

CAPITAL MARKETS DAY - 22nd FEBRUARY 2022

REDEFINING WEALTH MANAGEMENT



HARGREAVES
LANDOWN

WE HAVE A VISION TO **REDEFINE** **WEALTH** **MANAGEMENT**



TRANSFORM the savings
and investment experience



COMBINE the best of human
expertise, augmented by
digital capability



DELIVER a uniquely personalised
service to simply manage your
financial health and wealth

WE ARE **THE MARKET LEADER** IN UK RETAIL WEALTH MANAGEMENT



BIGGEST

Largest UK retail wealth manager

1.7M

active clients

£141BN+

AuA



BEST

Leading offer in the market

BEST

overall investor experience¹

BEST

online stockbroker²

BROADEST OFFERING

of savings and investment solutions³



GROWING

Sustained year-on-year growth

10% ANNUAL GROWTH

in clients for past 5 years

AUA HAS DOUBLED

since 2016

FULLY ORGANIC

growth

WE HAVE A BROAD AND BEST-IN-CLASS OFFERING



LEADING USER EXPERIENCE

- Highest rated D2C platform for UX ¹
- Award winning app and website ²
- Digital-first experience: >390M visits p.a.



PREMIER SERVICE

- >10,000 shares and funds available
- >300,000 clients using Helpdesk
- Client satisfaction up 8% over last 2 years



EXTENSIVE PROPOSITION

- Full product offering with all wrappers
- Leading research and suite of tools
- Clients receive discounts on 74% of shortlist funds ³

1. Platform - UK D2C Investor Experience, October 21;

2. Awards include UK Investor Magazine - Best Share Dealing Platform 2021; Boring Money: Best for Digital Pension 2021 and Best for Digital ISA 2021;

3. 74% of AuA held in shortlist funds benefit from a discount

WE HAVE AN **UNPARALLELED UNDERSTANDING** OF OUR CLIENTS ...

	FY18		FY21
Digital visits	169M	>	393M
Client logins	76M	>	233M
Transactions	13M	>	27M
Trades	17M	>	31M
Helpdesk calls and emails	1.7M	>	2.2M
Article visitors	2.1M	>	3.6M

... AND WHEN THIS GENERATES INSIGHT - WE ACT!

DATA INFORMS OUR PROPOSITION...

> ACTIVE SAVINGS

4.8x the market average rate for 1 year savings **4.6x** the market average rate for Easy Access

- ✓ Enables clients to find better rates
- ✓ Choose from 14 partner banks with 1 account
- ✓ Over 100K clients signed up

“*Active Savings transformed the way I manage my cash*”

...AND IMPROVES CLIENT OUTCOMES

> BETTER INVESTORS

Targeted campaigns and nudges...



BEHAVIOURAL CHANGES



...to help our clients realise better returns:
27% OF CLIENTS nudged improved their diversification

WE HAVE A POWERFUL DISTRIBUTION ENGINE WHICH DRIVES GROWTH ...



WE ATTRACT CLIENTS ...

#1

Brand awareness
of D2C firms¹

233K

Net new clients



... WE ENGAGE ...

180M

Mobile log-ins

3.6M

Visitors to our
insight and articles



... AND WE RETAIN THEIR BUSINESS

92.7 %

Retention rate

75%

New business from
existing clients

FY21 Figures

... AND ENABLES US TO SUSTAIN A HIGH VALUE CLIENT BASE

Our clients **join us early on** their accumulation journey...

...they are **committed** to building their wealth...

...and they **stay with us** through their investing lifetime...

35YRS

Average age of new clients

600K

Clients contribute annually to an ISA

£82K

Average AuA per client

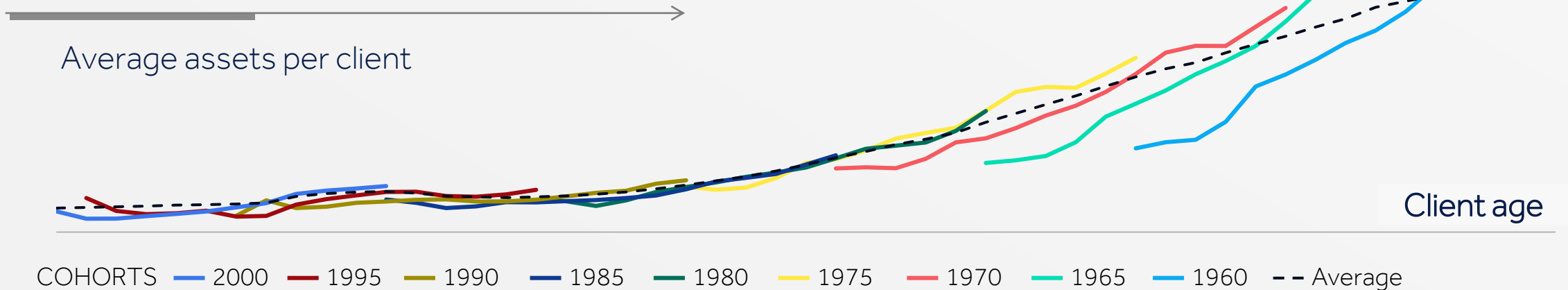
4X

Average increase in client portfolio value over 15 years¹

25+ YRS

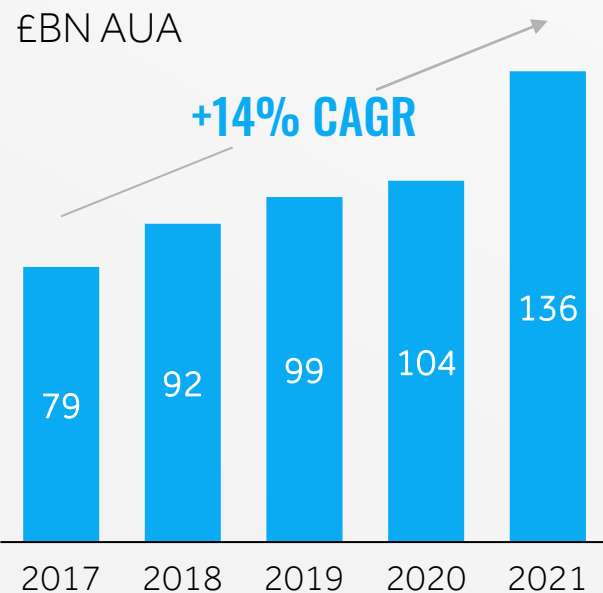
A typical client aged 30-54 will be with us

... with newer cohorts showing the same accumulation profile as existing cohorts



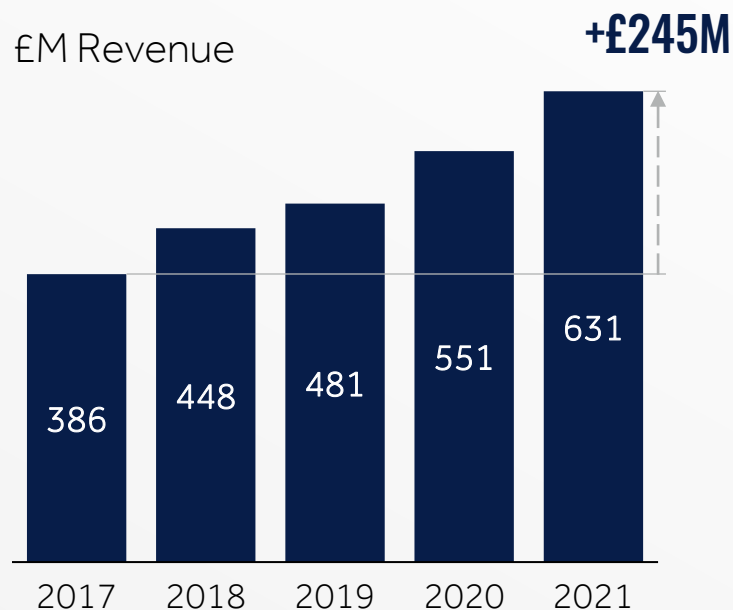
WE HAVE A TRACK RECORD OF DELIVERING STRONG RETURNS

Sustained growth in AuA

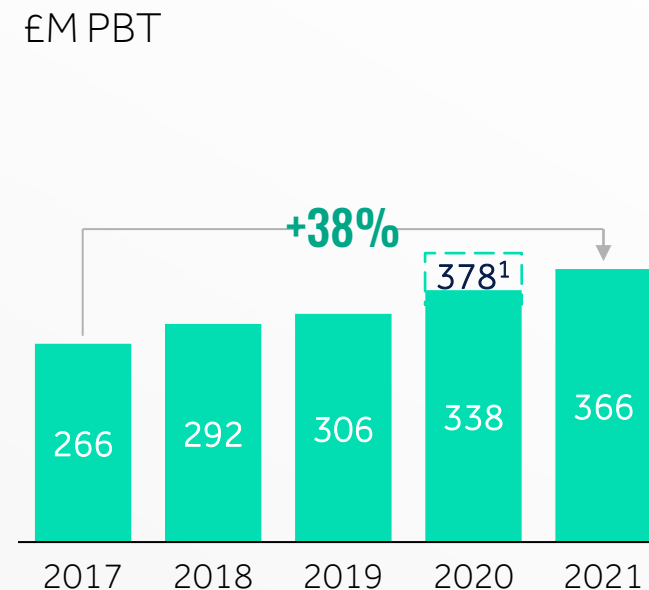


Financial year

Sustained top-line growth

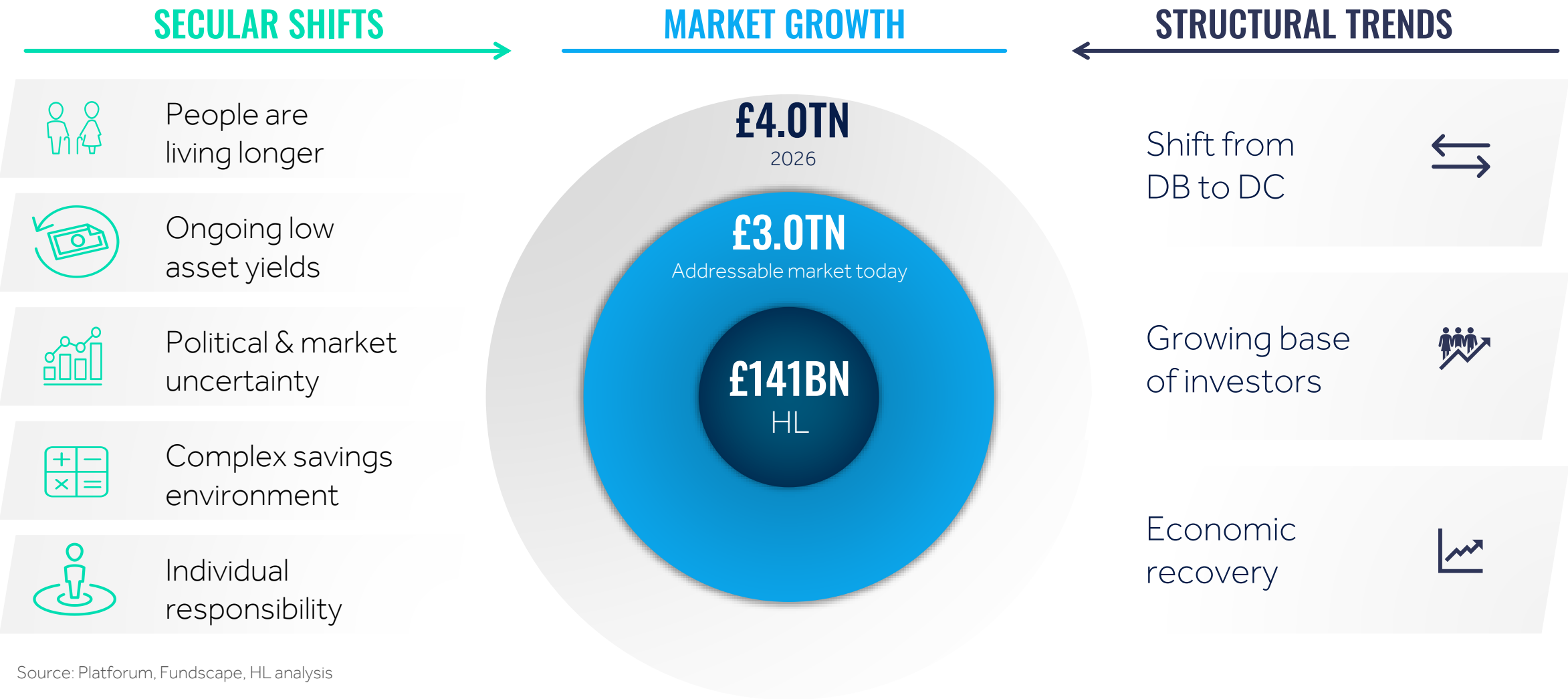


Sustained operating profit growth



1. Gains from Funds Library disposal

SIZE OF MARKET OPPORTUNITY HAS NEVER BEEN THIS SIGNIFICANT



Source: Platforum, Fundscape, HL analysis

WE HAVE REACHED AN INFLECTION POINT IN UK WEALTH MANAGEMENT



COMBINED SHIFT
IN TRENDS MEANS
**NOW IS
THE TIME**

to move forward into the
fast-growing market
opportunity

OUR **UNIQUE STRENGTHS** PUT US IN THE BEST PLACE TO REDEFINE THE MARKET

1

LEADERSHIP

The UK's number one platform for private investors

2

SIMPLICITY

A track record of building exciting investing tools & digital experiences

3

BREADTH

An unrivalled & evolving range of investment solutions

4

EXPERTISE & TRUST

40 years of client insights, knowledge & relationships

“

Hargreaves Lansdown is a trusted and well-known brand. I would never leave

WE HAVE A VISION TO **REDEFINE WEALTH MANAGEMENT**

TRANSFORM

the savings and investment
experience

COMBINE

the best of human expertise, augmented
by digital capability

DELIVER

a uniquely personalised service for simply
managing your financial health and wealth

Developing our
DIGITAL BACKBONE

Creating unparalleled
DATA DRIVEN INSIGHTS FOR CLIENTS

Rapidly expanding our
INVESTMENT SOLUTIONS

Accelerating
ACTIVE SAVINGS

Creating the best
DIGITAL AND HUMAN ADVICE SERVICE

BALANCED & PLANNED INVESTMENT

We will invest
~£175M to deliver
this transformation

of which **~80%** will
be self-funded by
COST SAVINGS BY FY26



**DIGITAL
BACKBONE**



**DATA DRIVEN
INSIGHTS FOR CLIENTS**



**INVESTMENT
SOLUTIONS**



**ACTIVE
SAVINGS**



**DIGITAL AND HUMAN
ADVICE SERVICE**

% OF TOTAL ESTIMATED
INVESTMENT CASH SPEND

~40%

TECHNOLOGY

~30%

SERVICE

~30%

INVESTMENTS,
SAVINGS & ADVICE

OUR INVESTMENTS WILL DELIVER A NEW, **TRANSFORMED** HL

BENEFITS TO OUR CLIENTS ...

ENHANCED PROPOSITION

Broader, integrated range of products and services for clients

SCALABLE BUSINESS

Combining the best of digital and human engagement to deliver at scale

SET UP FOR INNOVATION

Greater capacity to invest in meeting evolving client needs

... AND SHAREHOLDERS

ACCELERATED GROWTH

Strategy will accelerate growth resulting in c. £20BN NNB in FY26

OPERATING LEVERAGE

Positive underlying JAWS from FY23

ATTRACTIVE RETURNS

Sustainable underlying operating margins of c. 55%+ by FY26

HARGREAVES LANSDOWN

REDEFINING WEALTH MANAGEMENT

10:30

STEP CHANGE IN GROWTH
FROM A POSITION OF
LEADERSHIP



CHRIS HILL
Chief Executive
Officer

10:50

REDEFINING TECHNOLOGY
AND SERVICE



BIRGER
THORBURN
Chief Digital &
Information Officer



DAVID
ESPLEY
Chief Technology
Officer



AMANDA
SHEPHERD
Chief Operating
Officer

11:20

REDEFINING INVESTMENT
SOLUTIONS, SAVINGS
AND ADVICE



DAVID JAMES
Chief Marketing
& Brand Officer



EMMA WALL
Head of Investment
Analysis & Research

11:50

FINANCIALS, SUMMARY
AND CLOSING REMARKS



JAMES FOUND
Head of Investor
Relations



CHRIS HILL
Chief Executive
Officer

12:15

Q&A

HARGREAVES LANSDOWN

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10:50 REDEFINING TECHNOLOGY AND SERVICE

11:20 REDEFINING INVESTMENT SOLUTIONS, SAVINGS AND ADVICE

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WE HAVE INVESTED IN TECHNOLOGY TO SUPPORT GROWTH



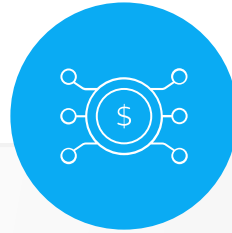
DIGITAL LEADERSHIP

680K

monthly mobile visitors

4.6

aggregated app rating,
vs 4.1 for peers ²



DATA RICH

12M+ CLIENT YEARS

tracked in the last decade across
the client base

95M+ TRADES

client initiated trades across
shares and funds



SCALING THE BUSINESS

+50% CLIENTS

from FY18 to FY21

3.8X MOBILE LOGINS

from FY18 to FY21

7X MOBILE TRADES

from FY18 to FY21

1. Platform UK D2C Investor Experience – October 2021; 2. Aggregated by averaging iOS and Android Scores on Google Play. Peer group set of Interactive Investor, Fidelity International, AJ Bell YouInvest, Nutmeg, Wealthify. iOS: 4.7 vs 4.6 for peers; Android: HL rated 4.4 vs peer group average of 3.6. Ratings data from 12th January 2022.

WE HAVE A PROVEN ABILITY TO EXECUTE...

...AND DELIVER VALUE

PAYMENTS

FROM...

A bespoke
internal system
that processed
payments

...TO

An integrated,
cloud-based
payment solution

- ✓ Access to best-in-class 3rd party solutions (e.g. leading AI enabled fraud detection)
- ✓ >60% reduction in payment failures
- ✓ Potential to unlock further cost savings by driving adoption of cheaper payments

NOW IS THE TIME FOR A **STEP-CHANGE** IN TECHNOLOGY



SEAMLESS

- Consistent client interaction across any channel
- Easy movement between products, services and tools



DATA-DRIVEN

- Easy access to data for our colleagues
- Environments to unleash our data science
- Culture to measure and improve our offering



SCALABLE

- Systems designed with scaling in mind
- Cloud-based, flexible infrastructure



INNOVATIVE

- Free up resource to innovate
- Controlled and fast way to innovate with our clients
- Distributed, entrepreneurial teams that can move fast

~40% OF INVESTMENT IS ENABLING TECHNOLOGY...

~40% Technology

~30% Service

~30% Investments,
savings and advice

... AND WE ARE INVESTING IN THREE AREAS



CLOUD & PLATFORMS



DATA



DIGITAL FOUNDATIONS

CLOUD & PLATFORMS

ENABLE US TO THRIVE AT SCALE



CLOUD

Enabling us to **scale infinitely** and take advantage of off-the-shelf **innovation**, e.g., data lakes, machine learning



PLATFORMS

Building an **efficient and resilient foundation** for our business and **embedding controls**

Full end-to-end load and performance **TEST ENVIRONMENT** created in 9 months

Allowing us to model future events and client acquisition to continuously adapt based on data driven insight

£7M SAVING REINVESTED through team and product rationalisation

Adopting modern, cost effective solutions quickly

UNLOCKING THE VALUE OF OUR DATA



WE HAVE LEVERAGED DATA TO IMPROVE

TRADING

FROM ...

Insufficient capacity
Peaks in demand
Slow to respond

↓

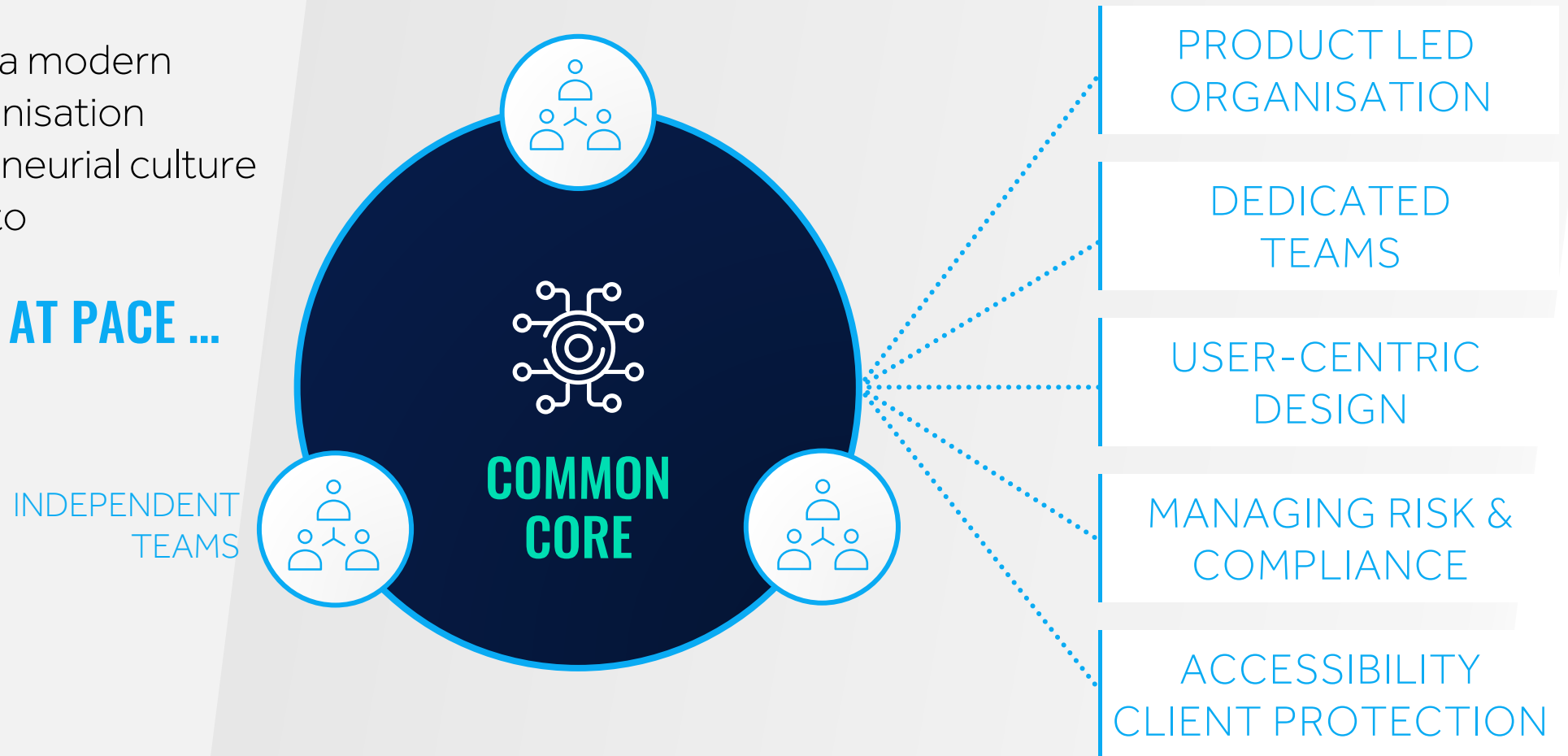
...TO

Variable capacity to more than meet the demand
Fast response and experience

OUR **DIGITAL FOUNDATIONS** ALLOW US TO INNOVATE CONSTANTLY

We are creating a modern technology organisation with an entrepreneurial culture that enables us to

CREATE VALUE AT PACE ...



OUR DIGITAL BACKBONE IS DELIVERING A STEP CHANGE IN CLIENT EXPERIENCE

VALUE REALISED

- **2/3rd** reduction in password reset call volume
- **2x** success rate in client username recovery

VALUE IN PROGRESS

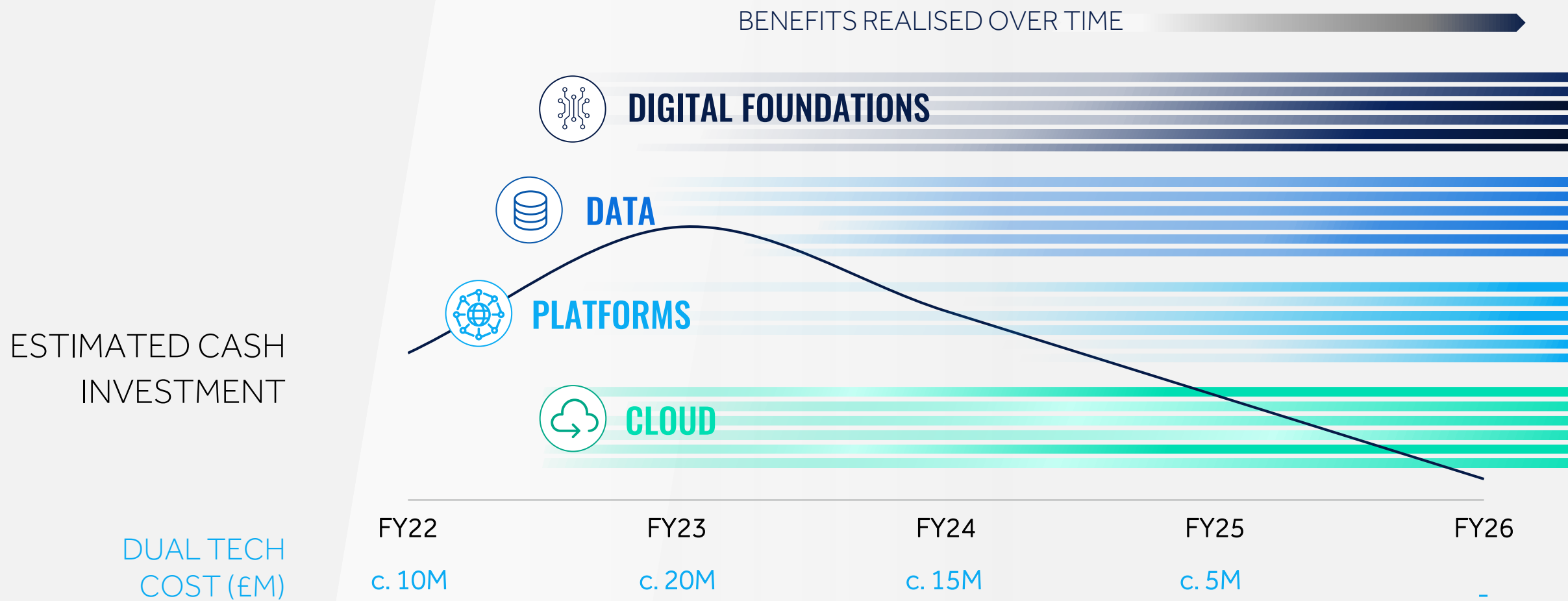
- **3x** more people able to complete key journeys unaided
- **50%** reduction in clicks to perform key tasks

VALUE ON THE HORIZON

- **Single view** of the client
- Secure **full mobile** sign up using biometrics

WE WILL PHASE INVESTMENT OVER THE NEXT 5 YEARS

ACROSS SMALLER INDEPENDENT PROJECTS THAT WILL DELIVER VALUE



WE WILL BUILD FOR SCALE AND INCREASE CAPACITY TO CONTINUOUSLY ENHANCE OUR CLIENT PROPOSITION

FROM

Months to launch
new products

Majority of tech spend
on run and maintain

Platform built for
limited capacity

Cost growth linked
to client growth

TO

> Weeks to launch new
products

> Greater capacity to invest
in product development

> Platforms built for near
infinite scale

> Technology that enables
operational leverage

BEST OF **PEOPLE** WITH THE BEST OF TECHNOLOGY AND DATA

HOW IT BENEFITS CLIENTS

Personalised Experience

Inclusive Service

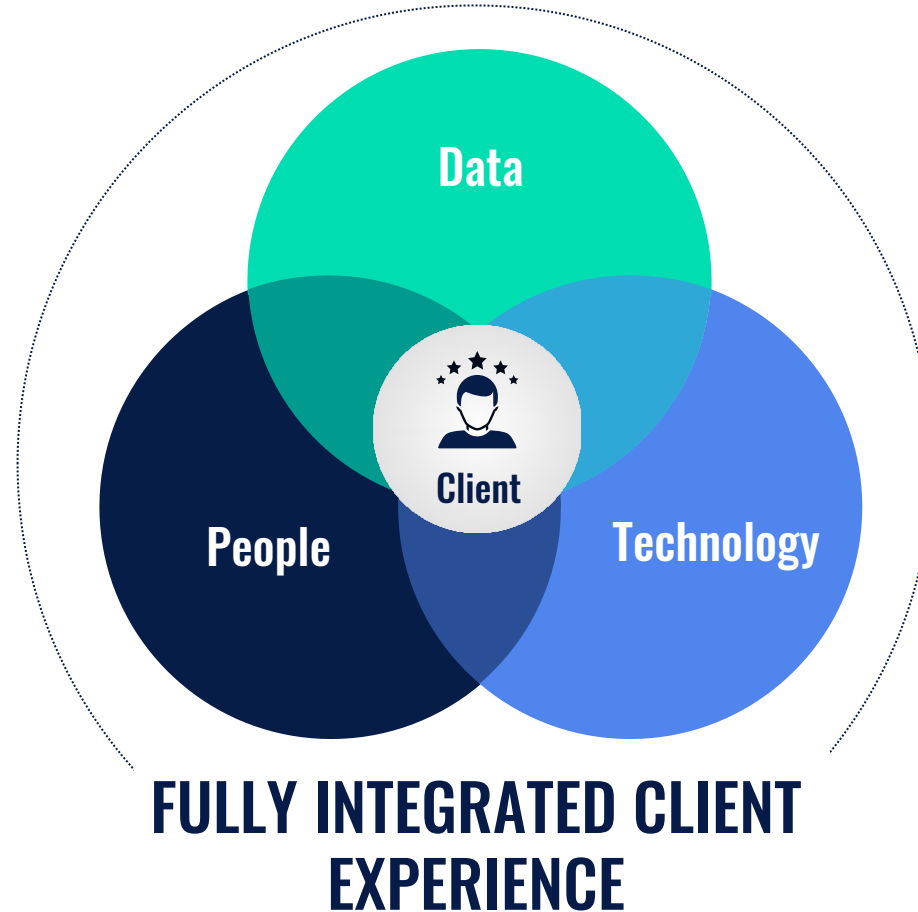
Seamless and Effortless

WHAT IT ENABLES US TO DELIVER

Scale

Efficiency

Delivery Speed



WE ARE RENOWNED FOR OUR CLIENT SERVICE EXPERIENCE



“ I find both the HL website and app **easy to use**. When I've called their helpdesk my question was answered **promptly and efficiently**.



“ Available Saturday morning, knowledgeable person, very **professional**.



“ I was given the impression that my business mattered to the company and that you **valued** my questions.

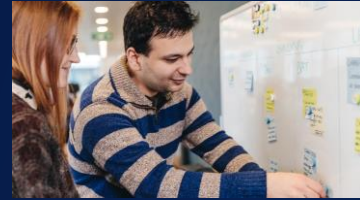


“ We have been customers for a long number of years and have been impressed with the **standard of service** we receive. **A positive experience.**

OUR VALUES AND CULTURE MAKE THIS POSSIBLE

PUT THE CLIENT FIRST

We interact with 1 in 3 clients every year



GO THE EXTRA MILE

50+ NPS score

DO THE RIGHT THING

Trust Pilot 4.2 score

MAKE IT EASY

Agile approach

Flexible ways of working



DO IT BETTER

Innovative, dynamic & empowered colleagues

New capabilities



OUR AMBITION IS **TO DO MORE** FOR OUR CLIENTS

DIGITAL CLIENT VERIFICATION

AUTOMATED TRANSFERS

→ **BEFORE**

Manual verification took 5-7 days by post for all new clients

Manual, complex process which clients could not track

 **TODAY**

80% of clients are verified within 48 hours via our digital link

80% reduction in complaints and 50% reduction in transfer time

◆◆ **NEXT STEP**

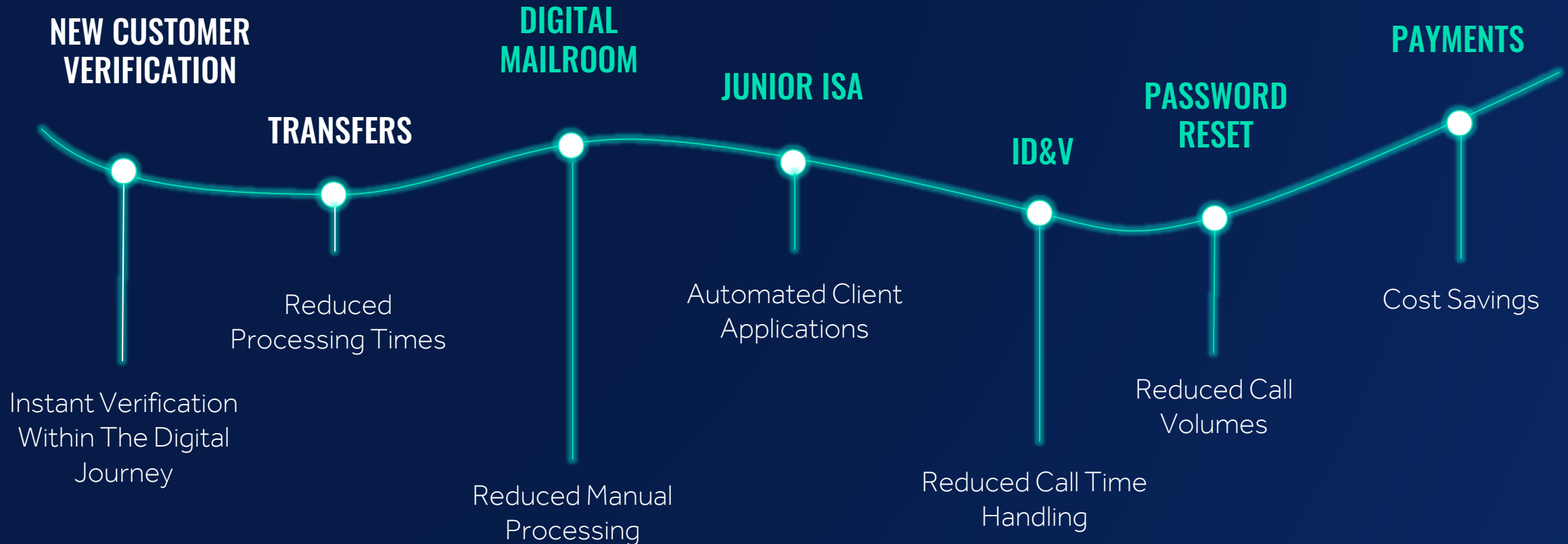
Digital link embedded in client journey, providing instant access and support

Automation & STP to reduce processing time by a further 10%, with 20% FTE capacity saved

∨
**SEAMLESS EXPERIENCE
REDUCED CALL VOLUMES**

∨
**FASTER TRANSFERS
LOWER COST TO SERVE**

WE SEE MULTIPLE WAYS TO IMPROVE...



THESE INITIATIVES WILL IMPROVE THE CLIENT EXPERIENCE AND LOWER THE COST TO SERVE

THESE CHANGES WILL IMPROVE OUR **OPERATIONAL PERFORMANCE**

BY FY26

60% reduction in payment transactions costs

90K fewer calls that relate to password resets

11% call time handling saved from automated ID&V

57% to **70%+** increase in seamless call support

28% to **60%+** increase in customers using self-service

Developing our
DIGITAL BACKBONE

Creating unparalleled
**DATA DRIVEN INSIGHTS
FOR CLIENTS**

Rapidly expanding our
INVESTMENT SOLUTIONS

Accelerating
ACTIVE SAVINGS

Creating the best
**DIGITAL AND HUMAN
ADVICE SERVICE**

WE WILL ENHANCE THE CLIENT EXPERIENCE AND **INCREASE VALUE** FOR SHAREHOLDERS

BY FY26



60+
NPS

Client
service NPS¹



20%
REDUCTION

In cost to
serve (bps)²



~£55M
COST SAVINGS

On annual
basis

1. Net Promoter Score and NPS are registered service marks, and Net Promoter Score and Net Promoter Systems are service marks of Bain & Company Inc., Satmetrix Systems, Inc. and Fred Reichheld; 2. Cost to serve compares underlying cost base to AuA

HARGREAVES LANSDOWN

REDEFINING WEALTH MANAGEMENT

10:30 STEP CHANGE IN GROWTH FROM A POSITION OF LEADERSHIP

10:50 REDEFINING TECHNOLOGY AND SERVICE

11:20 REDEFINING INVESTMENT SOLUTIONS, SAVINGS AND ADVICE

11:50 FINANCIALS, SUMMARY AND CLOSING REMARKS

12:15 Q&A

OUR PURPOSE IS TO **EMPOWER** **PEOPLE TO SAVE** **AND INVEST WITH** **CONFIDENCE**

Developing our
DIGITAL BACKBONE

Creating unparalleled
DATA DRIVEN INSIGHTS FOR CLIENTS

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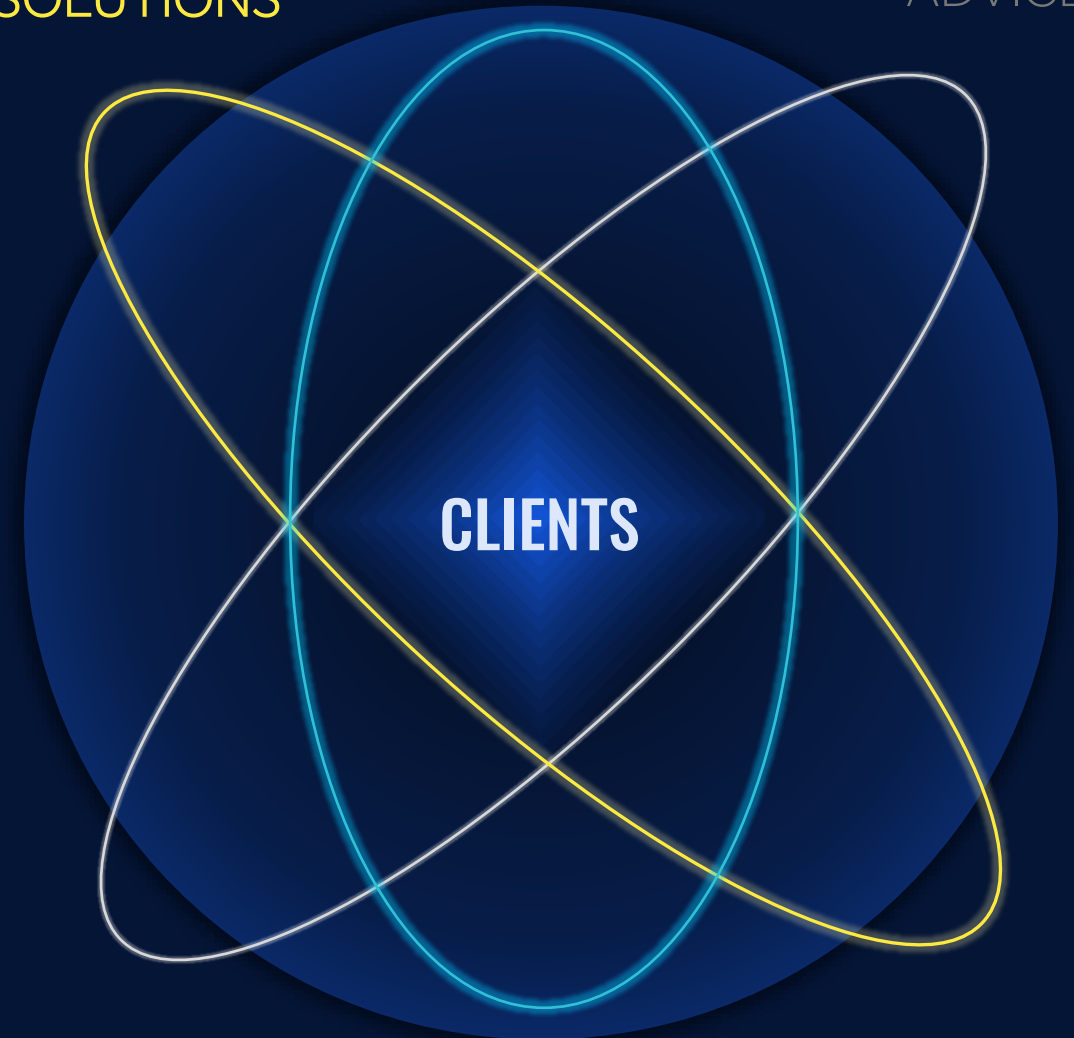
Creating the best
DIGITAL AND HUMAN ADVICE SERVICE

WE ARE REDEFINING INVESTMENT SOLUTIONS & ACTIVE SAVINGS

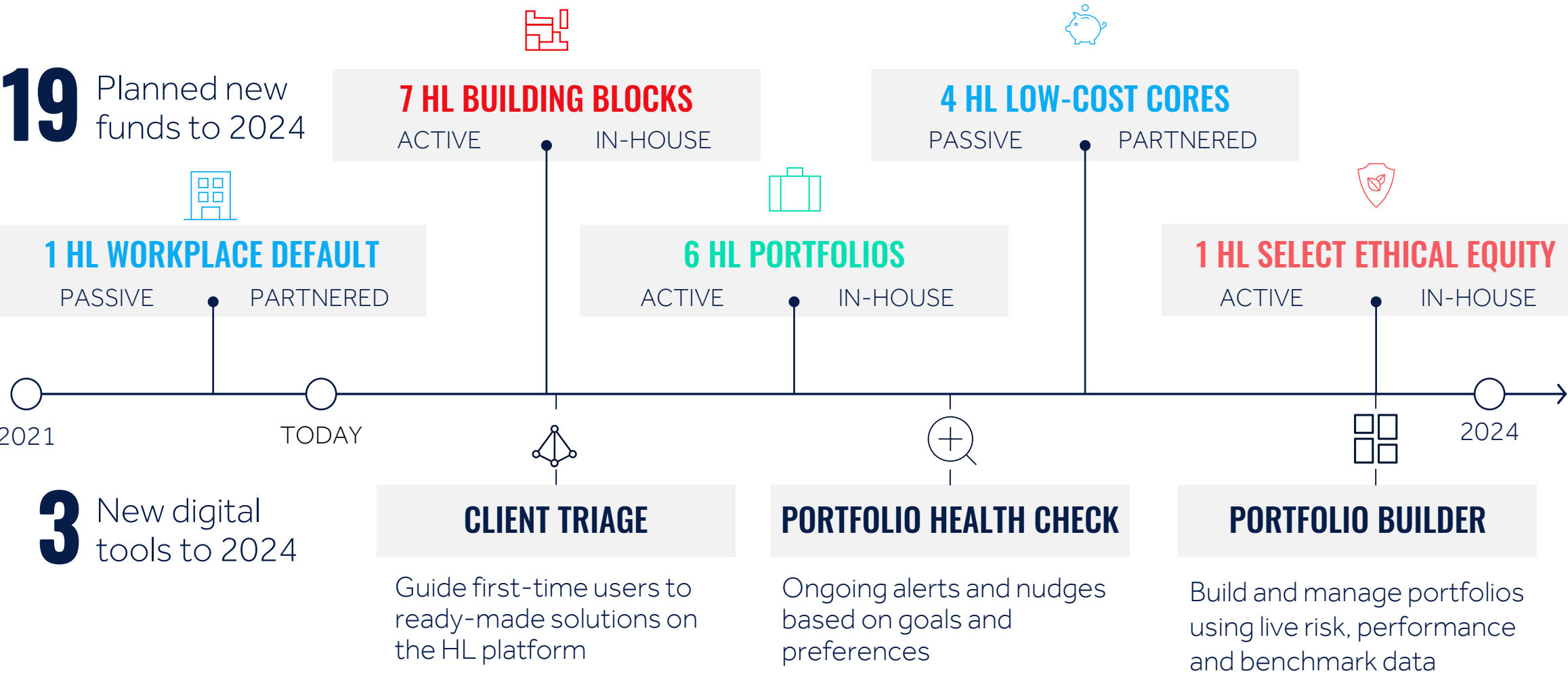
INVESTMENT
SOLUTIONS

ACTIVE SAVINGS

AUGMENTED
ADVICE



LAUNCHING 19 NEW FUNDS TO BRING THE POWER OF HL TO OUR CLIENTS



Note: Calendar year

HOW THE NEW FUNDS AND TOOLS WILL **SERVE OUR 3 TYPES OF CLIENTS**

DO IT FOR ME

A solution in a few
simple clicks

FUNDS

 **6 HL PORTFOLIOS**

 **4 HL LOW-COST CORES**

 **1 HL WORKPLACE DEFAULT**

HELPING HAND

A personalised portfolio with key
expertise

FUNDS

 **7 HL BUILDING BLOCKS**

TOOLS

 **PORTFOLIO BUILDER**


DIY INVESTOR

Intelligence and curated tools
to empower my decisions

FUNDS

 **1 HL SELECT ETHICAL EQUITY**

TOOLS

 **PORTFOLIO HEALTH CHECK**

FOUNDATION OF HL PLATFORM WITH UNPARALLELED ACCESS TO **3,000+** FUNDS

OUR COMMITMENT TO ESG DELIVERS SUSTAINABLE SOLUTIONS



FUNDS

Launch of HL Select Ethical Equity Fund

Integrated into investment process & partner selection

Corporate engagement on ESG issues



TOOLS & SERVICES

Visual of ESG investment impact

ESG search functionality

ESG reports



GROUP-LEVEL

Net-zero pledge across HL for 2050

Climate taskforce

Sustainability network

WE WILL DISTRIBUTE USING A BROADER SET OF CHANNELS

Strong track record of fund launches using existing channels ...

% of platform fund flows to funds in launch month

HL SELECT GLOBAL GROWTH **20%**

HL SELECT UK GROWTH **19%**

HL SELECT UK INCOME **14%**

... and two new channels will drive increased flows to our new funds

NEW
CHANNELS

NEW ONLINE JOURNEY/ TRIAGE

AUGMENTED ADVICE & GUIDANCE

EXISTING
CHANNELS

CORE MARKETING MACHINE

ADVICE

WORKPLACE

WE ARE UNIQUELY POSITIONED TO DELIVER



CLIENTS

1.7M client base with unrivalled access to data



EXPERTISE

In-house investment expertise, recruited 20+ roles in past 18 months with 30+ more to come



DISTRIBUTION

Strong multi-channel marketing machine powered by data and insight



PARTNERSHIPS

40+ exclusive deals for access to funds & data from the best of the industry

CAPTURING VALUE FROM OUR INTEGRATED PROPOSITION

RETENTION

Contributing to increased retention of clients

HL FLOWS

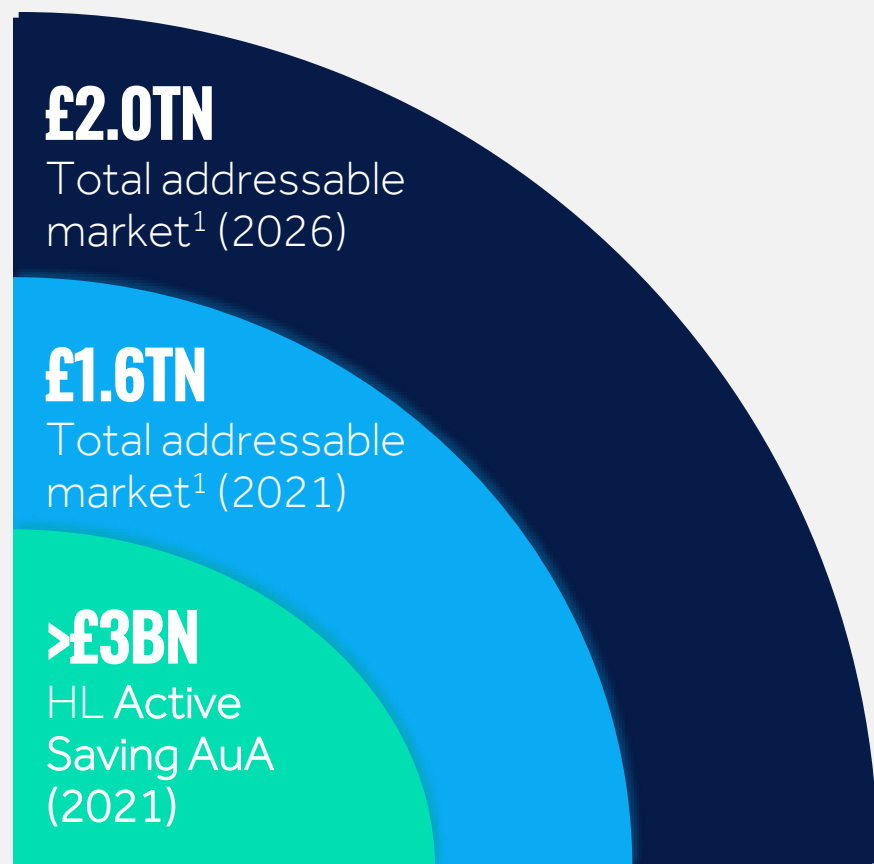
Greater share of flows from platform to HL funds

SHARE OF ASSETS

Increased share of assets in HL funds

WE WILL SIGNIFICANTLY SCALE OUR ACTIVE SAVINGS BUSINESS

THERE IS A HUGE OPPORTUNITY TO GO AFTER IN THE UK SAVINGS MARKET...



... AND WE HAVE A CLEAR PLAN TO CAPTURE THIS



MARKET

capturing improving interest rate environment



MARKETING

leveraging digital marketing to build the Active Savings brand



PRODUCT

developing best in class products and experience for our clients



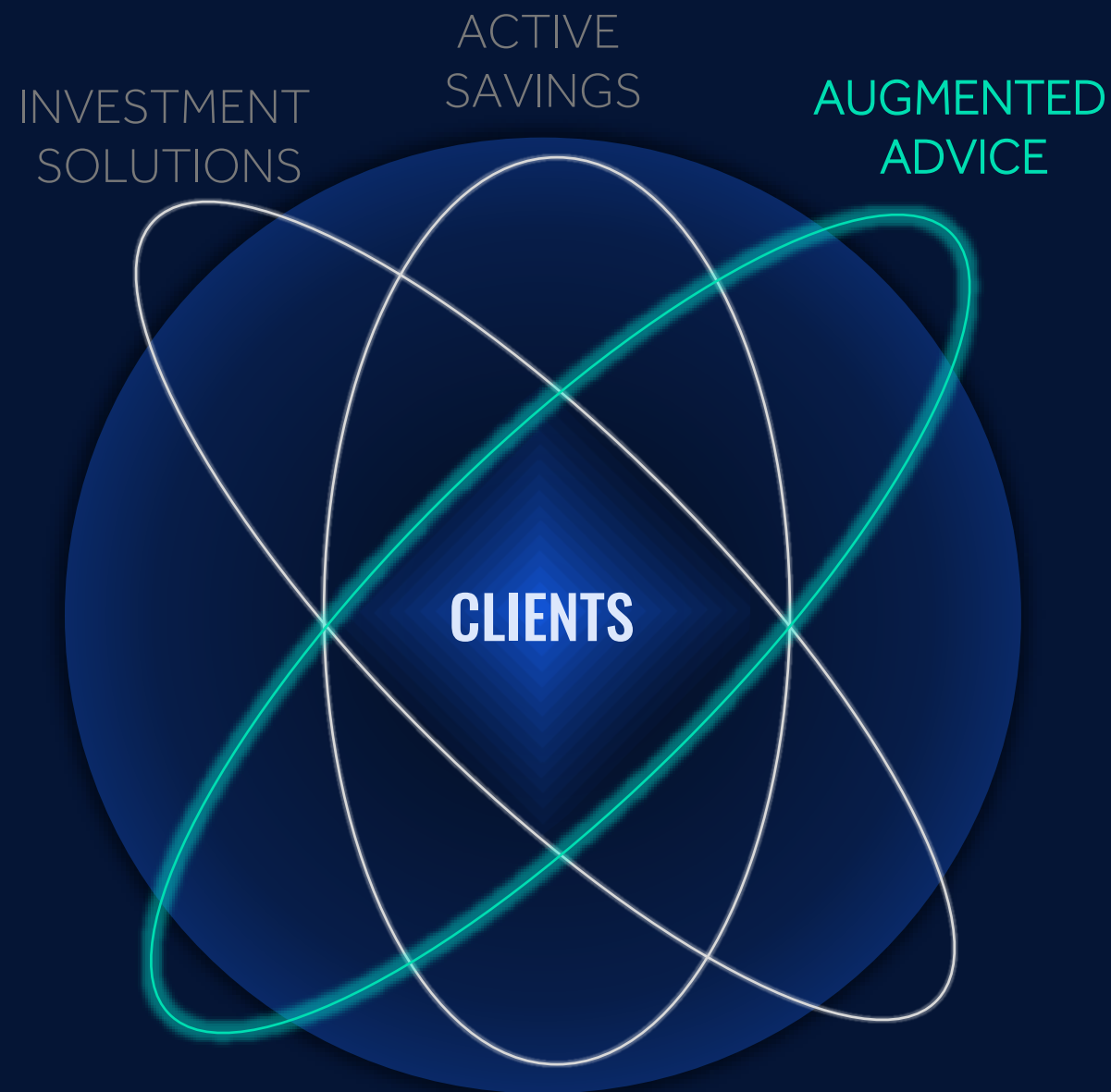
INTEGRATION

seamlessly embedding and scaling within the wider proposition

MARGINS EXPECTED TO RISE AS WE SCALE

1. Building Societies Association – addressable market defined as total UK household savings market minus current account balances; HL analysis

WE ARE REDEFINING
**THE ADVICE
& GUIDANCE**
EXPERIENCE



**ACCELERATED
BY THE PANDEMIC,
CLIENT FRICTIONS
WITH FINANCIAL ADVICE
REMAIN UNSOLVED**

**EXPENSIVE
TRUST GAP
INACCESSIBLE
BLACK BOX**

WE CAN CAPTURE A SIGNIFICANT MARKET OPPORTUNITY IN THE ADVICE MARKET

HL HAVE A SMALL PART
OF THE ADVICE MARKET

<1%

of the £818BN¹ advice
market

+

UNMET NEEDS

6M

UK adults need advice²

+

REGULATION
CHANGES

9M

UK adult cash holders
who might gain from
investing³

1. Platforum report: UK D2C Market Overview Feb 2022; 2. OpenMoney's UK Advice Gap Report, 2021; 3. FCA Consumer Investments Strategy

OUR STRATEGIC VISION REDEFINING THE ADVICE & GUIDANCE MARKET



AUGMENTED ADVICE WILL EMPOWER CLIENTS:

A brand new way to optimise
your financial health and wealth with:
Hyper personalised advice and guidance,
in the moments that matter to you

Combining the best of digital
and human engagement...
...all at a competitive price

INTRODUCING THE **KEY FEATURES** OF AUGMENTED ADVICE & GUIDANCE

Human Digital
Advice Guidance

Adviser planning intervention



Financial health check

Adviser webchat



Risk appetite calculator

Retirement optimiser



Investment goal creator

ESG profiler



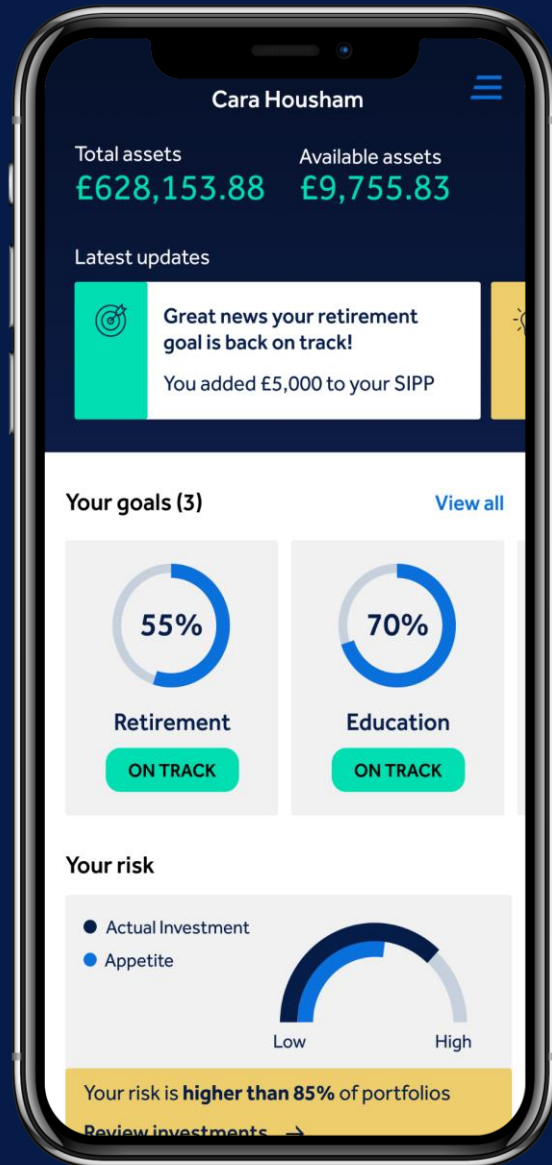
Digital portfolio advice tool

Portfolio behaviour nudge



Boost your portfolio score function





“ It's **more about me**, it gives me a snapshot view

“ Retirement is the really big step, it's a bit like jumping off a cliff. This would be **very very useful**

“ I love the **concept of nudges**, of experts giving you bitesize information. It doesn't take a lot of time

WE HOLD THE UNIQUE INGREDIENTS TO DELIVER NEXT GENERATION ADVICE

40 YEARS OF CLIENT
INSIGHT & EXPERTISE

CLIENT DATA
VALUE EXCHANGE

PERSONALISATION

THE DATA WE
HOLD FOR YOU

OPEN
FINANCE DATA

OUR **UNIQUE STRENGTHS** MEAN WE ARE BEST PLACED TO REDEFINE THE MARKET

1

LEADERSHIP

The UK's number one platform for private investors

2

SIMPLICITY

A track record of building exciting investing tools & digital experiences

3

BREADTH

An unrivalled & evolving range of investment solutions

4

EXPERTISE & TRUST

40 years of client insights, knowledge & relationships

Globally, wealth management companies are starting to line up digital advice services....

...we are off to a flying start with the Better Investors data-driven nudge program and insight from existing advice, tools, and resources

OUR BETTER INVESTORS INITIATIVE WAS LAUNCHED IN 2021...

DATA-DRIVEN APPROACH TO CREATE
BESPOKE METRICS TARGETING:

DIVERSIFICATION **VOLATILITY**

**TRADING
FREQUENCY** **CASH
HOLDINGS**

ENGAGING CLIENTS THROUGH:
PERSONALISED COMMUNICATIONS
BEHAVIOURAL NUDGES
EDUCATIONAL HUB

...AND SINCE THEN IT'S GENERATED A MEANINGFUL **IMPACT**

200K
clients engaged

50%
uplift of new clients investing in funds

300%
increase in click- through rates

WE WILL PILOT AUGMENTED ADVICE IN 2022 AND LAUNCH IN 2023



Note: Calendar year

AUGMENTED ADVICE DELIVERS KEY OUTCOMES

INCREASED CAPACITY FOR ADVISED ASSETS

ATTRACT NEW CLIENTS

NET ANNUALISED NEW FLOWS

NEW PROFILE ADVISERS

5x adviser efficiency from launch

+100k new clients by FY26

~25% of NNB by FY26

+100 FTE by FY26

OUR COMBINED PROPOSITIONS DELIVER **POWERFUL OUTCOMES**

IN THE NEXT TWO YEARS...

Full **ESG**
INTEGRATION
in fund line up

19 new funds
3 new **DIGITAL**
PORTFOLIO tools

Externally branded
& fully integrated
ACTIVE SAVINGS
PROPOSITION

...WITH

New **AUGMENTED**
ADVICE & GUIDANCE launched and scaled



**REDEFINING
THE SAVINGS
& INVESTING
EXPERIENCE**

HARGREAVES LANSDOWN

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ATTRACTIVE RETURNS FOR OUR SHAREHOLDERS

ACCELERATED GROWTH

Strategy will accelerate growth resulting in c. £20BN NNB in FY26

OPERATING LEVERAGE

Positive underlying JAWS from FY23 driving an improvement in underlying operating margins to c. 55%+ by FY26

FOCUSED INVESTMENT

£175M strategic investment on technology, service and growth propositions

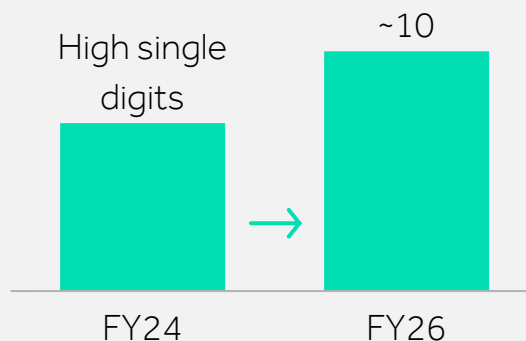
~80% SELF FUNDED

£55M of annual cost savings by FY26

OUR STRATEGY DELIVERS SUSTAINED GROWTH

NET NEW BUSINESS

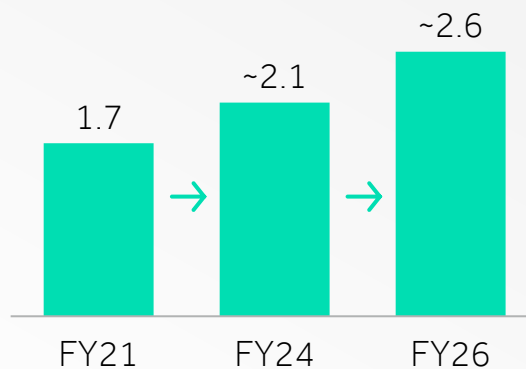
% of opening AuA



- Gradual rise in NNB (as a % of opening AuA) to high single digits by FY24 driven by the enhancement of our Funds and Active Savings propositions, and improvements in our digital experience for clients
- NNB (as a % of opening AuA) over FY24-26 will be further driven by the roll-out of our Augmented Advice offering
- We expect NNB to reach c. £20BN in FY26 on a sustainable basis
- Assumes 4% p.a. market growth

CLIENTS

Millions of clients

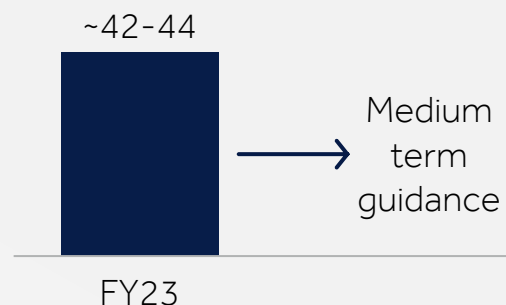


- Growth focused on high quality clients, driven by improved client service, and development of our Funds and Active Savings offering in early years and Augmented Advice in latter years
- Gradual improvement in client retention from now to FY26 as the service and proposition are implemented

OUR STRATEGY ENABLES US TO THRIVE AT SCALE

REVENUE MARGIN

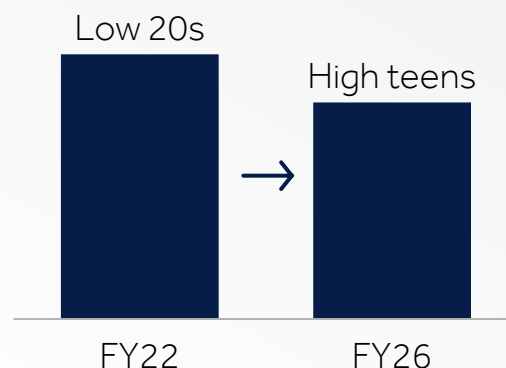
Blended revenue margin, bps of AuA



- Reflecting the **changing mix of business and a competitive environment**:
 - Allowance for compression in **platform & stockbroking fees**
 - Growth from new, cost **competitive fund range**
 - Cash margin rises from **low-to-mid 20s to c. 60 bps by FY25**, assuming a further rate rise in November 2022 from 50bps to 75bps¹
 - Longer term revenue margin underpinned by the launch of **Augmented Advice**

UNDERLYING COST TO SERVE

Underlying cost to serve, bps of AuA



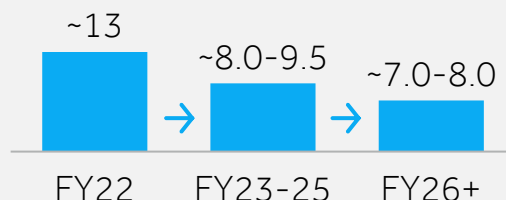
- We expect a **reduction in the cost to serve by FY26** on a sustainable basis
- This will be driven by the combination of **increased scalability** and **use of technology** creating greater efficiency on the platform

¹ Base rate projections reflect internal model estimations and public information only.

OUR STRATEGY GENERATES RETURNS FOR SHAREHOLDERS

UNDERLYING COST BASE

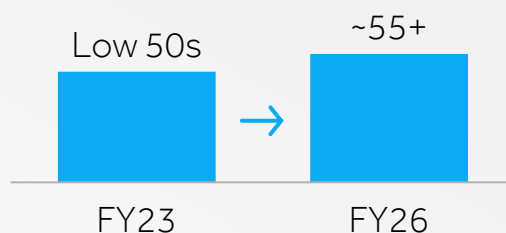
Underlying cost base annual growth
%



- Underlying cost growth expected to **gradually reduce** to FY26
- Underlying cost growth in FY26 and beyond reflects continued **growth of clients and development** needed to maintain a market leading proposition in a competitive, regulated environment

UNDERLYING OPERATING MARGIN

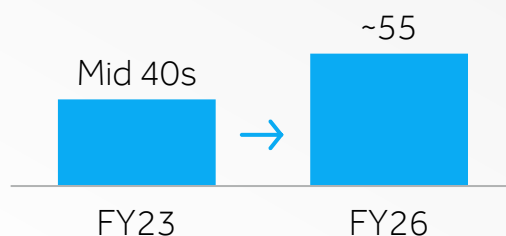
% of revenue



- We expect underlying operating margins to improve from low 50s in FY23 to c. 55%+ by FY26 **on a sustainable basis**
- We will operate with **positive JAWS (revenue growth – cost growth)** from FY23 (Financial Year ending June 2023)

STATUTORY OPERATING MARGIN

% of revenue

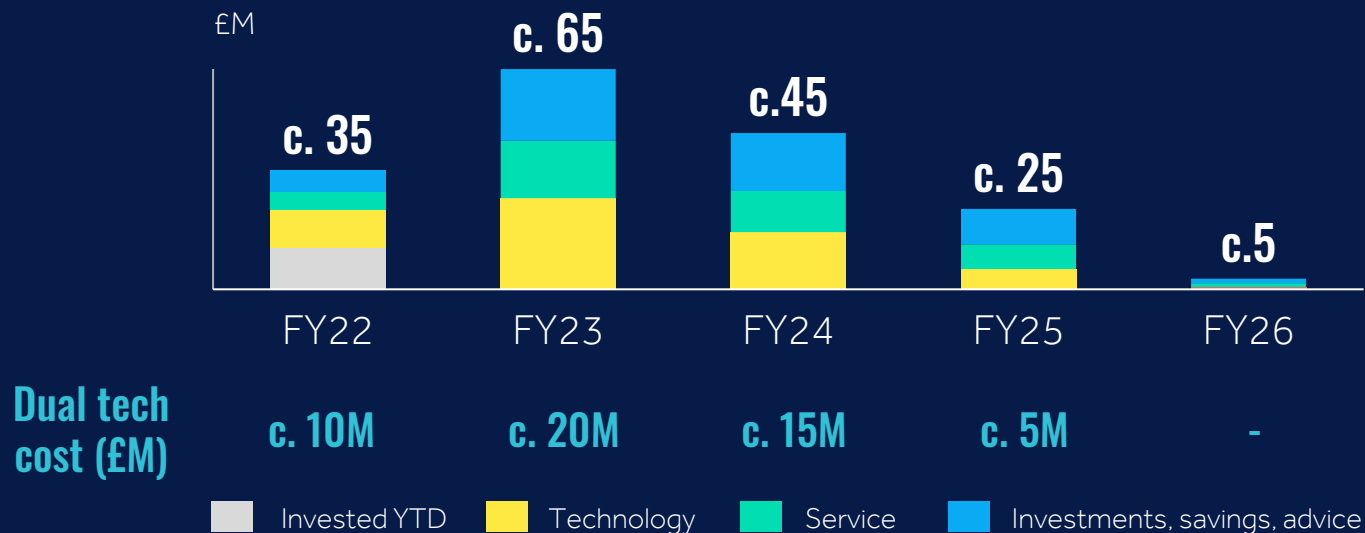


- We expect statutory operating margins to improve from mid 40s in FY23 to c. 55% by FY26 **on a sustainable basis**
- We will operate with **positive JAWS on a run rate basis as we exit FY23** (Financial Year ending June 2023)

**WE WILL INVEST
~£175M TO DELIVER
THIS TRANSFORMATION**

**OF WHICH ~80% WILL
BE SELF-FUNDED BY
COST SAVINGS BY FY26**

Estimated investment cash spend, by initiative



Annual cost savings



DIVIDEND POLICY

ORDINARY DIVIDEND

Continue our progressive ordinary dividend policy, growing by 3% p.a. in FY22 & FY23

SPECIAL DIVIDEND

Suspension of special dividend in FY22 & FY23 with reinstatement from FY24

OUR STRATEGY WILL DELIVER **SUSTAINED GROWTH AND RETURNS**

STEP CHANGE IN GROWTH

Accelerate growth resulting in c.£20BN NNB in FY26

INCREASED OPERATING LEVERAGE

Return to positive underlying operating JAWS from FY23

SUSTAINABLE COST GROWTH

Underlying cost growth expected to gradually reduce to c. 7-8% by FY26 on a sustainable basis

ATTRACTIVE RETURNS

Growing ordinary dividend, with special dividend reinstated from FY24

UNPARALLELED OPPORTUNITY FOR OUR CLIENTS AND SHAREHOLDERS

- 1** We have a track record of market leadership and the **RIGHT TEAM AND CAPABILITIES** to deliver this strategy
- 2** We are **REDEFINING WEALTH MANAGEMENT** with a market-leading integrated wealth proposition
- 3** Our strategy and investment is being driven by our **EXTENSIVE INSIGHT** on client needs
- 4** Our client proposition and service will deliver a step change in **CLIENT EXPERIENCE** and drive **STRONGER GROWTH AND RETURNS** for our shareholders

HARGREAVES LANSDOWN

REDEFINING WEALTH MANAGEMENT

10:30 STEP CHANGE IN GROWTH FROM A POSITION OF LEADERSHIP

10:50 REDEFINING TECHNOLOGY AND SERVICE

11:20 REDEFINING INVESTMENT SOLUTIONS, SAVINGS AND ADVICE

11:50 FINANCIALS, SUMMARY AND CLOSING REMARKS

12:15 Q&A

FORWARD-LOOKING STATEMENTS

IMPORTANT NOTICES

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