim accounts to have been delivered to Companies House;
- (b) although interim accounts were filed by the Company at Companies House prior to the Relevant Distributions paid in April 2014 and February 2015, they were prepared on a consolidated basis and did not include a Company standalone balance sheet. This is permitted under the FCA Handbook but does not satisfy the requirements of the 2006 Act to justify the payment of the Relevant Distributions (the Company's previously filed accounts not showing sufficient distributable profits), as the interim accounts did not specifically set out the distributable profits of the Company. In each case this constituted a procedural breach of section 838(1) of the 2006 Act that requires the interim accounts, which have been filed, to show the profits of the Company available for distribution; and
- (c) the annual accounts for financial years ended 30 June 2008, 30 June 2009, 30 June 2010, 30 June 2011 and 30 June 2012 were circulated to members after the payment of the Relevant Distributions on 30 September 2008, 30 September 2009, 29 September 2010, 29 September 2011 and 28 September 2012 (the Company's previously filed accounts not showing sufficient distributable profits). In each case this constituted a procedural breach of section 837(1)(a) of the 2006 Act which requires that the accounts were circulated to the members, in order that they can be used to justify the payment of a dividend.

Therefore, regrettably, the Relevant Distributions were made otherwise than in accordance with the Acts.

The purpose of this document is to convene a General Meeting to propose the Resolution, which will, if passed, give the Board authority to enter the deeds of release described in Part II of this document and put all potentially affected parties so far as possible in the position in which they were always intended to be had the Relevant Distributions been made in accordance with the procedural requirements of the Acts.

The Company has been advised that, as a consequence of the Relevant Distributions having been made otherwise than in accordance with the Acts, it may have claims against past and present shareholders who were recipients of the Relevant Distributions and against persons who were directors of the Company at the time of payment of the Relevant Distributions. It is therefore proposed that the Company enter into the Shareholders' Deed of Release and the Directors' Deed of Release. The consequence of the entry into these deeds by the Company is that the Company will be unable to make any claims against:

- (a) the Recipient Shareholders; and
- (b) the Directors and Former Directors,

in each case in respect of the payment of the Relevant Distributions otherwise than in accordance with the Acts.

The entry by the Company into the Shareholders' Deed of Release constitutes a related party transaction (as defined in the Listing Rules). This is because Peter Hargreaves and Stephen Lansdown, who each hold more than 10% of the Company's voting rights and, together with any of their respective associates (as defined in the Listing Rules) who are Recipient Shareholders, are therefore deemed to be related parties under the Listing Rules, will be released from any liability to repay any amounts of the Relevant Distributions received by them, in the same manner as other Recipient Shareholders. In addition, the entry by the Company into the Directors' Deed of Release will also constitute a related party transaction with respect to the Directors. Therefore, the Resolution will also seek the specific approval of the Company's shareholders for the entry into each of the Shareholders' Deed of Release and the Directors' Deed of Release as a related party transaction, in accordance with the requirements of the Listing Rules.

Further details and an explanation of the business of the General Meeting and the related party transaction are set out in Part II of this document.

2. Notice of General Meeting

Enclosed in this document is a notice of General Meeting of the Company which will be held at the office of Numis Securities Ltd at The London Stock Exchange Building, 10 Paternoster Square, London EC4M 7LT at 11.00 a.m. on 7 March 2017. The Notice can be found in Part V of this document.

3. Proxy Voting

Whether or not you will be attending the General Meeting, I would urge you to complete, sign and return the accompanying Form of Proxy to the Company's registrars, Equiniti at Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA as soon as possible and, in any event, so as to arrive by no later than 11.00 a.m. on 3 March 2017. Completion and return of the Form of Proxy will not preclude shareholders from attending and voting in person at the General Meeting, should they so wish. The attention of corporate shareholders wishing to appoint more than one corporate representative is drawn to note 11 to the Notice set out on page 22 of this document.

This letter is also being sent to those who have been nominated to receive information rights under section 146 of the 2006 Act who do not themselves have a right to appoint a proxy or proxies. The attention of such nominated persons is drawn to note 12 to the Notice set out on page 22 of this document.

4. Recommendation

Given the interest of the Board in the Resolution, and as required by the Listing Rules:

- (a) the Board has not considered the Resolution or whether the Resolution is in the best interests of the Company. Accordingly, the Board cannot recommend that shareholders vote in favour of the Resolution, but recommends that shareholders vote on it. However, the Board has been advised by Barclays, in its capacity as the Company's sponsor, that (i) the entry into the Shareholders' Deed of Release and (ii) the entry into the Directors' Deed of Release are fair and reasonable so far as the shareholders of the Company are concerned. In providing its advice, Barclays has taken into account the Board's commercial assessment of the Shareholders' Deed of Release and the Directors' Deed of Release; and
- (b) Peter Hargreaves, Stephen Lansdown, each of the Directors and each of their respective associates are precluded from voting on the Resolution. Therefore, Peter Hargreaves, Stephen Lansdown and each of the Directors have undertaken to abstain, and to take all reasonable steps to ensure that their respective associates abstain, from voting on the Resolution. As at 3 February 2017 (being the latest practicable date before the publication of this document), Peter Hargreaves, Stephen Lansdown and the Directors were recorded in the Company's register of members as holding in aggregate a total of 228,311,684 Ordinary Shares in the capital of the Company representing approximately 48.136% per cent. of the Company's existing ordinary share capital.

In accordance with current best practice and to ensure voting accurately reflects the views of shareholders, it will be proposed at the General Meeting that voting on the Resolution will be conducted by poll vote rather than by a show of hands and the relevant procedures will be explained at the meeting.

The Board has taken steps to ensure that, in future, the issues referred to in this document do not arise in relation to the payment of dividends. We are grateful for shareholders' understanding in respect of the issues set out in this document.

On behalf of the Board, thank you for your continued support of the Company.

Yours sincerely,

Mike Evans
Chairman

PART II – BUSINESS OF THE GENERAL MEETING

1. The Relevant Distributions

The Board has become aware of a technical issue in respect of the Company’s procedures for the payment of the following dividends (the “Relevant Distributions”):

Description	Pence per share	Aggregate dividend amount	Payment date
2008 interim	3.065	£14,164,000	28 March 2008
2008 final	2.42	£11,207,000	30 September 2008
2008 special	2.324	£10,792,000	30 September 2008
2009 final	4.229	£19,640,000	30 September 2009
2009 special	2.807	£13,036,000	30 September 2009
2010 final	0.58	£2,688,000	29 September 2010
2010 special	1.7	£7,879,000	29 September 2010
2011 interim	4.50	£20,837,000	6 April 2011
2011 final	8.41	£38,947,000	29 September 2011
2011 special	5.96	£27,601,000	29 September 2011
2012 interim	5.10	£23,624,000	11 April 2012
2012 final	10.65	£49,756,000	28 September 2012
2012 special	6.84	£31,956,000	28 September 2012
2013 interim	6.30	£29,511,000	11 April 2013
2014 interim	7.00	£32,924,000	11 April 2014
2015 interim	7.30	£34,374,000	10 April 2015
2016 interim	7.80	£36,817,000	31 March 2016

This issue, which is described in Part I of this document, resulted in the Relevant Distributions being made otherwise than in accordance with the Acts.

These issues only affected the Relevant Distributions and did not affect any other distributions made by the Company in the relevant financial years.

2. The consequences of Relevant Distributions having been made otherwise than in accordance with the Acts

The Company has been advised that, as a consequence of the Relevant Distributions having been made otherwise than in accordance with the Acts, it may have claims against past and present shareholders who were recipients of the Relevant Distributions and against persons who were directors of the Company at the time of payment of the Relevant Distributions.

The Board notes, however, that the Company has no intention of bringing any such claims.

3. Shareholder Resolution

In order to remedy the potential consequences of the Relevant Distributions having been made otherwise than in accordance with the Acts, to obtain the approval of shareholders for the related party transactions in accordance with the Listing Rules and to put all potentially affected parties so far as possible in the position in which they were always intended to be had the Relevant Distributions been made in accordance with the requirements of the Acts, the Company is proposing the Resolution, the full text of which is set out in the Notice in Part V of this document.

If passed, the effect of the Resolution, which will be proposed as a special resolution, will be to:

- ratify each of the Relevant Distributions and confirm the appropriation of the profits of the Company in each of the relevant financial years for the purposes of the Relevant Distributions;
- waive any and all claims which the Company has or may have in respect of the payment of the Relevant Distributions against its Recipient Shareholders (or the personal representatives and their successors in title of the estate of any deceased Recipient Shareholders), such waiver to be effected by way of the entry by the Company into the Shareholders' Deed of Release; and
- waive any and all claims which the Company may have against its Directors and Former Directors, such waiver to be effected by way of the entry by the Company into the Directors' Deed of Release.

The approach that the Company is proposing by way of the Resolution is consistent with the approach taken by other UK incorporated companies whose shares are admitted to the UK Listing Authority's Official List and to trading on the Main Market of the London Stock Exchange and that have, similarly, made corporate distributions otherwise than in accordance with the Acts.

4. The ratification of the Relevant Distributions, the confirmation of the appropriation of the Company's profits and the Shareholders' Deed of Release

The approach that the Company is proposing involves the ratification of each of the Relevant Distributions and the confirmation of the appropriation of the distributable profits of the Company in each of the relevant financial years for the purposes of the Relevant Distributions. As a matter of common law, it is necessary for this ratification and confirmation to be approved by shareholders.

The Company has been advised that it is also preferable for shareholders to approve the Company's entry into the Shareholders' Deed of Release, since the release of those past and present shareholders who appeared on the register of members on the record date for each of the Relevant Distributions (or their personal representatives (and their successors in title) if they are deceased) from any and all claims which the Company has or may have in respect of the payment of the Relevant Distributions will, insofar as those persons remain shareholders of the Company, comprise a shareholder distribution.

In addition, the Company's entry into the Shareholders' Deed of Release constitutes a related party transaction (as defined in the Listing Rules) This is because Peter Hargreaves and Stephen Lansdown, who each hold more than 10% of the Company's voting rights, are substantial shareholders for the purpose of the Listing Rules and therefore, together with any of their respective associates (as defined in the Listing Rules) who are Recipient Shareholders, are deemed to be related parties under the Listing Rules. As a result the Resolution must be approved by the Company's shareholders who are not related parties. Accordingly, Peter Hargreaves and Stephen Lansdown and their respective associates are precluded from voting on the Resolution and Peter Hargreaves and Stephen Lansdown have undertaken to abstain, and to take all reasonable steps to ensure that their respective associates abstain, from voting on the Resolution.

The proposed ratification of the Relevant Distributions, the confirmation of the appropriation of the Company's distributable profits in each of the relevant financial years for the purposes of the Relevant Distributions and the entry by the Company into the Shareholders' Deed of Release will not, however, have any effect on the Company's financial position. This is because the aggregate amount of the Relevant Distributions is equal to and offset by the release of each Recipient Shareholder from the liability to repay the amount already paid, and the Company will not be required to make any further payments to shareholders in respect of the Relevant Distributions.

In addition, the Company has not recorded or disclosed the potential right to make claims against Recipient Shareholders as an asset or a contingent asset in its financial statements. Under the Company's IFRS accounting policies, it could only record such a right as an asset when an inflow of economic benefits in favour of the Company as a result of such claim or claims being brought was virtually certain. The value of any economic benefit which the Company may derive from bringing claims against the Recipient Shareholders is uncertain (and, in any case, incapable of reliable estimation) on the basis that it may be possible for the Recipient Shareholders to establish defences to any such claims and there can be no certainty as to the amounts which could be recovered by the Company.

In addition, under IFRS, a contingent asset is required to be disclosed only when an inflow of economic benefits in favour of the Company is probable. The directors of the Company have concluded that any inflow of economic benefits as a result of such claims is less than probable.

Accordingly, the Company's entry into the Shareholders' Deed of Release will not result in any decrease in the Company's net assets or the level of its distributable reserves.

5. The Directors' Deed of Release

Under the Company's articles of association, it is necessary for shareholders to approve the Company's waiver of any rights of the Company to make claims against the Directors and the Former Directors in respect of the Relevant Distributions, since the Board would itself have a potential conflict of interest in approving such a waiver. This is because the members of the Board are named as beneficiaries of the waiver.

In addition, the entry by the Company into the Directors' Deed of Release and consequential waiver of any rights of the Company to make claims against the Directors in respect of the Relevant Distributions, constitutes a related party transaction (as defined in the Listing Rules) as each of the Directors is a related party for the purposes of the Listing Rules. As a result, the Resolution must be approved by the Company's shareholders who are not interested related parties. Accordingly, each of the Directors and their associates are precluded from voting on the Resolution and the Directors have undertaken to abstain, and to take all reasonable steps to ensure that their associates abstain, from voting on the Resolution.

The entry by the Company into the Directors' Deed of Release will not have any effect on the Company's financial position because, as with the position in relation to the Relevant Distributions and potential claims against past and present shareholders, the Company has not recorded or disclosed its right potentially to make claims against past and present directors in respect of the Relevant Distributions as an asset or contingent asset of the Company.

Again, under the Company's IFRS accounting policies, it could only record such a right as an asset when an inflow of economic benefits in favour of the Company as a result of such claim or claims being brought was virtually certain. The value of any economic benefit which the Company may derive from bringing claims against past and present directors is uncertain (and, in any case, incapable of reliable estimation) on the basis that past and present directors would be entitled to seek the court's relief against such claims and there can be no certainty as to the amounts (if any) which could be recovered by the Company.

In addition, under IFRS, a contingent asset is required to be disclosed only when an inflow of economic benefits in favour of the Company is probable. The directors of the Company have concluded that any inflow of economic benefits as a result of such claims is less than probable.

Therefore, the Company's entry into the Directors' Deed of Release does not involve the disposition of any recognised asset or contingent asset by the Company in favour of past or present directors.

As explained above, the entry by the Company into the Directors' Deed of Release constitutes a related party transaction (as defined in the Listing Rules). Therefore, the Resolution will also seek the specific approval of the Company's shareholders of the entry into the Directors' Deed of Release as a related party transaction, in accordance with the requirements of the Listing Rules.

6. The tax position of UK shareholders

The Company has drawn the attention of HM Revenue & Customs ("HMRC") to the circumstances surrounding the payment of the Relevant Distributions and to the steps that are now proposed to address the position. HMRC has confirmed that the tax position of UK shareholders is not affected by any procedural irregularity in the Relevant Distributions. Therefore, based on HMRC's current understanding, the passing of the Resolution should have no effect on the UK tax position of such persons.

If any UK resident shareholder has any doubts about his or her tax position, he or she should consult with an independent professional adviser.

6. The tax position of non-UK shareholders

It is similarly not expected that the passing of the Resolution should have an effect on the tax position of US shareholders although the Company has not and does not intend to seek similar confirmation from the Internal Revenue Service as it has done from HMRC.

If any US or other non-UK resident shareholder has any doubts about his or her tax position, he or she should consult with an independent professional adviser.

7. Other information

The share capital of the Company as at 3 February 2017 (being the latest practicable date before the publication of this document) comprises 474,318,625 Ordinary Shares.

For information, as at 3 February 2017 (being the latest practicable date before the publication of this document), options to subscribe for shares in respect of a maximum of 4,984,393 Ordinary Shares in the Company were outstanding which, if exercised, would represent approximately 1.05 per cent. of the Company's issued ordinary share capital at the relevant date.

Copies of the final forms of the Shareholders' Deed of Release and the Directors' Deed of Release are at the end of this document and available on the Company's website (www.hl.co.uk/investor-relations) and in hard copy during normal business hours on any weekday (except for Saturdays, Sundays and public holidays) at the registered office of the Company and at the offices of Osborne Clarke LLP, One London Wall, London EC2Y 5EB up to the time of the General Meeting. Copies will also be available at the place of the General Meeting until the conclusion of the General Meeting.

PART III – ADDITIONAL INFORMATION

1. The Company

The Company was incorporated and registered in England and Wales on 10 April 1987 with registered number 02122142 as a private company limited by shares under the name Quayshelfco 170 Limited.

On 1 July 1987, the Company changed its name to Hargreaves Lansdown Limited, and on 10 September 1987 the Company re-registered as a public limited company under the name Hargreaves Lansdown PLC.

The Company's registered office is One College Square South, Anchor Road, Bristol BS1 5HL (tel. +44 (0)117 988 9880). The principal legislation under which the Company operates is the laws of England and Wales.

2. Directors' interests

The interests of the Directors in the Ordinary Shares as at 3 February 2017 (being the latest practicable date before the date of this document) are as follows:

2.1 Directors' shareholdings

Name	Number of Ordinary Shares ⁽¹⁾	Percentage of voting rights ⁽²⁾
Mike Evans	8,125	0.002
Ian Gorham	139,628	0.029
Christopher Hill	14,363	0.003
Christopher Barling	0	0
Shirley Garrod	0	0
Stephen Robertson	9,890	0.002
Jayne Styles	0	0

(1) Including shares held by connected persons.

(2) On the basis that the total number of voting rights as at 3 February 2017 (being the latest practicable date before the publication of this document) is 474,318,625.

2.2 Directors' interests under the LTIP:

Name	Date of award	Vesting Date	Maximum Number of Ordinary Shares under award	Exercise price (£)
Ian Gorham	Oct 2014	Oct 2017	55,000	9.32
	Oct 2015	Oct 2018	60,000	12.42
Christopher Hill	Mar 2016	Mar 2019	50,000	12.56

2.3 Directors' interests in Deferred Bonus Options:

Name	Vesting Date	Number of Ordinary Shares under award	Exercise price (£)
Ian Gorham	Feb 2017	16,865	Nil
	Oct 2017	21,809	Nil
	Oct 2018	29,921	Nil
	Sept 2019	37,409	Nil
Christopher Hill	Sept 2019	9,050	Nil

2.4 Directors' interests under the Company's Sharesave plan:

Name	Vesting Date	Number of Ordinary Shares under award	Exercise Price (£)
Ian Gorham	May 2017	4,109	3.65
	May 2020	1,565	9.58
Christopher Hill	Jun 2019	1,750	10.28

2.5 Directors' interests in Unapproved Options:

Name	Vesting Date	Number of Ordinary Shares under award	Exercise Price
Christopher Hill	Aug 2017	12,200	Nil

3. Service agreements

3.1 General terms:

The Company has entered into the following service agreements with the Executive Directors:

Director	Date of agreement
Ian Gorham	1 September 2016
Christopher Hill	1 September 2016

The annual salaries of the Executive Directors for the last full financial year are set out below. The salaries are reviewed annually.

Director	Salary (£)
Ian Gorham	500,000
Christopher Hill	179,000

The Executive Directors are expected to devote the whole of their time, attention and abilities to the performance of their duties during their agreed working hours and in return the Executive Directors will receive the following benefits under the terms of their service agreements:

- Entitlement to a discretionary bonus;
- Entitlement to participate in the Company's permanent health insurance scheme;
- Entitlement to participate in the Company's life assurance scheme;
- Eligibility to join the Company's group personal pension plan;
- 30 days' paid annual leave per year in addition to public holidays; and
- Such other additional benefits as the Company may from time to time and at its sole discretion provide.

The Non-Executive Directors do not have service agreements, although they each have letters of appointment reflecting their responsibilities and commitments. Under these letters the Non-Executive Directors are expected to devote such time as is necessary for the proper performance of their duties, typically approximately 25 days (or in the case of the chairman, 50 days) per annum following an induction phase.

The Non-Executive Directors receive an annual fee and are reimbursed for reasonable expenses. The annual fees paid to the Non-Executive Directors for the last full financial year are set out below.

Director	Fee
Mike Evans	£250,000
Christopher Barling	£75,000
Shirley Garrod	£75,000
Stephen Robertson	£50,000
Jayne Styles	£41,379

3.2 Termination provisions:

Executive Directors

The Executive Directors' service agreements are terminable by either party giving the other not less than 12 calendar months' prior notice. The Executive Directors' must be re-elected by the shareholders at each annual general meeting.

An Executive Director's service contract may be terminated without notice and without any further payment or compensation, save for sums accrued up to the date of termination, in certain circumstances. Such circumstances include where the Executive Director has been disqualified from acting as a director or resigns as a director, is guilty of a material breach of the rules or regulations of any regulatory authority or ceases to meet its requirements, is in breach of the Company's anti-corruption and bribery or electronic communications policies, breaches his service agreement or is negligent or incompetent in the performance of his duties, is declared bankrupt, is convicted of any criminal offence, becomes of unsound mind, becomes ineligible to work in the United Kingdom, is guilty of fraud or dishonesty or acts in a way likely to bring the Company into disrepute, or is prevented from performing his duties by reason of sickness or injury for 26 out of 52 consecutive weeks.

Following the termination of an Executive Director's service agreement, the Company may place that Executive Director on garden leave. During this period the Executive Director remains an employee of the Company and receives basic salary and contractual benefits, and may be required to carry out, or refrain from carrying out, such duties as the Company may decide.

The Executive Directors' service agreements also contain post-termination restrictions, including restrictions on soliciting key customers or soliciting or engaging key employees of the Company or its corporate group, and a restriction on involvement with any business which is in competition with the Company's core business. Each of these restrictions applies for a period of 12 months after termination. The Executive Directors are also restricted from ever representing themselves as connected with the Company or its group, except as former employees.

The Company has reserved the right to terminate an Executive Director's service agreement by making payment in lieu of notice equal to the Executive Director's basic salary and employer pension contributions payable over a 12 month period, less income tax and National Insurance contributions. Such payment will not include any element in relation to any discretionary payment.

Non-Executive Directors

The Non-Executive Directors' appointments are initially for three-year terms unless terminated earlier by either party. The Non-Executive Directors must be re-elected by the shareholders at each annual general meeting. Non-Executive Directors are typically expected to serve for two three-year terms.

A Non-Executive Director's appointment may be terminated with immediate effect by the Company in certain circumstances, including where the Non-Executive Director has committed a material breach of his obligations under his letter of appointment or to the company, been guilty of fraud or dishonesty or acts in a way likely to bring the Company into disrepute, is convicted of a criminal offence or of bribery, is declared bankrupt, or is disqualified from acting as a director. The Non-Executive Directors' appointments are terminable by either party on three months' notice.

4. Major shareholders

In so far as is known to the Company, as at 3 February 2017 (being the latest practicable date before the publication of this document), the following persons were interested, directly or indirectly in three per cent. Or more of the voting rights attaching to the Ordinary Shares:

Name	Number of Ordinary Shares at date of notification	Percentage voting rights ⁽¹⁾	Date of notification
Peter Hargreaves	152,639,678	32.18%	14 April 2015
Stephen Lansdown	75,500,000	15.92%	25 March 2014
BlackRock, Inc	32,343,003	6.81%	7 July 2016
Baillie Gifford & Co	23,888,812	5.04%	30 September 2014
Lindsell Train Ltd	23,750,918	5.01%	5 December 2016

(1) On the basis that the total number of voting rights as at 3 February 2017 (being the latest practicable date before the publication of this document) is 474,318,625.

5. Related Party transactions

Save as set out in this document, the Company has not entered into any related party transactions with any of the Directors.

6. Material contracts

There are no material contracts to which the Company or any member of the HL Group is a party which contain information that shareholders of the Company would reasonably require to make a properly informed assessment of how to vote.

7. Significant change

There has been no significant change in the financial or trading position of the HL Group since 31 December 2016, the date to which the results for the half year ended 31 December 2016, being the last interim financial information for the HL Group, were prepared.

8. Consent

Barclays has given and has not withdrawn its written consent to the inclusion in this document of the references to its name in the form and context in which they are given.

9. Documents on display

In addition to this document, copies of the following documents will be available for inspection at the Company's registered office at One College Square South, Anchor Road, Bristol BS1 5HL and at the London office of the Company's legal advisers, Osborne Clarke LLP, at One London Wall, London EC2Y 5EB during normal business hours on any weekday (excluding Saturdays, Sundays and public holidays) from the date of this document up to and including the date of the General Meeting:

- (a) the Company's articles of association;
- (b) the Shareholders' Deed of Release;
- (c) the Directors' Deed of Release; and
- (d) the written consent referred to in paragraph 8 of this Part III.

PART IV – DEFINITIONS

The following definitions apply throughout this document unless the context otherwise requires:

“1985 Act”	means the Companies Act 1985.
“2006 Act”	means the Companies Act 2006.
“Acts” “Barclays”	means the 1985 Act and 2006 Act. means Barclays Bank PLC.
“Board” or “Directors”	means the board of directors of the Company.
“Company”	means Hargreaves Lansdown PLC.
“CREST”	means the paperless settlement procedure operated by Euroclear enabling system securities to be evidenced otherwise than by certificates and transferred otherwise than by written instrument.
“CREST Manual”	means the rules governing the operation of CREST as published by Euroclear.
“Directors’ Deed of Release”	means a deed of release by which the Company waives any rights to make claims against Former Directors and Directors in respect of the Relevant Distributions.
“Executive Directors”	means the executive directors of the Company, being Ian Gorham and Christopher Hill.
“FCA Handbook”	means the FCA’s Handbook of Rules and Guidance.
“Financial Conduct Authority” or “FCA”	means the Financial Conduct Authority of the United Kingdom.
“Form of Proxy”	means the form of proxy enclosed with this document for use by shareholders in connection with the General Meeting.
“Former Directors”	means Stephen Lansdown, Jonathan Bloomer, Tracey Taylor, Dharmash Mistry, Peter Hargreaves, Jonathan Davis and Martin Mulligan.
“FSMA”	means the Financial Services and Markets Act 2000, as amended.
“General Meeting”	means the general meeting of the Company, to be held at 11.00 a.m. on 7 March 2017 at the office of Numis Securities Ltd at The London Stock Exchange Building, 10 Paternoster Square, London EC4M 7LT, or any adjournment thereof, notice of which is set out in Part V of this document.
“HL Group”	means Hargreaves Lansdown PLC and each of its subsidiaries and subsidiary undertakings.
“HMRC”	means Her Majesty’s Revenue & Customs.
“IFRS”	means the International Financial Reporting Standards promulgated by the International Accounting Standards Board (which includes standards and interpretations approved by the International Accounting Standards Board and International Accounting Standards issued under previous constitutions), together with its pronouncements thereon from time to time, as adopted by the European Union.
“Listing Rules”	means the listing rules made by the FCA under Part VI of FSMA (as set out in the FCA Handbook), as amended.
“LTIP”	means the Company’s long term incentive plan
“Non-Executive Directors”	means the non-executive directors of the Company, being Mike Evans, Christopher Barling, Shirley Garrod, Stephen Robertson and Jayne Styles.
“Notice”	means the Notice of General Meeting set out in Part V of this document.

“Ordinary Shares”	means ordinary shares of 0.4 pence each in the capital of the Company.
“Recipient Shareholder”	means a current or former shareholder of the Company who appeared on the register of members on the record date for one or more of the Relevant Distributions.
“Relevant Distributions”	has the meaning given to it in paragraph 1 of Part II of this document.
“Resolution”	means the resolution to be proposed at the General Meeting, the full text of which is set out in the notice of General Meeting set out in Part V of this document.
“Shareholders’ Deed of Release”	means a deed of release in favour of all Recipient Shareholders from any and all claims which the Company has or may have in respect of the payment of the Relevant Distributions.

PART V – NOTICE OF GENERAL MEETING

HARGREAVES LANSDOWN PLC

Notice is given that a general meeting of Hargreaves Lansdown PLC (the “**Company**”) will be held at the office of Numis Securities Ltd at The London Stock Exchange Building, 10 Paternoster Square, London EC4M 7LT on 7 March 2017 at 11.00 a.m. to consider and, if thought fit, pass the following resolution as a special resolution (requiring a 75 per cent. majority). Voting on this resolution will be by way of poll.

SPECIAL BUSINESS

1. THAT:

- 1.1 in relation to the dividends paid by the Company on 28 March 2008, 30 September 2008, 30 September 2009, 30 September 2010, 6 April 2011, 29 September 2011, 11 April 2012, 28 September 2012, 11 April 2013, 11 April 2014, 10 April 2015 and 31 March 2016 (the “**Relevant Distributions**”) the Company hereby ratifies and confirms:
- (a) the payment of 3.065 pence per Ordinary Share by way of interim dividend paid on 28 March 2008 and the appropriation, for the purposes of the preparation of the Company’s audited financial statements for the financial year ended 30 June 2008, of the distributable profits of the Company to the payment of such interim dividend and the resulting entry for the distributable profits of the Company in such financial statements;
 - (b) the payment of 2.42 pence per Ordinary Share by way of final dividend paid on 30 September 2008 and the appropriation, for the purposes of the preparation of the Company’s audited financial statements for the financial year ended 30 June 2009, of the distributable profits of the Company to the payment of such final dividend and the resulting entry for the distributable profits of the Company in such financial statements;
 - (c) the payment of 2.324 pence per Ordinary Share by way of special dividend paid on 30 September 2008 and the appropriation, for the purposes of the preparation of the Company’s audited financial statements for the financial year ended 30 June 2009, of the distributable profits of the Company to the payment of such special dividend and the resulting entry for the distributable profits of the Company in such financial statements;
 - (d) the payment of 4.229 pence per Ordinary Share by way of final dividend paid on 30 September 2009 and the appropriation, for the purposes of the preparation of the Company’s audited financial statements for the financial year ended 30 June 2010, of the distributable profits of the Company to the payment of such final dividend and the resulting entry for the distributable profits of the Company in such financial statements;
 - (e) the payment of 2.807 pence per Ordinary Share by way of special dividend paid on 30 September 2009 and the appropriation, for the purposes of the preparation of the Company’s audited financial statements for the financial year ended 30 June 2010, of the distributable profits of the Company to the payment of such special dividend and the resulting entry for the distributable profits of the Company in such financial statements;
 - (f) the payment of 0.58 pence per Ordinary Share by way of final dividend paid on 29 September 2010 and the appropriation, for the purposes of the preparation of the Company’s audited financial statements for the financial year ended 30 June 2011, of the distributable profits of the Company to the payment of such final dividend and the resulting entry for the distributable profits of the Company in such financial statements;
 - (g) the payment of 1.7 pence per Ordinary Share by way of special dividend paid on 29 September 2010 and the appropriation, for the purposes of the preparation of the Company’s audited financial statements for the financial year ended 30 June 2011, of the distributable profits of the Company to the payment of such special dividend and the resulting entry for the distributable profits of the Company in such financial statements;
 - (h) the payment of 4.50 pence per Ordinary Share by way of interim dividend paid on 6 April 2011 and the appropriation, for the purposes of the preparation of the Company’s audited financial statements for the financial year ended 30 June 2011, of the distributable profits of the Company to the payment of such interim dividend and the resulting entry for the distributable profits of the Company in such financial statements;

- (i) the payment of 8.41 pence per Ordinary Share by way of final dividend paid on 29 September 2011 and the appropriation, for the purposes of the preparation of the Company's audited financial statements for the financial year ended 30 June 2012, of the distributable profits of the Company to the payment of such final dividend and the resulting entry for the distributable profits of the Company in such financial statements;
- (j) the payment of 5.96 pence per Ordinary Share by way of special dividend paid on 29 September 2011 and the appropriation, for the purposes of the preparation of the Company's audited financial statements for the financial year ended 30 June 2012, of the distributable profits of the Company to the payment of such special dividend and the resulting entry for the distributable profits of the Company in such financial statements;
- (k) the payment of 5.10 pence per Ordinary Share by way of interim dividend paid on 11 April 2012 and the appropriation, for the purposes of the preparation of the Company's audited financial statements for the financial year ended 30 June 2012, of the distributable profits of the Company to the payment of such interim dividend and the resulting entry for the distributable profits of the Company in such financial statements;
- (l) the payment of 10.65 pence per Ordinary Share by way of final dividend paid on 28 September 2012 and the appropriation, for the purposes of the preparation of the Company's audited financial statements for the financial year ended 30 June 2013, of the distributable profits of the Company to the payment of such final dividend and the resulting entry for the distributable profits of the Company in such financial statements;
- (m) the payment of 6.84 pence per Ordinary Share by way of special dividend paid on 28 September 2012 and the appropriation, for the purposes of the preparation of the Company's audited financial statements for the financial year ended 30 June 2013, of the distributable profits of the Company to the payment of such special dividend and the resulting entry for the distributable profits of the Company in such financial statements;
- (n) the payment of 6.30 pence per Ordinary Share by way of interim dividend paid on 11 April 2013 and the appropriation, for the purposes of the preparation of the Company's audited financial statements for the financial year ended 30 June 2013, of the distributable profits of the Company to the payment of such interim dividend and the resulting entry for the distributable profits of the Company in such financial statements;
- (o) the payment of 7.00 pence per Ordinary Share by way of interim dividend paid on 11 April 2014 and the appropriation, for the purposes of the preparation of the Company's audited financial statements for the financial year ended 30 June 2014, of the distributable profits of the Company to the payment of such interim dividend and the resulting entry for the distributable profits of the Company in such financial statements;
- (p) the payment of 7.30 pence per Ordinary Share by way of interim dividend paid on 10 April 2015 and the appropriation, for the purposes of the preparation of the Company's audited financial statements for the financial year ended 30 June 2015, of the distributable profits of the Company to the payment of such interim dividend and the resulting entry for the distributable profits of the Company in such financial statements;
- (q) the payment of 7.80 pence per Ordinary Share by way of interim dividend paid on 31 March 2016 and the appropriation, for the purposes of the preparation of the Company's audited financial statements for the financial year ended 30 June 2016, of the distributable profits of the Company to the payment of such interim dividend and the resulting entry for the distributable profits of the Company in such financial statements;

- 1.2 any and all claims which the Company has or may have arising out of or in connection with the payment of the Relevant Distributions against its shareholders who appeared on the register of shareholders on the relevant record date for each Relevant Distribution (or the personal representatives and their successors in title (as appropriate) of a shareholder's estate if he or she is deceased) be waived and released pursuant to a deed of release in favour of such shareholders (or the personal representatives and their successors in title (as appropriate) of a shareholder's estate if he or she is deceased), to be entered into by the Company in the form produced to the General Meeting and initialled by the Chairman for the purposes of identification, and any Director in the presence of a witness, any two directors of the Company (each, a "Director") or any Director and the Company Secretary be authorised to execute the same as a Deed Poll for and on behalf of the Company; and
- 1.3 any and all claims which the Company has or may have against each of its Directors and any former directors of the Company ("Former Directors"), arising out of or in connection with the approval, declaration or payment of the Relevant Distributions be waived and released pursuant to a deed of release in favour of each of such Directors and Former Directors, to be entered into by the Company in the form produced to the General Meeting and initialled by the Chairman for purposes of identification and any Director in the presence of a witness, any two Directors or any Director and the Company Secretary be authorised to execute the same as a Deed Poll for and on behalf of the Company.

BY ORDER OF THE BOARD

Judy Matthews
COMPANY SECRETARY
8 February 2017

Registered office: One College Square South, Anchor Road, Bristol BS1 5HL
Registered in England and Wales No. 02122142

NOTES:

1. Members are entitled to appoint a proxy/proxies to exercise all or any of the rights to attend, speak and vote on their behalf at the General Meeting. A proxy need not also be a shareholder of the Company and may vote on any other business which may properly come before the General Meeting. If you appoint more than one proxy, each proxy must be appointed to exercise the rights attached to a different share or shares held by you. A person who appoints as their proxy someone other than the Chairman is responsible for ensuring that the proxy attends the General Meeting and is aware of the voting intention of the member. If no voting instruction is given, the proxy has discretion on whether and how to vote. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted, the senior holder being the first named of the joint holders to appear in the Company's share register.
2. To be valid, the form of proxy must be completed and lodged with Equiniti not later than 11.00 a.m. on 3 March 2017 (or 48 hours, excluding any non-working days, before any adjourned meeting). If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence. Return of a completed proxy form or CREST proxy instruction (as described below) will not prevent a member attending the General Meeting and voting in person if he/she wishes to do so. Further details relating to proxies are set out in the notes on the enclosed form of proxy.
3. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic appointment service may do so for the General Meeting and any adjournment(s) thereof by utilising the procedures described in the CREST Manual (available via www.euroclear.com). CREST personal members or other CREST sponsored members and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
4. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (CREST proxy instruction) must be properly authenticated in accordance with Euroclear UK and Ireland's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instructions given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID RA19) by the latest time(s) for receipt of proxy appointments specified in the notice of General Meeting. For this purpose, the time of receipt shall be taken as the time (as determined by the timestamp applied to the message by the CREST applications host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
5. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK and Ireland does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST proxy instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s) to procure that his/her CREST sponsor or voting service provider(s) take(s) such action as is necessary to ensure that a message is transmitted by means of the CREST system by a particular time. In this connection, CREST members and, where applicable, CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
6. The Company may treat as invalid a CREST proxy instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
7. The Company specifies that in order to have the right to attend and vote at the General Meeting (and in accordance with the Company's articles of association and pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001) and also for the purpose of determining how many votes a person entitled to attend and vote may cast, a person must be entered on the register of members of the Company at 6.30 p.m. on 3 March 2017 or, in the event of any adjournment, at 6.30 p.m. on the date which is two days before the day of the adjourned General Meeting. Changes to entries on the register of members after this time shall be disregarded in determining the rights of any person to attend or vote at the General Meeting.
8. All of the Ordinary Shares carry one vote each and there are no shares held in treasury. On a vote by a show of hands every member who is present has one vote and every proxy present who has been duly appointed by a member entitled to vote has one vote. On a poll vote every member who is present in person or by proxy has one vote for every Ordinary Share they hold.

9. Members wishing to attend the General Meeting in person should sign their attendance card and hand it in on arrival. The registration desk will open at 10.00 a.m.
10. Any member attending the General Meeting has the right to ask questions. The Company must cause to be answered any such questions relating to the business being dealt with at the General Meeting but no such answer need be given if: (a) to do so would interfere unduly with the preparation for the General Meeting or involve the disclosure of confidential information; (b) the answer has already been given on a website in the form of an answer to a question; or (c) it is undesirable in the interests of the Company or good order of the General Meeting that the question be answered.
11. A corporation which is a member can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a member provided that no more than one corporate representative exercises powers over the same share. It is no longer necessary to nominate a designated corporate representative.
12. The right to appoint proxies does not apply to persons nominated to receive information rights under section 146 of the Companies Act 2006. Persons nominated to receive information rights under that section who have been sent a copy of this Notice are informed that they may have a right under an agreement with the registered member by whom they were nominated to be appointed, or to have someone else appointed, as a proxy for the purposes of this General Meeting. If they have no such right, or do not wish to exercise it, they may have a right under such an agreement to give instructions to the member on the exercise of voting rights. Nominated persons should contact the registered member by whom they were nominated in respect of these arrangements.
13. The total issued share capital of the Company as at 3 February 2017 (being the last practicable day before the publication of this Notice) was 474,318,625 Ordinary Shares carrying one vote each. On 3 February 2017 the Company held no shares in treasury.
14. Copies of the final forms of the Shareholders' Deed of Release and the Directors' Deed of Release are available on the Company's website (www.hl.co.uk/investor-relations) or in hard copy during normal business hours on any weekday (except for Saturdays, Sundays and public holidays) at the registered office of the Company and at the offices of Osborne Clarke LLP, One London Wall, London EC2Y 5EB up to the time of the General Meeting. Copies will also be available at the place of the General Meeting until the conclusion of the General Meeting.
15. The Chairman will propose that voting on the resolution at the General Meeting will be conducted by poll vote rather than by a show of hands, ensuring that every vote is recognised and giving a more accurate reflection of the views of members. The relevant procedures will be explained at the General Meeting.
16. The contents of this Notice, details of the total number of shares in respect of which members are entitled to exercise voting rights at the General Meeting, the total voting rights that members are entitled to exercise at the General Meeting and, if applicable, any members' statements, members' resolutions or members' matters of business received by the Company after the date of this notice will be available on the Company's website (www.hl.co.uk/investor-relations).
17. Shareholders are advised that unless otherwise specified, the telephone numbers, website and email addresses set out in this Notice or proxy forms are not to be used for the purpose of serving information or documents on the Company, including the service of documents or information relating to proceedings at the Company's General Meeting.
18. The results of the General Meeting will be posted on the Company's website (www.hl.co.uk/investor-relations) after the General Meeting.

