





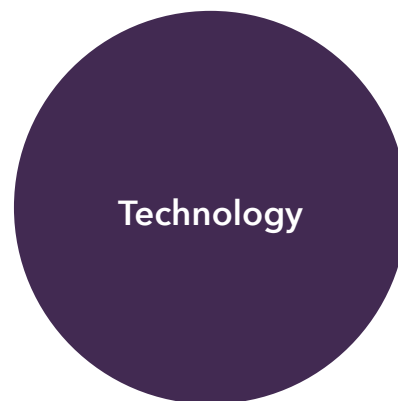
## True Vision

**Our goal has always been to revolutionise the way Wealth Management is delivered to clients. We believe the best way to achieve this is by owning and excelling in every area of the client journey.**

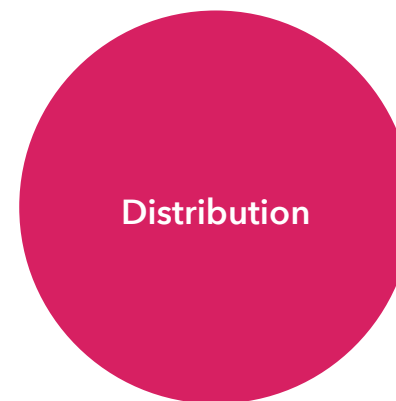
By having ownership of the entire client journey, we integrate these areas to create an offering that is truly differentiated in the market. This creates a unique proposition, providing genuine value to clients.



We offer a pioneering, fee-free discretionary fund management service and our own tax-efficient products.



Providing best in class, 24/7 access to investments and world-first features to simplify investing for clients.



Our large-scale distribution channels deliver high-quality financial advice across the nation.

## Foreword



**2018 was another exceptional year for True Potential. During the year I accepted the Executive Chairman's role, promoting a new CEO, Daniel Harrison, whilst bringing in even younger, but**

**highly experienced blood in many parts of the firm. That work, of refreshing, of constantly changing and improving our business model early, continues.**

The markets were at their most volatile and difficult since the financial crisis. A mixture of political hypocrisy ranging from Trump, to the European Technocrats, to our own dismal political performance, where political dithering and opportunism seems to trump (definitely no pun intended) national common sense, created a volatile scenario for stock and currency markets worldwide.

Many firms say they like chaos and disruption, as they think it makes them sound interesting and trendy, but as can be seen by their share price and business results, that is not the case for the vast majority, especially those entrenched in rigid corporate structures and yet to grasp true digital integration. It was also not the case for the funds that consumers invest in, with huge amounts of clients being frightened or guided into cash, exactly the opposite

of what True Potential recommended. The results of those decisions can now be clearly seen; those who remembered and were advised that they were in long term funds and held or even bought more, are now hugely better off than those who tried to play the markets. The bulk of upward share and currency movements happen in seconds, at most days and defy experts to get their timing right. Time in the market, not market timing.

Conversely True Potential enjoyed its best year yet, its funds did exactly as they said they would, and we continued to attract large amounts of net investment throughout, feeding through into our business, the detail of which is in these accounts.

Thriving in chaotic times requires certain principles, embedded deeply in a differentiated business model. One of these is diversification – diversity of people, of business sources, of clients, of investment types, of geographical destination, of currency. Diversification means that all your eggs are not in the same baskets, never mind basket. However, without the ability to pull all these parts together, large-scale diversification, as we have, inevitably is unmanageable and inefficient. The benefits of internet technology mean we have one intelligent platform on which sit our clients, our firm, and our clients' investments. The gap between a client's investment and their fund is virtually nil, as is the integration and thus intelligence into the firm's infrastructure.

I am very confident that True Potential is only beginning to show the effects of their digitally integrated model, which is after all one of opportunity. Rather than spend huge amounts on branding and its attendant preening and posing consultants, we simply provide opportunity. Our clients, like our advisers and our staff are individuals, not a convenient cohort designated by wealth, age, or class. It's not who they are, it's what they want. Once again diversification comes into play.

Finally, our role in providing opportunity extends beyond the obvious. We are a founding partner of the national Social Mobility Pledge and, as can be seen by the diversity and equality of our staff, we are enthusiastic followers of a way of working that could transform not just many lives, but also the way businesses and people think about our country – there are clever, hard working people everywhere, but opportunity isn't distributed everywhere.

True Potential is changing that.

**David Harrison**  
Chairman, True Potential LLP

## Views from Our Chief Executive



**2018 was our best year yet at True Potential with a 23% increase in our turnover to £121 million and a 49% increase in profits to £35 million.**

It also saw us undertake some key developments within the group.

We bolstered our Management Team through the internal promotion of Jamie Sexton, Laura Robinson and Gregg Lang to the Senior Partner team. All three individuals add a collective 30 years of True Potential experience to the team and each adds their own valuable insights into how best to serve our proposition to our clients. Steve Hutton has joined as head of True Potential Wealth Management, bringing a wealth of knowledge with funds and adviser distribution to the team.

The Investment Management team have further bolstered their True Potential Portfolio proposition with the addition of their Growth Aligned Funds. Uniquely positioned, these new funds have introduced a 'share of growth' mechanism, meaning that if we outperform, then we share a higher fee from clients.

A true 'win-win' approach, that very much resonates with one of our founding principles of always putting the client first.

Our True Potential Portfolios provide Advanced Diversification for investors against market volatility. As part of our proposition, we manage over 9,000 investment experts in 200 locations to ensure our Portfolios help clients do more with their money. Since their launch in October 2015, we've seen significant investment in our Portfolios, with £5.2 billion invested at the end of 2018. Now in the first quarter of 2019, we already have close to £6 billion invested.

Another of our founding principles has been one of innovation and how it can transform our proposition for the benefit of all involved. Bucking the industry trend of outsourcing our Investment Platform technology (and thus paying the heavy financial and delay costs that seem to be affecting our peers), we decided to design and build our True Potential Platform in-house.

This has allowed us to innovate at speed and have complete control, making our proposition more powerful than ever before and I'm proud to say we finished the year with £7.7 billion on the Platform, which has already risen to £8.2 billion at the time of writing, having seamlessly migrated all assets over.

I would like to place on the record a big 'well done' to the team who have overseen this successful piece of work and also a thank you to all of our advisers who have helped us through this process.

We are proud of our growth to date, but the future is an exciting opportunity to add to our story and the Management Team and I believe that there is a lot more work to be done yet to help achieve our aim of revolutionising how wealth management is delivered.

**Daniel Harrison**  
Chief Executive, True Potential LLP

## True Investment Management

We created our own Investment Management Firm to ensure we could offer world-class, low-cost investment products to clients.

By seamlessly integrating our products with our distribution channels and proprietary technology, we provide an unmatched investment experience for clients seeking to invest over the long-term.

### Our Products

As a Pension Administrator and ISA Manager, we're able to offer fee-free, tax-efficient wrappers. By reducing the overall cost of investing, this strategy helps us attract and retain long-term investors.

### Our Funds

Thanks to our scale, we've been able to partner with 10 world-class Fund Managers to create a range of 34 multi-asset funds. As the Fund Managers work for us, we are able to use our oversight to ensure the funds are being managed with the clients' best interests in mind.

As we've grown the value invested in these funds, we've been able to consistently reduce costs, which we then pass on to clients.

### Our Portfolios

Building on the success of our funds, in October 2015 we launched our True Potential Portfolios which have since seen close to £6 billion invested.

With our Portfolios, we're pioneering what we call Advanced Diversification. Building on the strength of multi-asset funds, we add an extra layer of expertise by diversifying through investment strategy too.

We know that no one can accurately and consistently predict the markets, there will always be winners and losers. The key to managing this is having a well-diversified investment, allowing investors to make the most of market opportunities and mitigate risks.

While most investments have some degree of diversification, often by investing in a range of asset classes, industries and regions, they usually follow the strategy of one Fund Manager, which may not always produce the best outcome.

That's because each strategy behaves differently in different market conditions. In today's fast-moving world, the power to quickly move a Portfolio from one strategy to another as markets change is invaluable.

**Doing so at the scale we offer, with over 200,000 holdings to consider, is unmatched in the industry.**

What's more, there is no fee for this unique approach to discretionary fund management.

**£8.2 billion\***  
invested on our Platform

**£6.4 billion\***  
invested in our funds

**£5.7 billion\***  
invested in our Portfolios

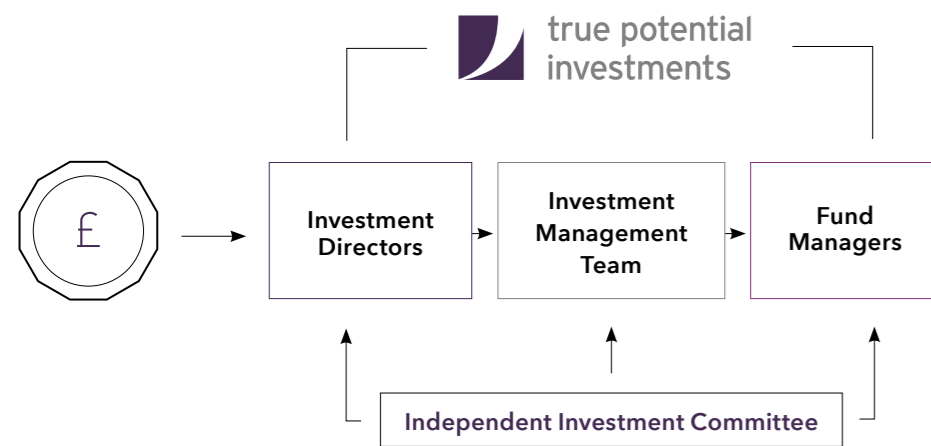


| Index         | 2Day | Value    | Net Chg | %Chg   | Time  | YTD    |
|---------------|------|----------|---------|--------|-------|--------|
| Americas      |      |          |         |        |       |        |
| DOW JONES     |      | 23995.95 | -5.97   | -0.02% | 03/21 | +2.87% |
| S&P 500       |      | 2596.26  | -9.28   | -0.04% | 03/21 | +3.57% |
| NASDAQ        |      | 6971.48  | -24.30  | -0.03% | 03/21 | +3.07% |
| S&P/TSX Comp  |      | 14939.18 | +35.69  | +0.00% | 03/21 | +1.00% |
| S&P/BMV IPC   |      | 43556.11 | -132.84 | -0.00% | 03/21 | +0.00% |
| BOVESPA       |      | 93658.31 | -147.00 | -0.00% | 03/21 | +0.00% |
| EMEA          |      |          |         |        |       |        |
| Euro Stoxx 50 |      | 3043.80  | -10.00  | -0.03% | 03/21 | +0.00% |
| FTSE 100      |      | 6853.06  | -10.00  | -0.01% | 03/21 | +0.00% |
| CAC 40        |      | 4739.41  | -10.00  | -0.02% | 03/21 | +0.00% |
| DAX           |      | 10812.25 | -10.00  | -0.01% | 03/21 | +0.00% |
| IBEX 35       |      | 8778.50  | -10.00  | -0.01% | 03/21 | +0.00% |
| FTSE MIB      |      | 19050.00 | -10.00  | -0.00% | 03/21 | +0.00% |
| OPX STKH30    |      | 1456.35  | -10.00  | -0.00% | 03/21 | +0.00% |
| SWISS MKT     |      | 8736.82  | -91.40  | -1.04% | 03/21 | +0.00% |
| Asia/Pacific  |      |          |         |        |       |        |
| NIFTY 50      |      | 20359.70 | +195.90 | +0.96% | 03/21 | +0.00% |
| SENSEX        |      | 26298.33 | -168.94 | -0.06% | 03/21 | +0.00% |
| ASX 200       |      | 3067.78  | -26.90  | -0.88% | 03/21 | +0.00% |
| HSX 200       |      | 5773.37  | -10.00  | -0.02% | 03/21 | +0.00% |

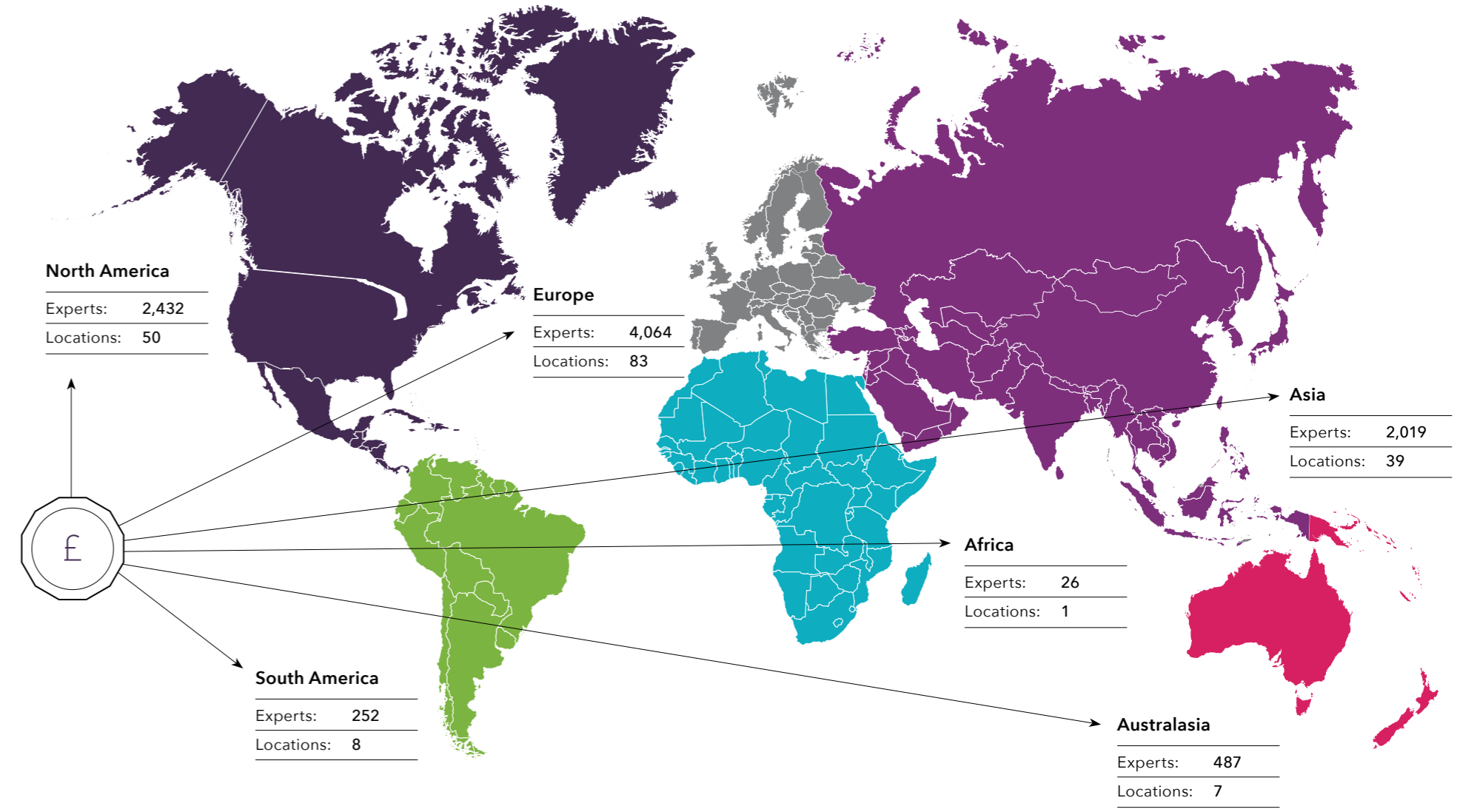
# True Investment Management

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.

Every pound our clients trust us with is expertly managed across 200,000 holdings.



|   |  |
|---|--|
| <p><b>UBS</b><br/>Experts: 3,600</p>                                | <p><b>Allianz</b><br/>Global Investors<br/>Experts: 700</p>              |
| <p><b>Goldman Sachs</b><br/>Asset Management<br/>Experts: 2,000</p> | <p><b>BMO</b><br/>Experts: 300</p>                                       |
| <p><b>HSBC</b><br/>Global Asset Management<br/>Experts: 600</p>     | <p><b>Schroders</b><br/>Experts: 700</p>                                 |
| <p><b>SEI</b> New ways. New answers®<br/>Experts: 550</p>           | <p><b>COLUMBIA</b><br/>THREADNEEDLE<br/>INVESTMENTS<br/>Experts: 450</p> |
| <p><b>Close Brothers</b><br/>Asset Management<br/>Experts: 350</p>  | <p><b>SEVEN</b><br/>Investment Management<br/>Experts: 30</p>            |



## True Innovation

From the very beginning, we've prided ourselves on creating end-to-end technology aimed at simplifying investing. We are constantly innovating to ensure every part of our business benefits from our technology, which provides simple, effective and unique financial solutions to advisers and clients.

All our technology is purpose-built in-house by a team of over 35 developers, enabling us to be fully responsive to changes in the market. We have never been one to stand still and become complacent. In 2018, our in-house developers and Investment Management Team worked closer together to create an even more seamlessly integrated financial experience for clients.

### Our Back Office

Thanks to our purpose-built technology, we are able to provide business support at scale to 3,858 financial advisers. We've paid out commissions and fees to the penny, every single day, totaling over £1.8 billion since launch. In 2018, our technology-led approach has enabled us to complete 94,038 interactions with clients and advisers.

Through our Compliance Framework technology and personal approach, we make compliance business-as-usual for adviser firms. In a busy 2018, the compliance team completed 1,015 bi-annual and annual reviews, 3,468 cases were checked for suitability and 725 Retail Mediation Activities Returns filed. In the final quarter

of 2018, we announced our integrated suitability review process, ahead of MiFID II requirements in January 2019. This latest technology launch demonstrates we are again ahead of the competition and ensures our firms are ready for any regulatory and legislative changes.

### Our Investment Platform

The True Potential Platform is seamlessly integrated with our Back Office, saving advisers valuable time by reducing hours of administration. By building it ourselves, our Platform does exactly what we want it to do and our in-house team can innovate in real-time adapting to market changes almost instantaneously.

With over £8.2 billion on our Investment Platform, over £2 billion of which was added in 2018, it's more important than ever that our solution is capable of scaling at speed. By adopting the latest technologies including Blockchain, we've ensured that our Platform is future-proof and more powerful than ever before.

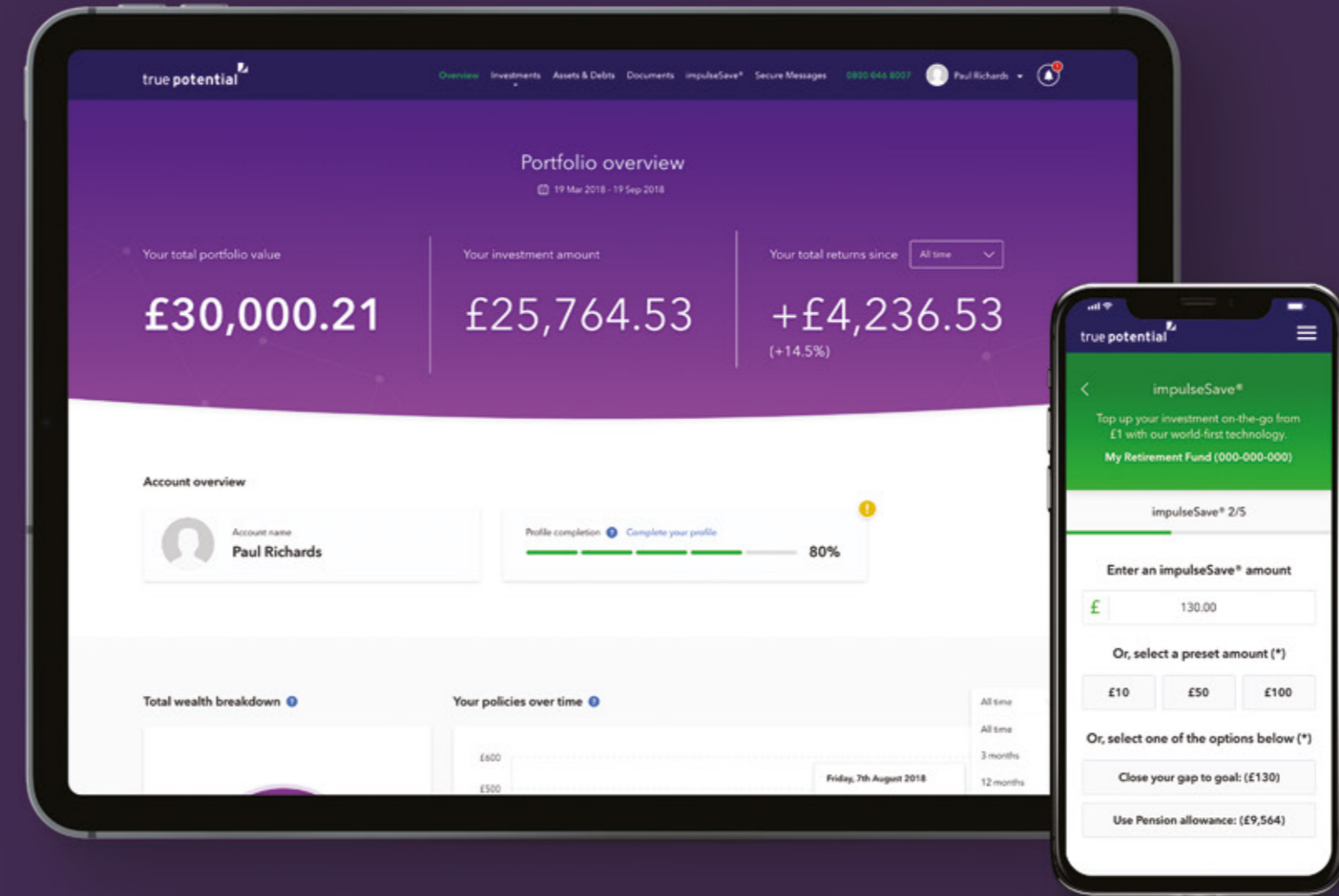
**£8.2 billion\***

held on our Investment Platform

**£1.8 billion**

worth of commissions and fees paid since launch

\*As of 28 February 2019



### Our Personal Client Accounts

All True Potential clients with an investment on our Platform have exclusive access to their policies both online, and through our tablet and mobile apps.

Clients can set and track goals for their investments, monitor performance and overall investment value, as well as top up their policies, all in one convenient place. With our Personal Finance tools, clients can link any UK bank account and credit card to their account to get a holistic view of their net worth, as well as create budgets and find ways to improve their spending habits. This technology empowers clients, enabling them to have full control over their finances and make better investment decisions to suit them.

### Our World-First Technology

Our world-first and unique technology, impulseSave® makes it quicker and simpler than ever before for clients to add to their investments. Starting from £1, clients can use impulseSave® online or through the convenience of their smartphone.

impulseSave® helps our clients form the habits of long-term investors, with a technology that's unmatched in the financial services industry. This award-winning feature has seen over £146 million invested since launch, with £46 million in 2018 alone. Four years on from its launch, there is still no one in the UK financial services industry who has been able to replicate impulseSave®.

## True Distribution

To reach and build our diverse client base, we have multiple large-scale distribution channels taking our unique proposition to 20% of UK advisers and their clients.

### True Potential Adviser Services

During 2018 we supported 684 Directly Authorised firms, 3,858 advisers and over 18,000 system users with business matters ranging from becoming authorised with the Financial Conduct Authority to retirement and everything in-between.

Our unique approach, built in-house, provides first-class business and administration support to our firms, increasing their efficiency and giving them more time for client sales and support.

With this technology, we've seen our firms go from strength-to-strength, with some reporting a tenfold increase in profits since joining us - which we're delighted to be a part of.

### True Potential Wealth Management

The year has been a positive one for True Potential Wealth Management, we've seen continued growth and now have 470 restricted advisers using our first-class technology.

Each year our Wealth Management client proposition evolves, providing our clients with unique technology and advice whenever they need it.

Our adviser contract remains the most attractive in the UK, with Wealth Management Partners retaining 95% of earnings. We also offer exclusive solutions to Partners seeking to retire or downsize their client bank.

### Auto Enrolment

As a Pensions Regulator approved Workplace Pension provider, we offer a complete pension management solution alongside support for accountants, employers and employees. We deliver free auto enrolment services to 2,545 accountants, 25,642 employers, and 231,041 employees, contributing over £98 million, 65% of this in 2018 alone.

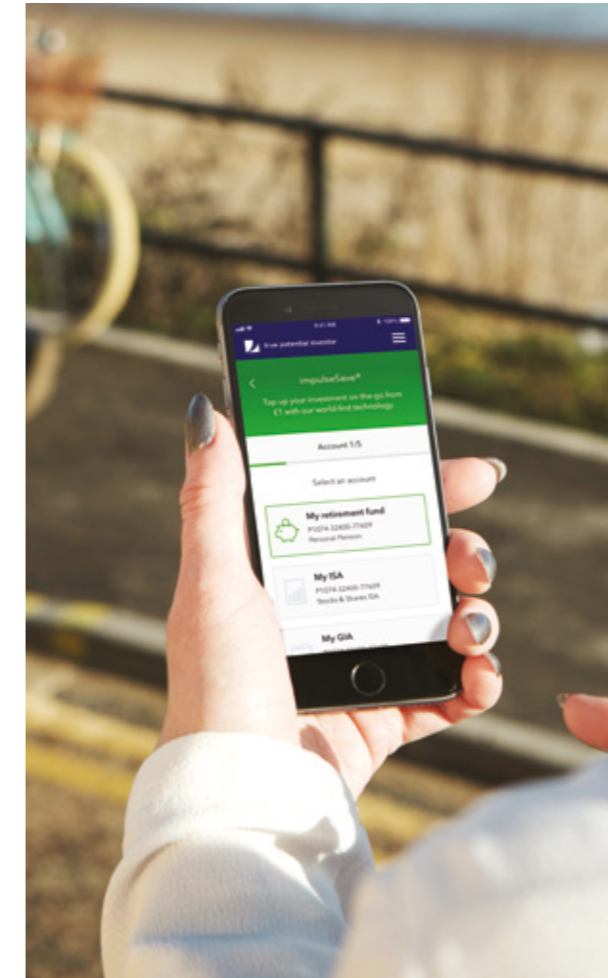
We've had a successful year in terms of increasing ease and efficiency for clients to activate their online account, and make changes to their contribution, risk and investment choices to ensure they best suit their individual circumstances.

With the final contributions phasing date in April, and the average contributions still far below what's required for a sustainable retirement, we are preparing for an even busier 2019.

### True Potential Investor

2018 has been an exciting year for True Potential Investor, with evolving client demands, regulatory changes and a fast-moving market seeking to improve further on the 20% asset growth the online investment industry saw in 2017.

With the direct-to-consumer market still developing in the UK, the future looks bright for a service backed by award-winning technology and unique investment solutions.



#### Client Demographic

**56 years old**

average age

**£100,000**

average account size

#### Client Interaction

**50,614**

impulseSave® transactions

**£146 million**

invested through impulseSave®

**3.9 million**

client logins in 2018

#### Company Interaction

**3,858 Advisers**

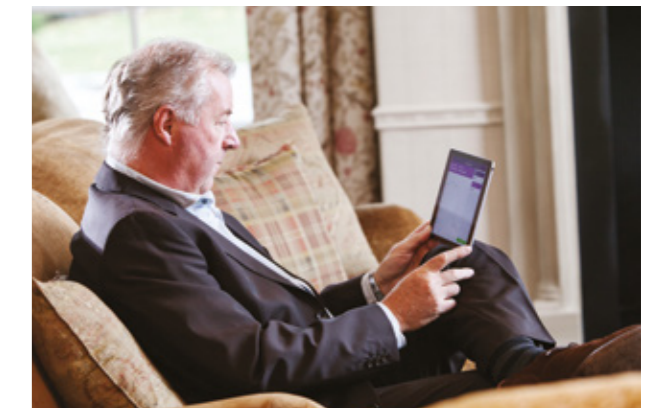
supported through 2018

**684 Firms**

use our services

**470 Partners**

now use our first-class technology

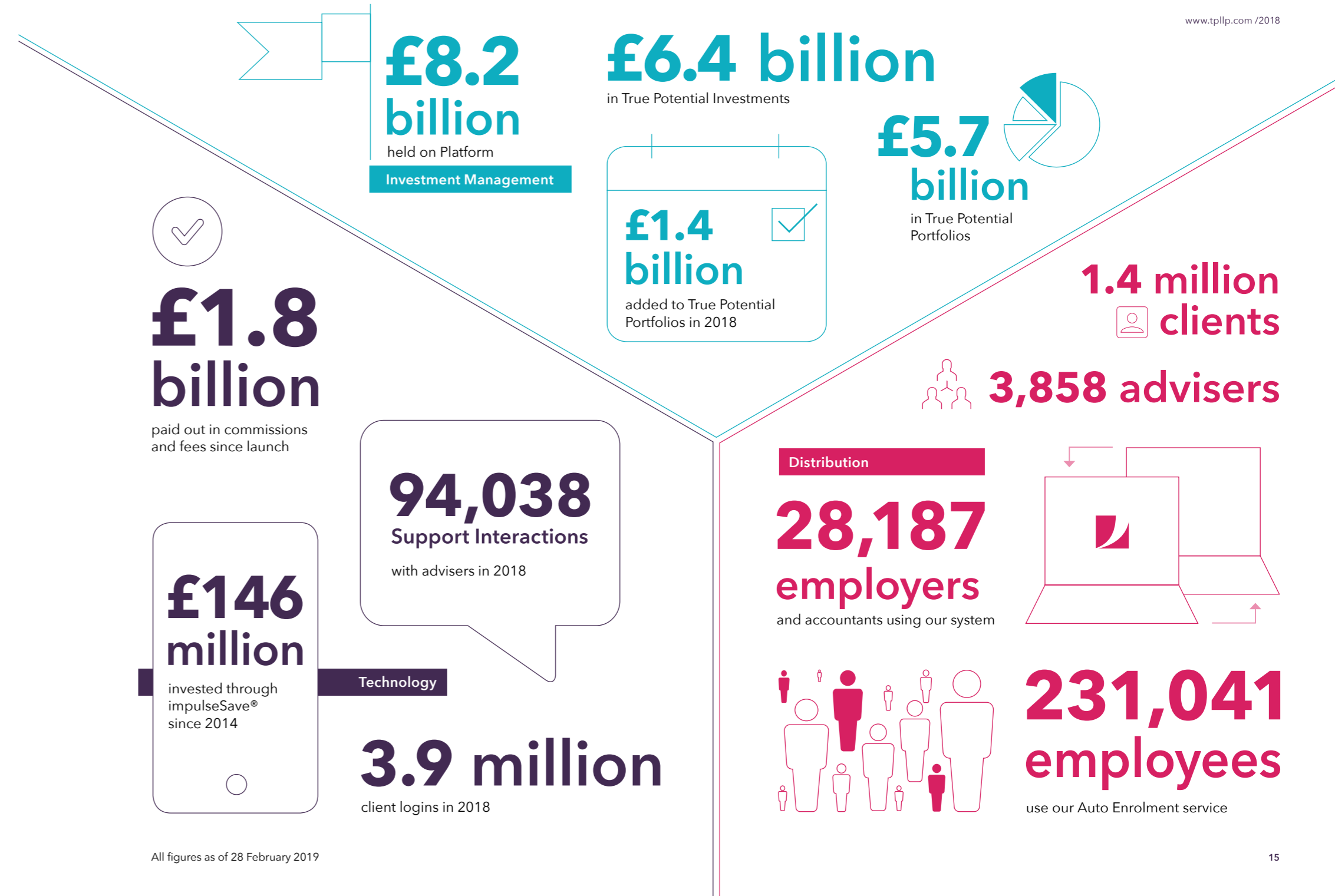
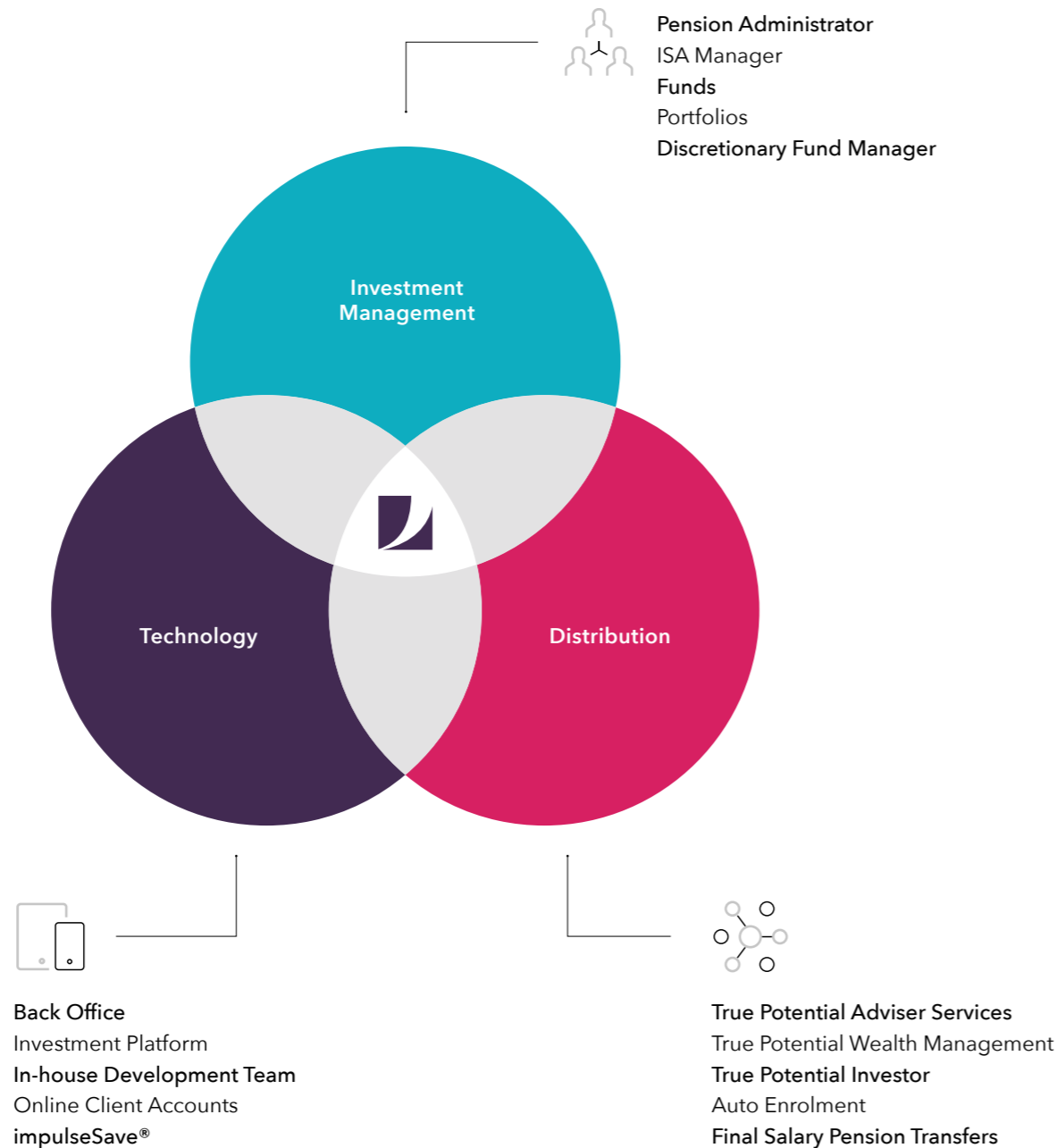




## True Ownership

By having full ownership of each stage of the value chain, with our own Investment Management Firm, in-house technology and large-scale distribution, we can ensure everything we do provides value for our clients.

We've created a business model that benefits 1.4 million private clients, 3,858 advisers and the True Potential Group. While each area is successful in its own right, our true value is in how we integrate these distinct areas of the business into something more valuable than the sum of its parts.



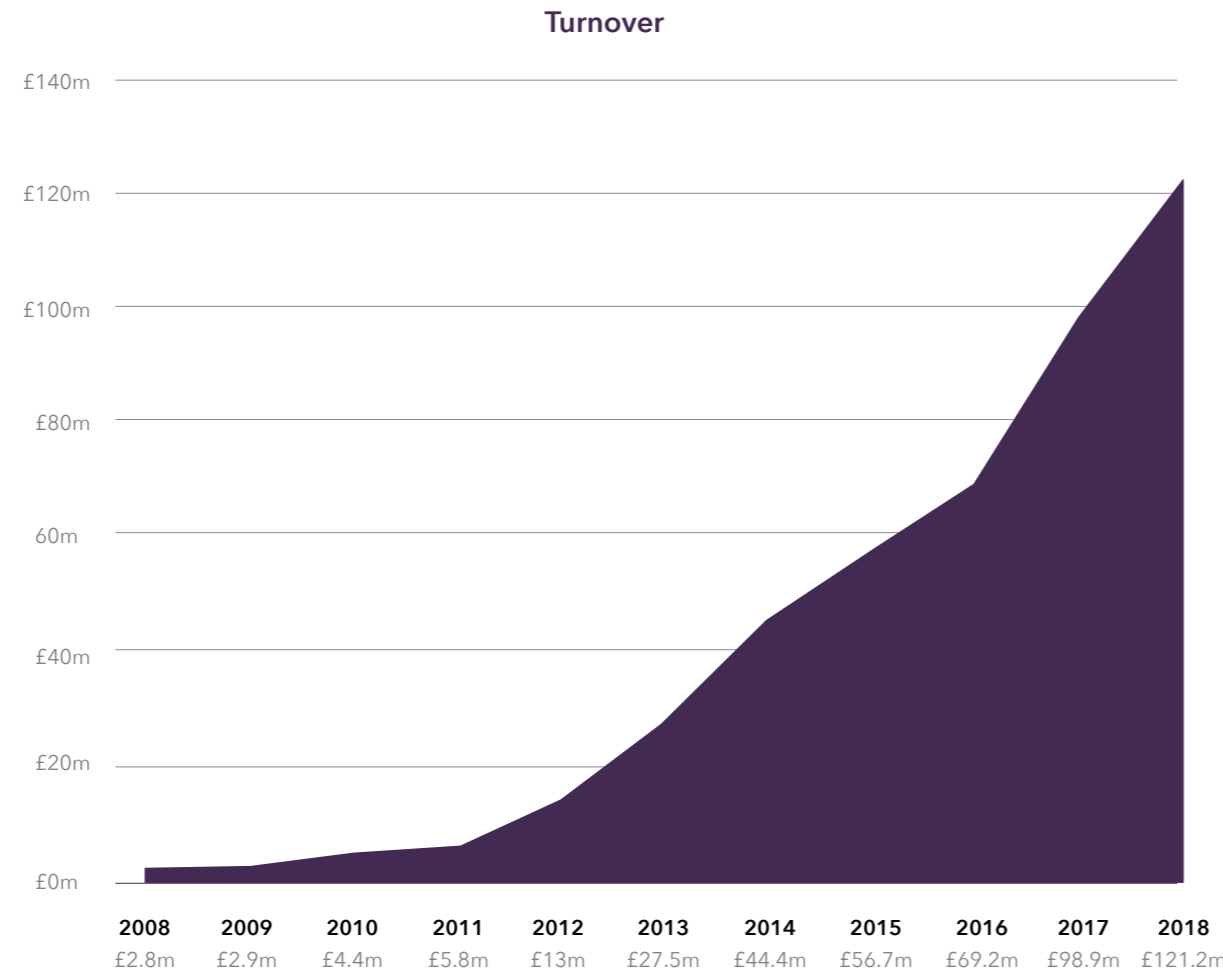
# True Growth

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

Group Turnover

**£121.2 million**  
in Group Turnover for 2018

**23% increase**  
in Group Turnover on 2017

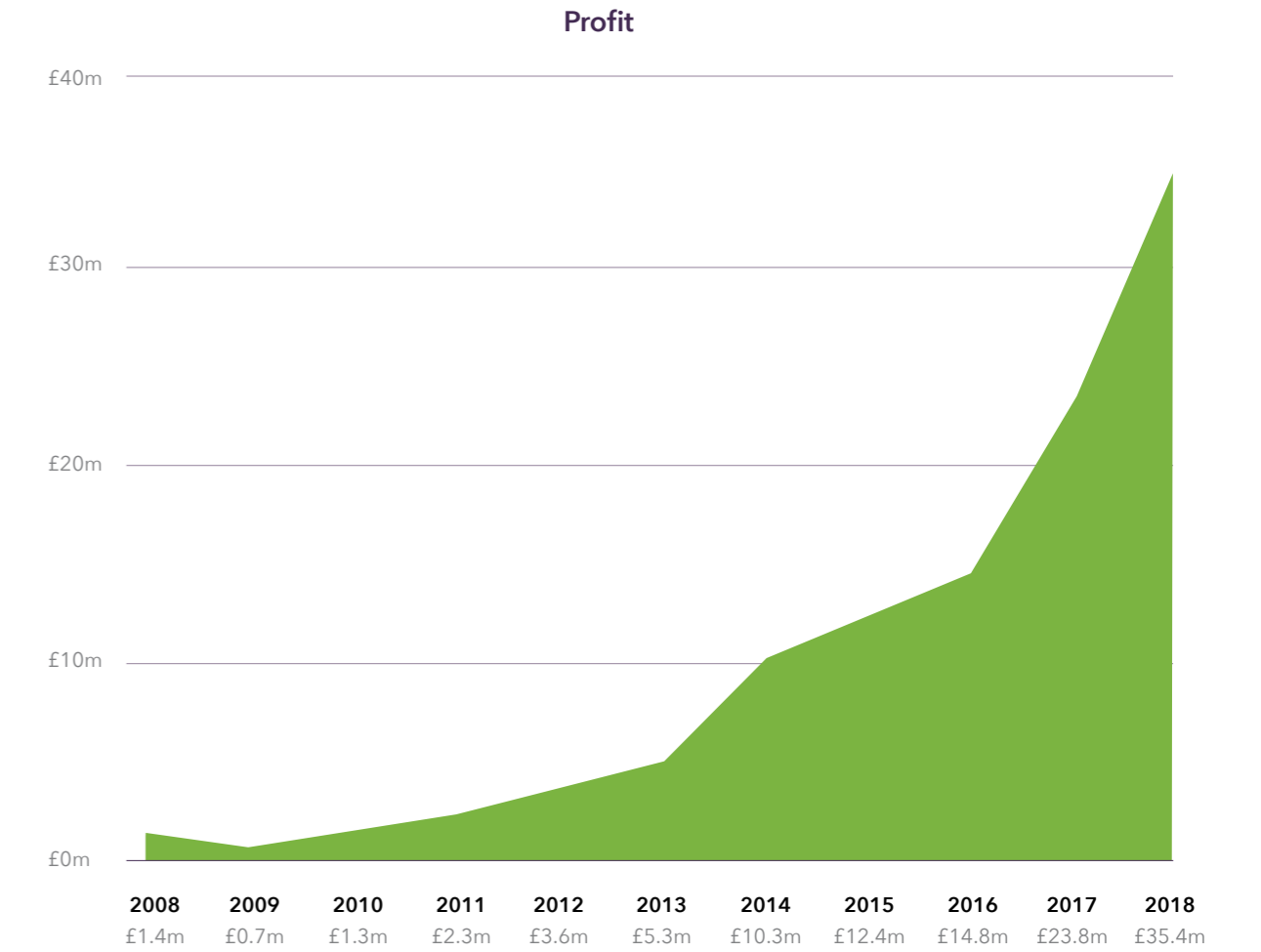


Our integrated model is entirely unique in the industry and has generated continued growth for eleven years, with 2018 being another highly profitable year for us.

Group Profit

**£35.4 million**  
in Group Profit for 2018

**49% increase**  
in Group Profit on 2017



Visit [www.tpllp.com/2018](http://www.tpllp.com/2018) for more information and our full set of 2018 accounts.

## True Recognition

**Over the years, we are proud to have been recognised by leading industry experts in a number of award categories from our world-class investment products to our innovative technology.**

### Highlights include:

- Becoming the first business to win two European Business Awards, collecting the European Business of the Year Award in 2017 and the Public Vote in 2018.
- Winner of the Money Marketing Best Support Service Award, for an unprecedented six consecutive years.
- Picking up the Best Platform Provider (AUM under £25 billion) Award at the UK Platform Awards in 2017 and 2018.
- Voted the nation's most popular advice firm by clients through VouchedFor.

Everything we do as a business, from our technology to our investment products, is with the aim of revolutionising wealth management for our clients.

Whilst we're proud of our success to date, we continue building and striving for more.





