

News Release

Schroders Personal Wealth celebrates one year anniversary

1 June 2020

New company, familiar faces

A year ago, Schroders plc and Lloyds Banking Group came together to build a new entity, Schroders Personal Wealth, or SPW to offer a wealth solution to clients across the UK.

While SPW itself might have been brand new, it began by taking over the Lloyds Wealth business and protecting the existing relationships between clients and advisers, many of whom had been with them for decades.

This meant that originally, we brought in some 500 employees from Lloyds Bank, but that has since grown to more than 600 as we invest in the business and our ability to serve our clients.

To date, over half of our clients' assets, which total more than £10 billion, have been transferred into SPW with the remainder set to be brought over by the end of the year.

We've also restructured our national adviser network so that we can have more specialists available to provide help and advice in locations that are local and convenient to our clients. We now have 11 regional hubs with access to parts of Lloyds Banking Group branches across the country. The operations will be conducted in Leeds while the headquarters are in the City of London.

There's more to come

We're continuing to build the necessary systems which will enable us to operate completely independently from our two shareholders, Lloyds Banking Group and Schroders plc.

We're expanding our product range which will enable us to deliver a greater range of investment and wealth management choices to clients.

We've also created what is known as an Authorised Corporate Director or ACD. Bringing it in-house will allow us to see the implications of investment selections being made by underlying managers more quickly and in more detail. In other words, our clients' interests will be represented with even more power and immediacy than was previously possible.

Those systems and developments should be largely complete by June 2021.

Covid-19

In the meantime, there have been some unexpected but pressing issues to tackle.

Throughout the crisis, we've remained fully operational and in regular contact with our clients. Face-to-face meetings have been suspended so we've instigated a full end-to-end remote approach for all client meetings. It's important to note as well that we have been prioritising clients who are classed as "vulnerable".

We've also increased the volume and breadth of communications as well as expanding the choice of media through which we communicate with clients. In addition to more articles and videos, we've introduced a series of webinars addressing key client concerns drawing on the knowledge of experts from within and beyond SPW. Topics have ranged from finance and investments to personal interest and well-being. The response from clients has been overwhelming and positive. We'll continue to build on that.

Markets

We can't forget the implication for investment themselves though.

In late 2019, we were cautiously optimistic about the future. Central banks and governments were pledging financial support to sustain economic growth, tentative progress was being made in geopolitical flashpoints such as the dispute between China and the US, and the UK had finally elected a government with a working majority suggesting that Brexit could be laid to rest.

Covid-19 has turned things upside down and put huge pressure on businesses and households. Travel and leisure companies have suffered greatly while technology companies have benefited from an increase in demand for online communications and consumption.

We're still optimistic that the demand for goods and services that has been pent up during the crisis could come back relatively quickly once we return to some form of "normal". However, as we've said on a number of occasions, for economic growth and asset prices to recover in 2021, we need restrictions to be lifted carefully and in the light of solid data. At the same time, continued financial support from central banks (such as the Bank of England) and governments will continue to be necessary.

Whatever happens during our second year, we will continue to put our clients and their personal, financial needs first.

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Note to Editors:

Schroders Personal Wealth is a joint venture between Lloyds Banking Group and Schroders – two of the UK’s largest names in banking and asset management.

We were created to help more people across the UK benefit from financial advice. We have the advantage of solid foundations and a strong heritage. But we take a fresh, transparent and personal approach to financial planning.

We aim to provide clients with clarity and transparency in everything we do. This includes using technology to explain how long-term financial planning can add value to people’s lives; to give people access to information about their financial wellbeing; and to communicate with their adviser when it's convenient for the client. Our heritage may be 400 years old, but our approach is built for the future.

For more information visit <https://www.spw.com>

Schroders Personal Wealth is a trading name of Scottish Widows Schroder Personal Wealth Limited.

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