

Annual Report 2021.

Celebrating success.





2021
highlights.





£2.6 billion transactions for clients without paperwork.

£206 million total value of impulseSave® top ups.



We've saved close to **1 million** pieces of paper by taking our business **98% digital**.

122,189 True Potential investors and growing.

77,900 annual reviews processed.



£281 million group turnover for 2021.

We support over **5,000** financial advisers.



We welcomed our **100,000th** True Potential Portfolio client.

20,532 clients joined our Centrally Advised service.

5.4 million client logins through website and app.



2,452 Final Salary Pension transfers.

875 True Potential Wealth Management Partners.

£150,000 worth of Rewards transactions.

£17.3 billion total portfolio assets in 2021.

£132 million group profit for 2021.

10.24% annualised return on our Aggressive Portfolio since launch in 2015.

Over **1 million** people use True Potential technology to access their investments.

118,567 calls answered in 2021.



We work with over **9,000** experts in **200** global locations to get a unique view of global markets.

£400,000 raised.

106,000 clients now benefit from Hybrid Advice.





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Chief Executive's update.

2021 was an exciting and hugely successful year for us at True Potential and it is my pleasure to share this report with you.

New flows to the True Potential Platform topped £6.5 billion from clients, making this another record year for the business and an increase of 55% from 2020. 2021 was our 14th year in business and we have recorded an increase in sales every year - this sustained growth is testament to our strategy and our drive to put clients at the heart of everything we do.

Joining the group were 273 new financial advisers - some of whom we are helping plan toward their eventual retirement, the rest of whom are now at a place that I hope will be their home for many years to come as they thrive and help deliver fantastic client outcomes. If this is your first year at True Potential and you are reading this report, then a huge welcome from me and the team.

For those advisers who are retiring, I'm thrilled to say that our Central Advice Team continues to go from strength to strength and gives the best home for those advisers' clients in the industry. We now look after 38,000 clients directly and we do so in a modern, smart and technology led fashion. These clients are delighted with the proposition that we offer them and I expect this part of the business to continue to grow further.

Supporting these advisers and clients has been our fantastic staff. When I wrote our 2020 annual report I remarked upon how well they had operated during Covid and the various lockdowns and rule changes - they never missed a step and performed excellently. The same could very much be said for 2021 which, despite yet more clouded thinking and guidance regarding Covid from government, saw our high standards being kept throughout and some admirable work being completed by all members of the team. Well done and thank you to you all.

One of the few positives from two years of lockdown was True Potential being given the opportunity to shape how we wanted to work and how we thought we could deliver an even better service to our advisers and clients. This has seen us adopt a hybrid working approach and also undertake a full overhaul of our head office.

Both of these initiatives have been purposefully designed to help our staff become more productive and enjoy a more flexible working pattern, whilst continuing to be great ambassadors for the group. The outcome of both of these has meant that our opening hours have been extended, meaning we can look after our clients and advisers at times that suit them.

As well as delivering wonderful business results, True Potential has also looked to deliver wonderful outcomes to community causes. These causes are too numerous to mention in this foreword, but have included our continued support of The Social Mobility Pledge and seen head of True Potential Adviser Services, Gregg Lang, run 1,082 miles and raise £15,000 in 2021.

2021 saw us announce our partnership with Cinven, who became majority owners of True Potential.

Finally, I am delighted to say that the end of 2021 saw us announce our partnership with Cinven, who became majority owners of True Potential. Cinven is an excellent business and they have a brilliant team, who are already working very well alongside the team. This partnership will propel True Potential further forward as the management team and I continue to build upon our growth for many years to come.

I hope that you enjoy the read - thank you for your support, partnership and for trusting us with your business.

Daniel

Foreword from the Chairman.

2021 was True Potential's most successful year in our history. We broke all our previous records, cemented the foundations to set new ones and welcomed an exciting new partner into our business.

Let me start by welcoming Cinven to True Potential as our new majority shareholder. After so many years of consecutive growth, it is not surprising that we are often seen as an attractive option for investment. In contrast to so many other firms, last year we had the luxury of being able to choose the direction in which to take our business and the type of partner to work alongside.

Having examined many options, we were convinced that Cinven is the perfect partner for True Potential to realise our ambitions in the coming years. Cinven bring with them a wealth of experience, vast industry knowledge and above all they are people who share our ambitions and ethos. It is a partnership that is in its early stages but is already hugely exciting and opening new possibilities. I very much look forward to working with Cinven in the years to come.

Part of what attracted Cinven to True Potential was the strength in depth of our business and 2021 demonstrated that perfectly. While many other businesses across the United Kingdom and the World struggled to get to grips with another year of Covid-19 and constant disruption, True Potential flourished.

This was possible because the business was not designed merely to be resilient, but to be anti-fragile - to thrive in times of volatility, to push boundaries, to do things differently. In short, to be unique.

No we didn't know a pandemic was coming, but when it did the way our business was built and has evolved meant we continued to grow. And while others in our industry delivered a second year of poor customer service, poor technology and ultimately poor business performance, True Potential thrived in 2021 by continuing to deliver exceptional customer service, and top of the range technology built and managed in-house. We invested heavily in upgrading our head office to be a place where our clients and advisers want to visit and where they feel even more at home when they do.

Much has been written in recent months about 'levelling up' and what business purpose really means. I am clear that our purpose is to make a profit by providing clients with a profit from their investment through exceptional service, technology, and fund performance. Our results prove that we consistently deliver and our clients' wealth, and ours, grows year-on-year.



And because we fulfil that purpose, we can deliver on a much wider purpose beyond our office walls. That is in the community where once again 2021 saw us support more charities, donate more money and drive our existing projects forward. This makes us happy and feel good, but it also goes to much deeper belief in the power of the individual.

Through our Advanced Diversification in the True Potential Portfolios, we are helping to create individual wealth. Through our charitable work with the Harrison Foundation, the Harrison Centre for Social Mobility and the national Social Mobility Pledge, as well as all the other charities

that we support, we are creating opportunities for individuals to reach their full potential, to gain a second, third, fourth, or even a fifth chance in life when so many of them have been written off.

Profit with a strong purpose is what we stand for and levelling up is the result. I look forward to 2022 being a further year of growth and levelling up our performance once again.

A handwritten signature in blue ink, appearing to read 'David'.

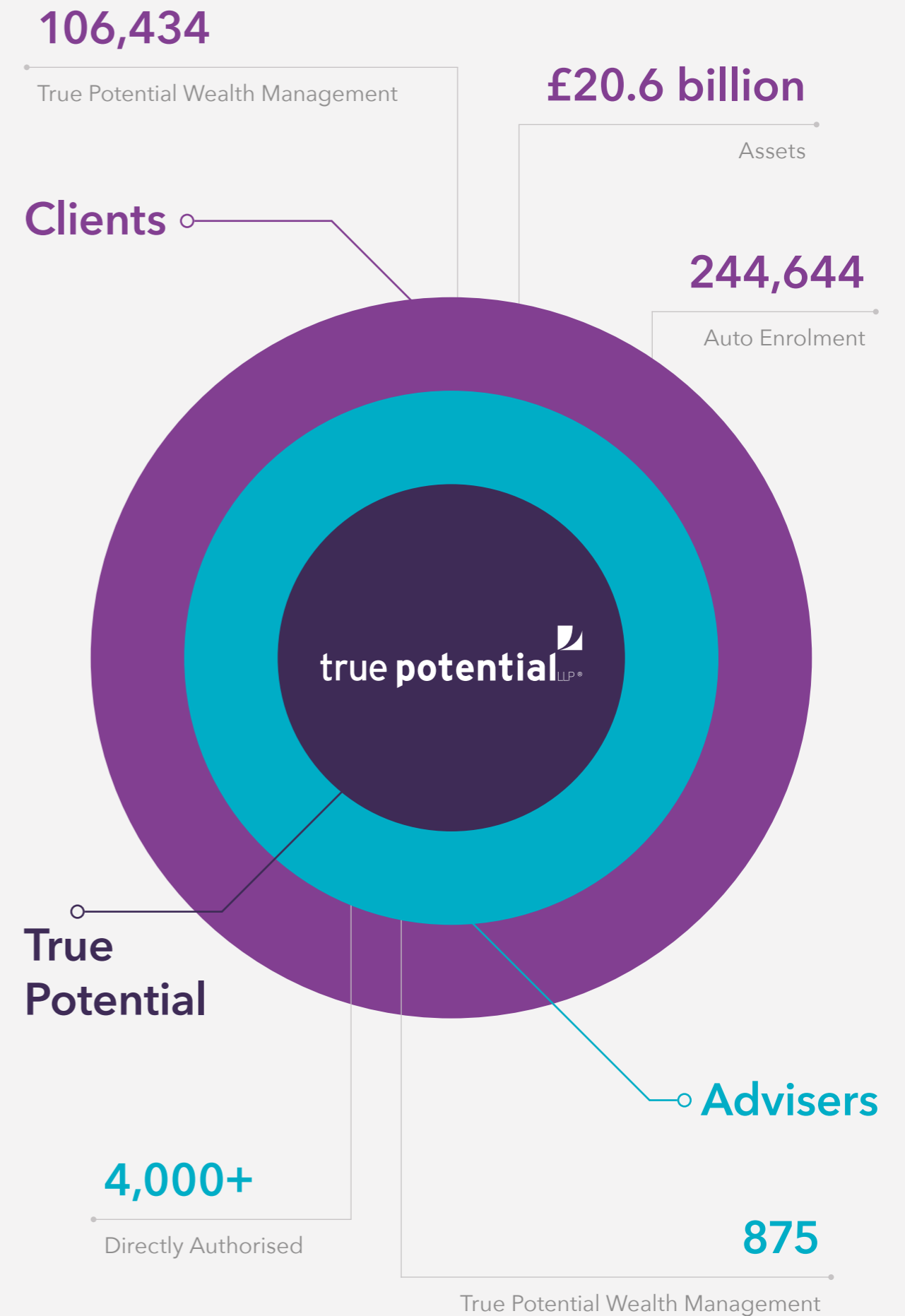
David

Our vision.

Everything we build is to help clients do more with their money.

When we succeed with clients, this helps our financial advisers thrive.

And all of this is built in-house, so we can innovate at speed and strive for more.





106,000

clients received Hybrid Advice

01

Putting clients first.

Expert financial advice.

In 2021, our 'Hybrid Advice' model helped over 106,000 clients do more with their money. By offering the very best of personal financial advice with award-winning technology, our clients have 24/7 access to their investments and support whenever they need us.

We have always led the way with our service, meaning that no matter the local or national situation in recent years our clients can get financial advice in person, by live chat, on the phone or by email at their convenience.

At the end of 2021 we now have over 38,000 clients fully advised, serviced and supported through our Central Advice Team. This specialised department looks after each client personally, offering initial and ongoing advice, as well as annual reviews and our world-first technology.

We welcomed 20,532 new clients to the service in 2021, onboarding each of them with a combination of video chats, phone calls and online demonstrations.



Dedicated support.

Our Customer Care team are the first point of contact for clients whenever they need help, have a question or want to book in a meeting with a financial adviser.

The team answered 32,045 live chats, 118,567 calls and 77,480 emails in 2021. Our average wait time to speak to a member of the team was just 39 seconds.

By offering a range of ways for clients to get in touch, we ensure that whenever and however a client wants to speak to us, we are there.



32,045

live chats

118,567

calls answered

77,480

emails

02

Delivering innovative investments.

In 2021 we welcomed the 100,000th True Potential Portfolio investor to our service and went on to end the year with 122,189 individual investors.

We designed our innovative Portfolios with three simple goals, all aimed at helping clients do more with their money:

1. Maximise returns
2. Minimise risk
3. Reduce costs

Since launch, our most popular Balanced Portfolio has produced a return of 54.61% and our Aggressive Portfolio has returned 84.08%, both inclusive of fund fees. In annualised terms these figures are an impressive 7.21% and 10.24% respectively, comfortably ahead of inflation and building real wealth for our clients.

We have also driven down the cost of ownership for all Portfolios, passing the full reduction on to clients and therefore helping them keep more of their money invested. Our most popular Balanced Portfolio now costs clients 14% less than on launch and our Aggressive Portfolio 15%.

We achieve these results thanks to our unique approach of 'Advanced Diversification', which blends tried and tested multi-asset strategies from a range of world-class fund managers. Unlike standard multi-asset funds, our Portfolios do not rely on the opinion or approach of a single fund manager, in fact we have access to the views of over 9,000 investment experts in 200 global locations.

Despite two years of challenging markets and unpredictable global events, our innovative approach has enabled us to make well-informed investment decisions and continue building wealth for our clients.



£17.3 billion

total portfolio assets

122,189

individual investors

10.24%

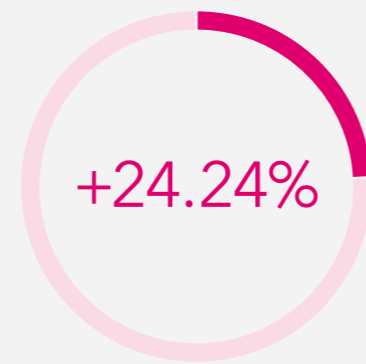
annualised return

Investment performance.

Our True Potential Portfolios are a suite of fully-diversified, discretionary-managed investment solutions.

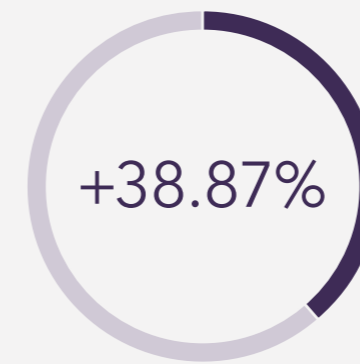
With wide exposure to world-class investment managers, as well as diversifying their investment by asset class and geographic region, our clients benefit from having more potential to grow their money and manage volatility, all in one Portfolio.

And, as we're committed to helping our clients reach their financial goals, we continually monitor our Portfolios to make sure they perform as expected and remain within the chosen risk profile. We also rebalance for the future, rather than the past, taking an active approach to allocating your money where we see the greatest potential for growth. We call this strategy 'Advanced Diversification'. The results on the next page show the performance of each Portfolio since we launched them in October 2015.



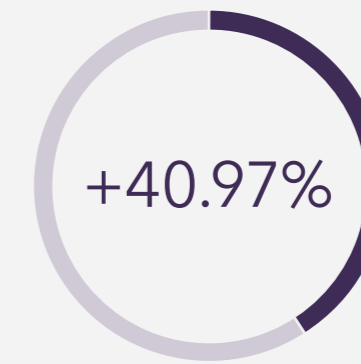
True Potential Defensive Portfolio

Dec 2020 - Dec 2021: **+2.83%**



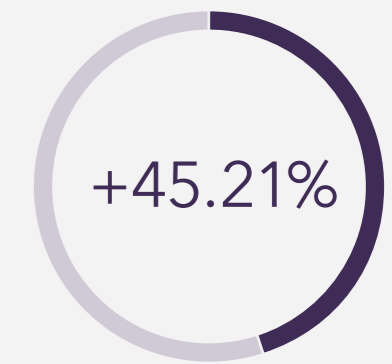
True Potential Cautious Portfolio

Dec 2020 - Dec 2021: **+6.28%**



True Potential Cautious + Portfolio

Dec 2020 - Dec 2021: **+7.77%**



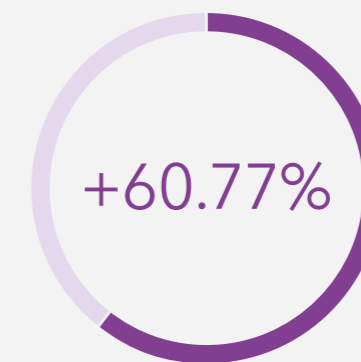
True Potential Cautious Income Portfolio

Dec 2020 - Dec 2021: **+9.87%**



True Potential Balanced Portfolio

Dec 2020 - Dec 2021: **+9.81%**



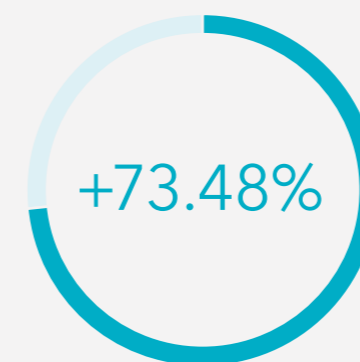
True Potential Balanced + Portfolio

Dec 2020 - Dec 2021: **+10.76%**



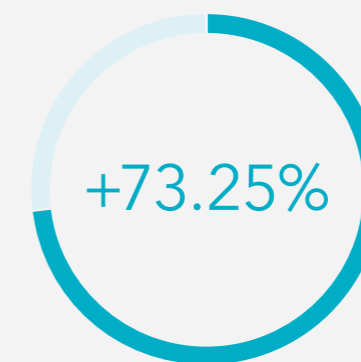
True Potential Balanced Income Portfolio

Dec 2020 - Dec 2021: **+10.98%**



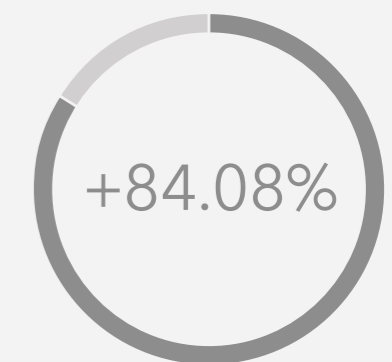
True Potential Growth Portfolio

Dec 2020 - Dec 2021: **+13.12%**



True Potential Growth + Portfolio

Dec 2020 - Dec 2021: **+14.25%**



True Potential Aggressive Portfolio

Dec 2020 - Dec 2021: **+15.59%**

Fund manager experts.

Our unique blend of carefully-selected Fund Managers report directly to us. This means we can ensure that all of the funds within our Portfolios work with you in mind.

We work with over 9,000 experts in 200 global locations to get a unique view of global markets. This worldwide scale means that every hour of the day, we have experts actively working on our clients' money.

North America

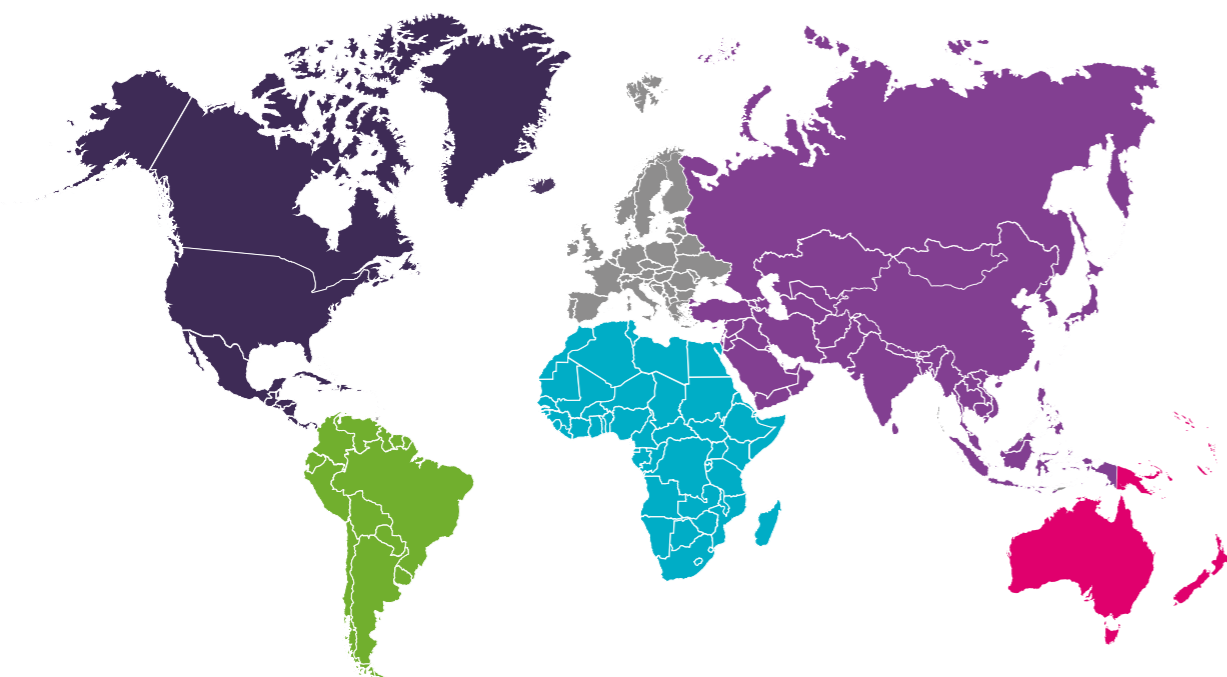
Experts: 4,023
Locations: 43

Europe

Experts: 4,330
Locations: 76

Asia

Experts: 1,291
Locations: 39



South America

Experts: 74
Locations: 10

Africa

Experts: 8
Locations: 2

Australasia

Experts: 90
Locations: 4

03

Supporting financial advisers.

Our award-winning Financial Adviser Services team look after the 5,000+ financial advisers who use our services and technology to run their businesses. With a record year for recruitment, the team handled more queries, support requests and onboarding training than ever before.

Across 2021, the team handled 48,609 calls, 10,703 support requests and 54,394 emails. Each of these requests will have helped a financial adviser push their business forward and believe there is no better service in the industry than the one we offer.

In addition to incoming support, our compliance team helped financial advisers by checking 20,012 cases and assisting with 983 returns - ensuring businesses grew and clients were always well cared for.



48,609

calls



54,394

emails



10,703

support requests



77,900

annual client reviews

2,452

Final Salary
Pension transfers

Wealth Management Partners.

After our best year for recruitment, we now have 875 True Potential Wealth Management Partners providing expert financial advice across the UK. These highly qualified advisers look after over £15.4 billion of client money.

We call our financial advisers 'Partners' because they truly are partners in our business. On joining, they adopt our technology, our investment Portfolios and our Hybrid Advice model. They are the representatives of True Potential around the UK and are always ready to help clients, new and old, do more with their money.

Our advisers completed a record 77,900 annual reviews for clients in 2021, all through our bespoke technology, as well as 2,452 highly specialised Final Salary Pension transfers.



594

Directly Authorised
UK advice firms

4,000

financial advisers
supported

**Over 1 million
people use
True Potential
technology
to access their
investments.**

Directly authorised firms.

We also support over 4,000 financial advisers across 594 'Directly Authorised' UK advice firms.

These firms offer a combination of our investment solutions and technology to their clients, whilst using our financial adviser technology to power their businesses.

Their reach means that True Potential supports around 20% of UK financial advisers and their clients – giving over 1 million people access to True Potential technology.

04

Powered by True Potential.



Our unique technology is built entirely in-house by our team of 40 specialist developers, giving us the power to release updates and build new features without reliance on any third parties. We're also able to use our wide network of clients and financial advisers to focus on creating what matters most to our users.

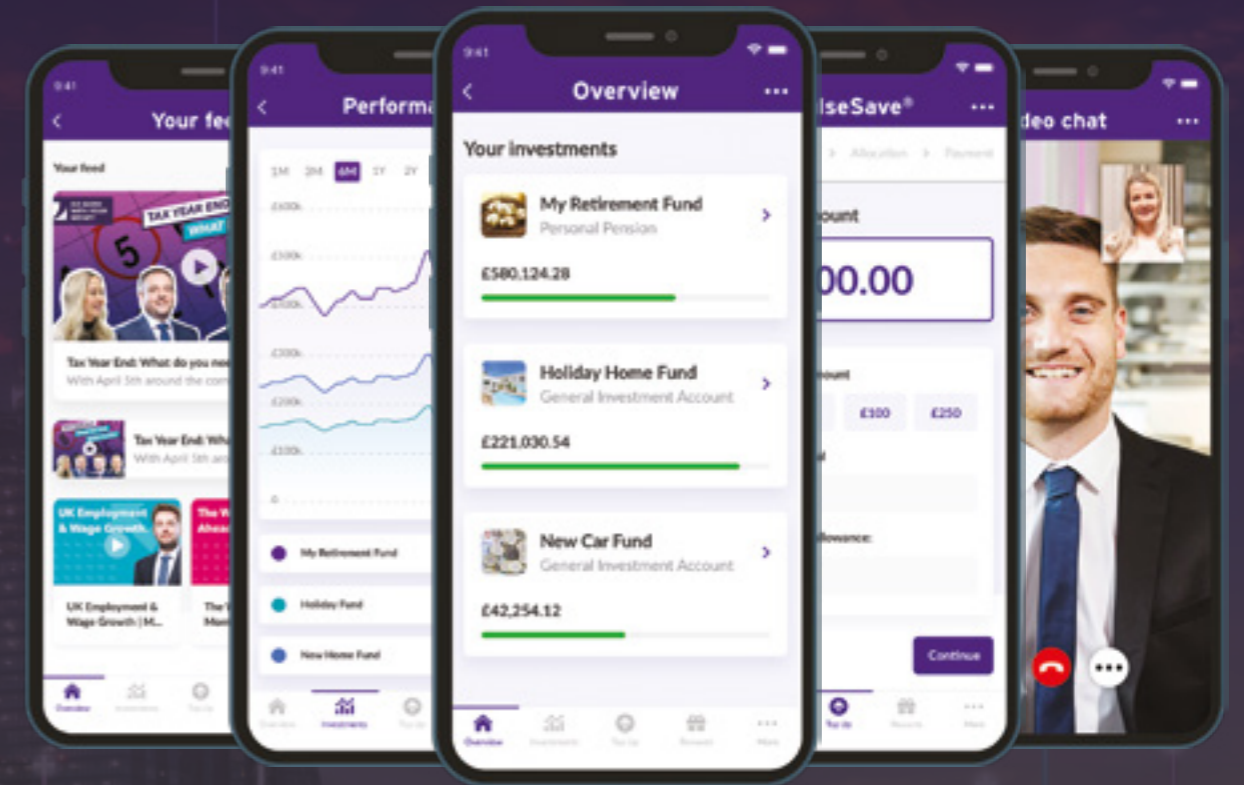
This year we launched a full rebuild of our client technology, using the very latest standards to further improve security, stability and speed for clients. A key part of the launch was bringing our mobile apps and online accounts level in terms of features, meaning that whatever action a client wants to take can now be done on their preferred device.

Whether checking in on their investments, topping up with impulseSave®, getting in touch with our support teams or setting up new payments, clients can start and end the process entirely by app or online, bringing complete convenience to our service.

Clients logged into their accounts 5.4 million times in 2021, recording 45 million different pageviews with an average loading speed of less than 1 second.

impulseSave® had another record year, with 64,587 top ups for a total of £206 million, with 30% of these 'little and often' amounts below £50.

Digital Direct Offer, our paperless transfer system, celebrated its first anniversary with an impressive year - processing 30,011 transfers worth £2.6 billion for clients in 2021.



£2.6 billion

total transfers

5.4 million

client logins

30%

top ups under £50

30,011

paperless transfers

64,587

total impulseSave® top ups

£206 million

through impulseSave®

True Potential Rewards.

True Potential Rewards is the latest addition to our range of features helping clients do more with their money. Through Rewards, clients can earn money back when they shop online at over 500 retailers. This money can then be invested automatically, helping clients reach their goals faster, or withdrawn as cash.

After a successful first year's trial with our Direct and Workplace Pension clients, True Potential Rewards is now available to every client with a True Potential investment.

In 2021, before launching to our full client base, True Potential Investor clients made nearly 3,000 Rewards transactions to the value of almost £150,000.

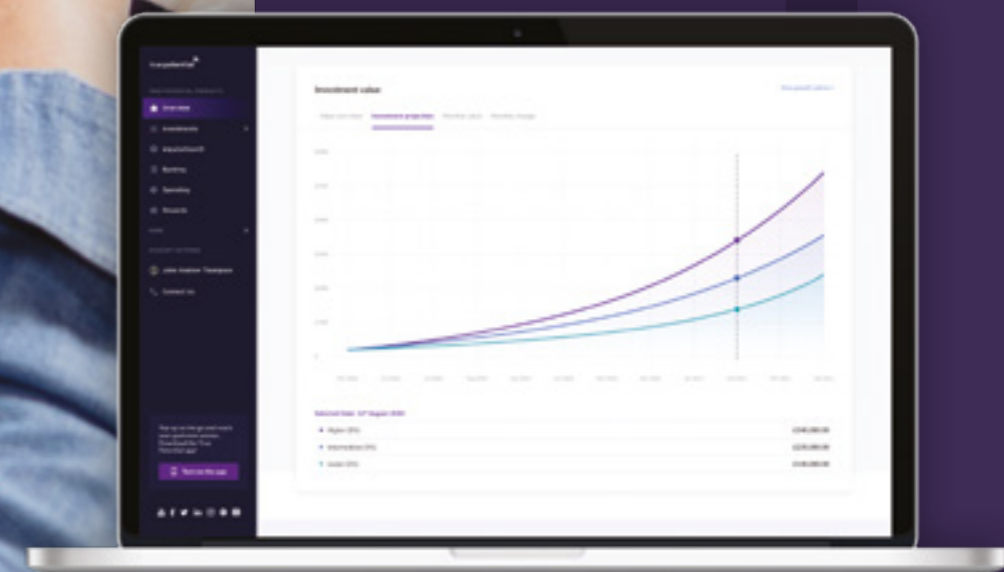
500+
reward retailers



Financial adviser technology.

In 2021 we also celebrated the first anniversary of vNext, our next-generation financial adviser software. Built in-house by our expert developers, vNext is a seamless tool for financial advisers to run their business, service clients and make the most of every opportunity.

Since launch, 5,134 financial advisers and support staff have used vNext, logging in viewing 45 million pages. Thanks to our focus on security, stability and speed, the current average page load time is just 1.4 seconds.



05 Community impact.

We have always believed in using our success to help others, not only the financial advisers and clients we look after but the wider community around us too. Our goal is to help people 'do more' with their lives - by offering opportunities to those who may not otherwise find them.



Social mobility.

In April 2018, True Potential became one of the first signatories to the national Social Mobility Pledge, which was co-founded by our chairman, David Harrison.

More than 600 organisations representing over seven million employees have since signed up, including John Lewis, Marks & Spencer, BP, ITV, BT, Adidas and Direct Line Group. The Pledge commits businesses to working with schools, offering apprenticeships and adopting fair recruitment policies.

The latter point means that a person's upbringing should not influence hiring decisions. To achieve this, we use an approach known as name-blind recruitment. This is an extra safeguard against the risk of unfair bias for one candidate over another.

Both new starters and long-serving staff have the opportunity to progress in any area of the business - through our dedicated 'Academies' for financial advice and technology development.

In 2021, 36 of our Head Office staff gained new qualifications and we employ 15 former apprentices. Many of these had little to no experience in the fields they are now qualified to practice.

Financial education.

We know that limited personal finances, and a poor understanding of money management, can be detrimental to social mobility and financial sustainability.

Becoming financially resilient better enables individuals to approach their career with a long-term perspective and keep progress on track without the distraction of unmanageable debt or falling behind on payments.

Funding and completing training and educational courses may also require financial savviness and access to savings. To help address this, we launched a series of free money management courses in partnership with the Open University in 2013.

One million people across the UK have taken part in the courses and in doing so have improved their own financial resilience.



1 million

people have taken part
in our financial courses



**MACMILLAN
CANCER SUPPORT**

**TYNEDALE
HOSPICE
AT HOME**


cashforkids


**Chronicle
SunshineFund**
...changing the lives of children with disabilities

**Newcastle
West End
foodbank**

**Children with
Cancer UK**
Helping children and young
people with cancer to ring the bell

 **Harrison Centre
for Social Mobility**

Charitable giving.

Doing more for our local communities is one of our core beliefs and one that is shared by our employees too. For us, this is more than a financial payment, it is a commitment to help people take the next step in life.

Our charity partner, the Harrison Foundation, is a shareholder in our business. Therefore, as we grow, so too does our support for good.

We also set ourselves ambitious targets each month for raising money and contributing to organisations and charities that share our values.

£400,000

raised for great causes

Over the course of 2021 our staff and The Harrison Foundation raised and donated £400,000 to great causes. All the money raised by our staff is matched by the business, resulting in thousands of pounds donated to good causes every month.

We had some fun along the way, with events ranging from a sponsored leg waxing by our Customer Care team to the incredible achievement of Senior Partner Gregg Lang running the entire length of the UK in 12 months for Cash for Kids.

Sustainable investing.

Our investment team understand that clients want to maximise returns in a way that is sustainable over many years and decades to come.

A key part of our approach is investing in areas we believe will produce sustainable long-term risk adjusted returns. In this respect, environmental, social and community impact factors are a core part of our investment process that is carefully designed to consider three principles:

- Incorporate sustainability issues into investment analysis and our overall decision-making
- Seek appropriate disclosure on sustainability issues from our investment manager partners
- Uphold and promote sustainability issues by working alongside our partners.

We use the assessments provided by the United Nations Principles of Responsible Investment as an objective assessment measure for the fund managers we work with and how this is implemented into our portfolios.

We have partnered with leading asset managers who are at the forefront of change. These include managers who score A or better under UNPRI and managers who have been founding signatories of UNPRI since 2006.



Environmental impact.

As a large and fast-growing business, we must be conscious of our impact on the environment. We have an appointed Chartered Energy Assessor as our Energy Consultant, who works with us to identify possible areas of energy and water usage reduction. They also help us to recognise any energy generation opportunities, all of which will assist us to develop a realistic NetZero pathway.

Our work includes re-using materials in the office wherever possible, during our office renovations we re-purposed 70% of materials. We use energy-saving materials, low-energy lighting and have installed living walls to increase indoor air quality.

Since we launched our Digital Direct Offer service in March 2020, we've saved close to 1 million pieces of paper by taking our business 98% digital.

98%

digital business

70%

office materials re-purposed during renovations

Our awards.



2021 was another award-winning year for us at True Potential.

We started the year with the great news that True Potential Investor was named 'Best for Digital ISAs' in the Best Buys 2021 Awards by Boring Money.

We were then named the 'Best Fund Platform' at the City of London Wealth Management Awards 2021, where we were also highly commended in both 'Best Market Newsletter' and 'Online/Mobile Access' categories.

In March, we were delighted to be named a 'Digital Process Champion' by NextWealth which recognised the True Potential Platform as requiring the fewest paper forms at only 2% of all processes.

At the UK Platform Awards 2021, we were very proud to take home two awards. We topped the voting for both 'Best Platform Service' and 'Best Platform Provider'.

Later in the year, we also won 'Best SIPP Provider' at the Money Marketing Awards 2021, where the judges praised our support throughout lockdown, technology advances and service to financial advisers and clients.

While we always focus on providing the best service first and foremost, these awards are great industry recognition of the effort our teams put in throughout the year. We look forward to more award-winning success in 2022.



Best for Digital ISAs

Best Buys 2021 Awards by Boring Money



Best Fund Platform

City of London Wealth Management Awards 2021



Best Market Newsletter

City of London Wealth Management Awards 2021



Digital Process Champion

NextWealth



Best Platform Service

UK Platform Awards 2021



Best Platform Provider

UK Platform Awards 2021



Best SIPP Provider

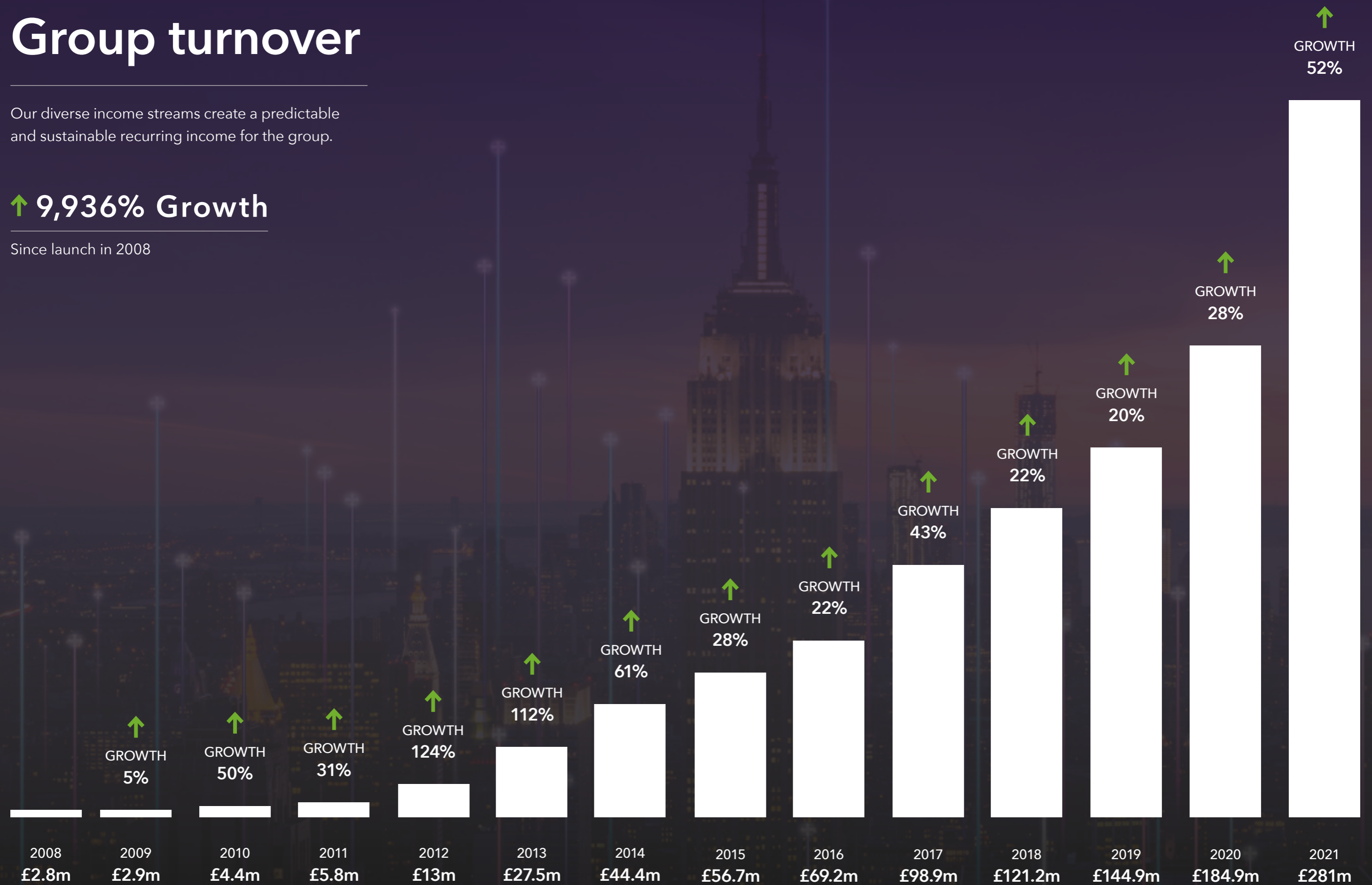
Money Marketing Awards 2021

Group turnover

Our diverse income streams create a predictable and sustainable recurring income for the group.

↑ 9,936% Growth

Since launch in 2008

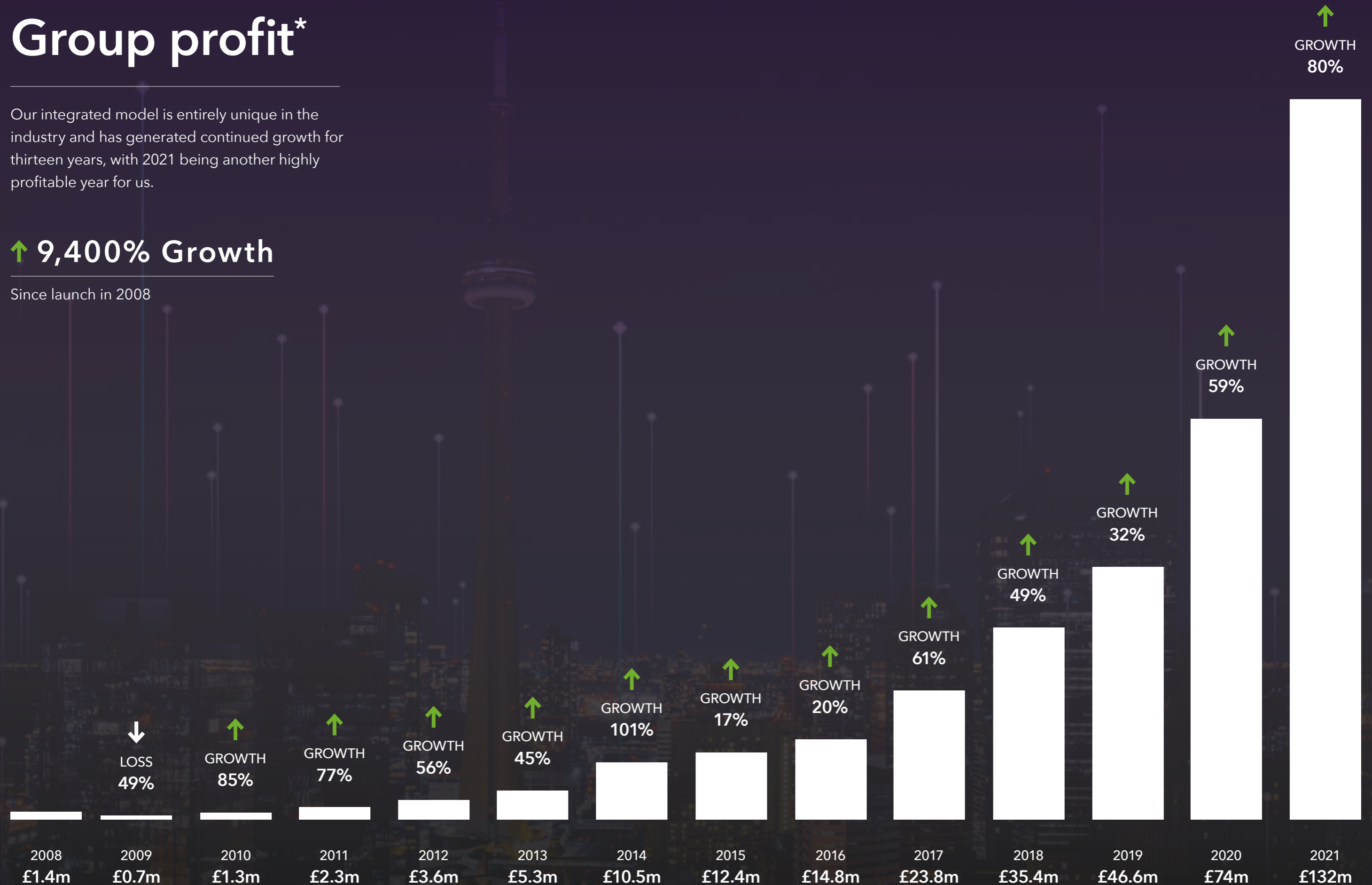


Group profit*

Our integrated model is entirely unique in the industry and has generated continued growth for thirteen years, with 2021 being another highly profitable year for us.

↑ 9,400% Growth

Since launch in 2008



*Profit is displayed as EBITDA (earnings before interest, tax, depreciation and amortisation).



Do more with your money.

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True Potential LLP is registered in England & Wales
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