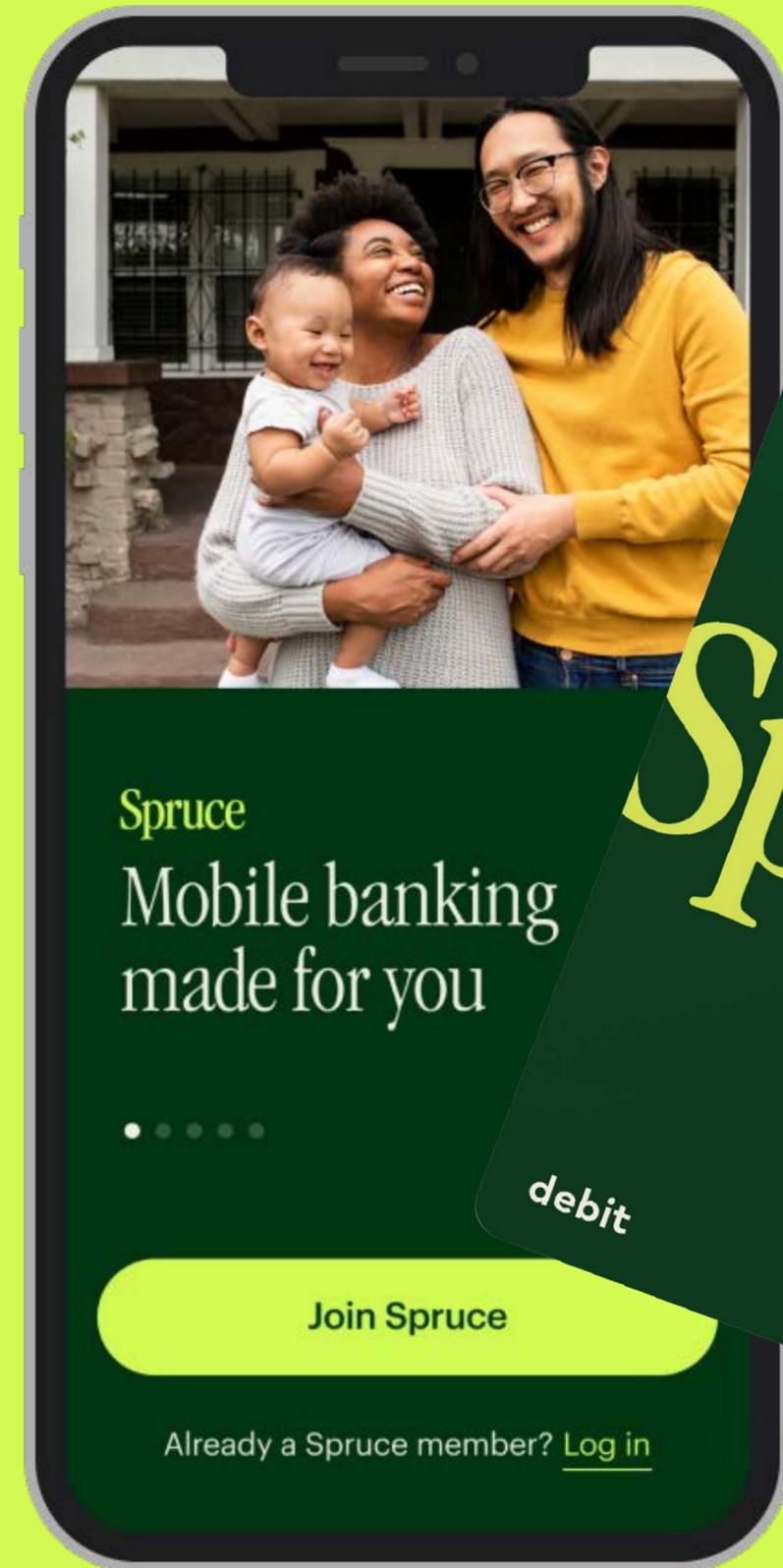


SpruceSM

A Deep Dive into H&R Block's New Mobile Banking Platform



Michaela Gallina

VP,
Investor
Relations

Safe Harbor Statement



Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of the securities laws. Forward-looking statements can be identified by the fact that they do not relate strictly to historical or current facts. They often include words or variation of words such as "expects," "anticipates," "intends," "plans," "believes," "commits," "seeks," "estimates," "projects," "forecasts," "targets," "would," "will," "should," "goal," "could," "may," or other similar expressions. Forward-looking statements provide management's current expectations or predictions of future conditions, events or results. All statements that address operating performance, events or developments that we expect or anticipate will occur in the future are forward-looking statements. They may include estimates of revenues, client trajectory, income, effective tax rate, earnings per share, cost savings, capital expenditures, dividends, share repurchases, liquidity, capital structure, market share, industry volumes, or other financial items, descriptions of management's plans or objectives for future operations, products or services, or descriptions of assumptions underlying any of the above. They also include the expected impact of the coronavirus (COVID-19) pandemic, including, without limitation, the impact on economic and financial markets, the Company's capital resources and financial condition, the expected use of proceeds under the Company's revolving credit facility, future expenditures, potential regulatory actions, such as extensions of tax filing deadlines or other related relief, changes in consumer behaviors and modifications to the Company's operations related thereto. All forward-looking statements speak only as of the date they are made and reflect the Company's good faith beliefs, assumptions and expectations, but they are not guarantees of future performance or events. Furthermore, the Company disclaims any obligation to publicly update or revise any forward-looking statement to reflect changes in underlying assumptions, factors, or expectations, new information, data or methods, future events or other changes, except as required by law. By their nature, forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements. Factors that might cause such differences include, but are not limited to a variety of economic, competitive, and regulatory factors, many of which are beyond the Company's control, that are described in our Annual Report on Form 10-K for the most recently completed fiscal year in the section entitled "Risk Factors" and additional factors we may describe from time to time in other filings with the Securities and Exchange Commission. You may get such filings for free at our website at <http://investors.hrblock.com>. You should understand that it is not possible to predict or identify all such factors and, consequently, you should not consider any such list to be a complete set of all potential risks or uncertainties.

Market and Industry Data

The data included in this presentation regarding the tax preparation and financial services industries, including trends in the market and the Company's position and the position of its competitors within these industries, are based on the Company's estimates, which have been derived from management's knowledge and experience in the industries, and information obtained from customers, trade and business organizations, internal research, publicly available information, industry publications and surveys and other contacts in these industries. The Company has also cited information compiled by industry publications, governmental agencies and publicly available sources. Although the Company believes these third-party sources to be reliable, it has not independently verified the data obtained from these sources and it cannot assure you of the accuracy or completeness of the data. Estimates of market size and relative positions in a market are difficult to develop and inherently uncertain and the Company cannot assure you that it is accurate. Accordingly, you should not place undue weight on the industry and market share data presented in this presentation.

Product Details

Spruce is a financial technology platform built by H&R Block, which is not a bank. SpruceSM Spending and Savings Accounts are established at, and the Spruce debit card is issued by, MetaBank®, N.A., Member FDIC, pursuant to license by Mastercard International Incorporated. Mastercard® and the circles design are registered trademarks of Mastercard International Incorporated. For full information on product features, fees, and functionality, go to www.SpruceMoney.com.

- Block Horizons Jeff Jones
- Spruce Overview Les Whiting
- Product Demo John Thompson
- Business Model John Thompson
- Q&A

Jeff Jones

President
& CEO

BLOCK HORIZONS

Three Strategic Imperatives

Small
Business

Financial
Products

Block
Experience

BLOCK HORIZONS

Three Strategic Imperatives

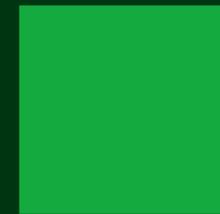


New solutions and experiences to create confidence and help ease the financial burden.

Our competitive advantage.

12M

hours in conversations with customers annually



H&R BLOCK[®]

66

Years as a trusted financial partner

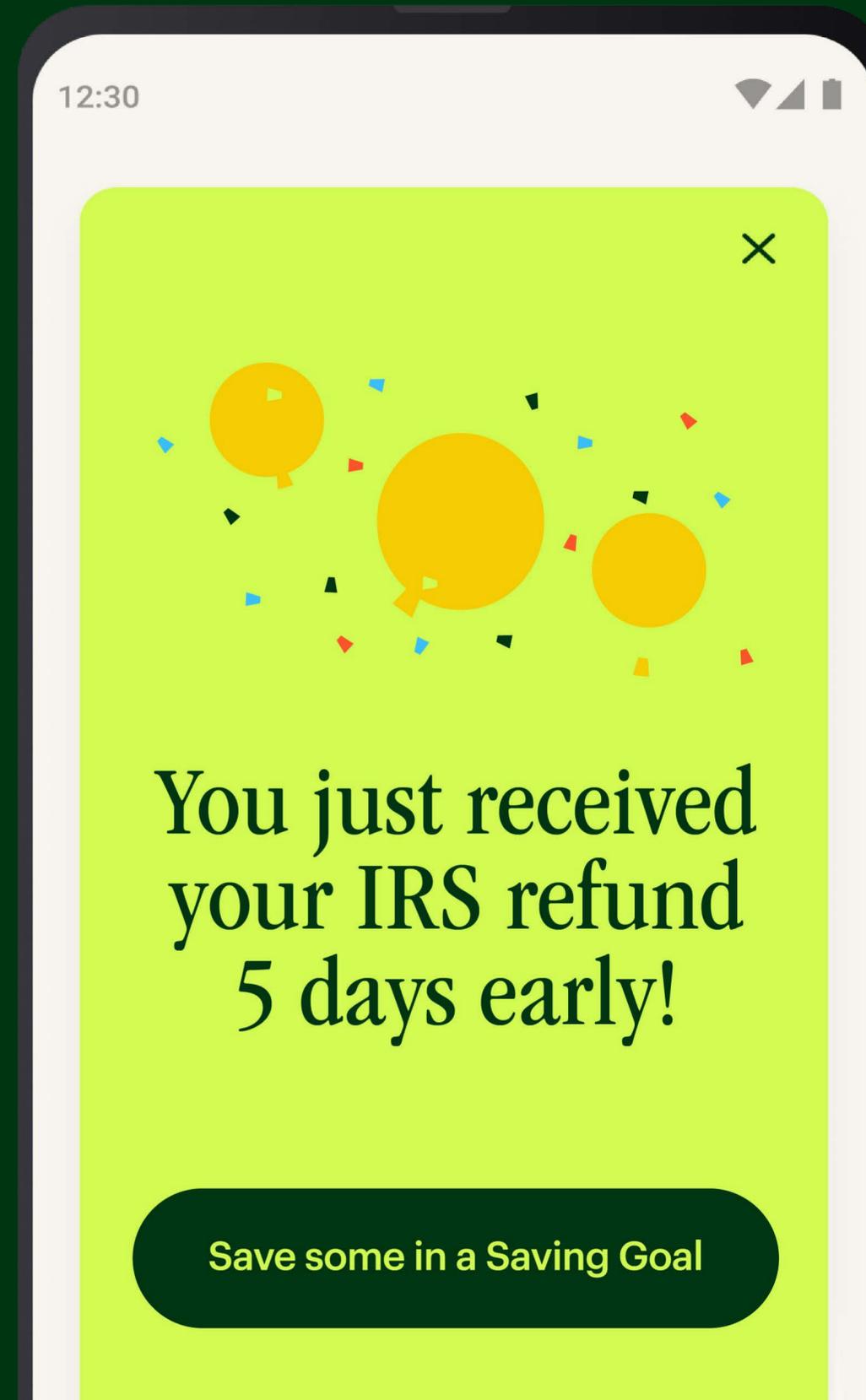
\$58B

in total refunds processed annually

20M

existing customers

Spruce:
A meaningful
milestone in
our journey.



Spruce



Les Whiting

Chief
Financial
Services
Officer

Spruce Overview

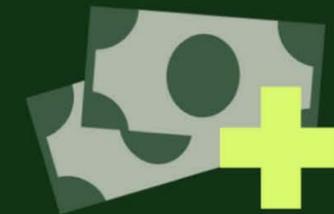
Voice of the Consumer

Our Vision

Fair, friendly, and progressive financial options for everyone.



Your card is activated



Add money to start using Spruce

Link an account

Saving

1 of 2 Saving Goals

+ Add a goal



Safety net >

\$800

\$1,200 to go of \$2,000 Goal

Extra Savings >

\$0

Round Up Off >

Cash Back Auto >



Helping our
customers
improve their
financial
health.

2/3

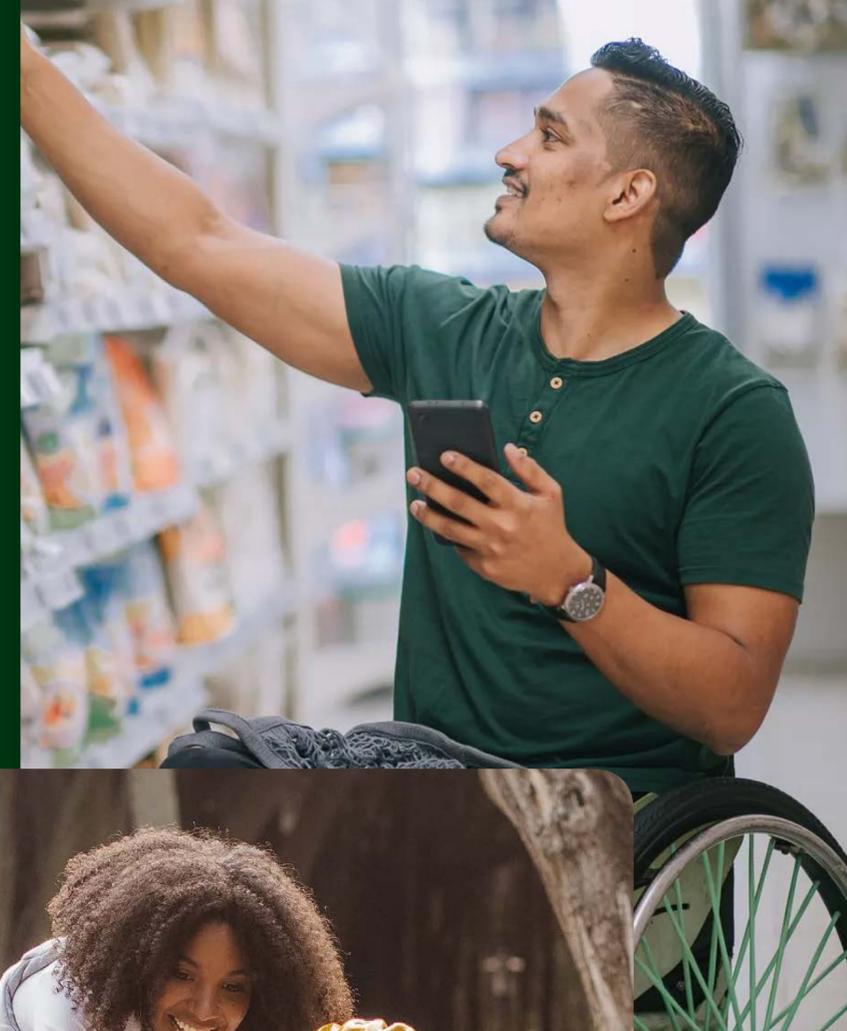
of Americans are
financially vulnerable
or coping ⁽¹⁾

166M

Americans are not
financially healthy ⁽¹⁾



The traditional banking system isn't working for many Americans.



\$255B

in fees and interest on everyday financial services (2)



Spruce bridges the gap.

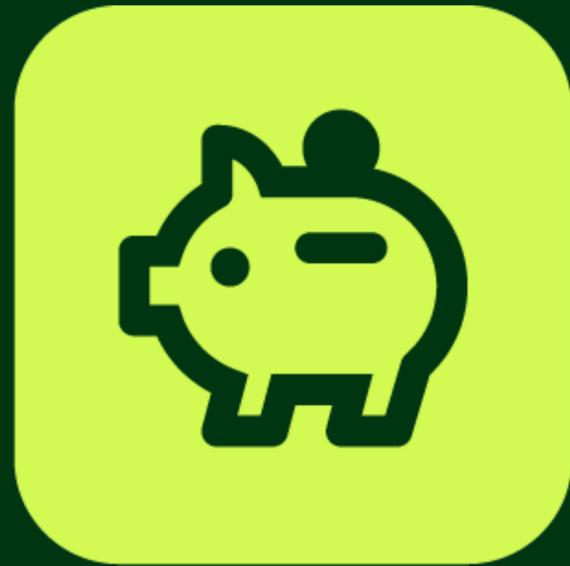
-  Provides full capabilities
-  Provides suboptimal or limited capabilities (some banks)
-  Does not provide this capability (most banks)

	Typical Fintech/ Challenger Banks	Typical National Banks	Spruce <small>built by H&R BLOCK</small>
Built by a Trusted Brand			
No Monthly Fees			
No Minimum Balance Fee			
Cashback Rewards			
Automated Saving Goals			
Paycheck 2 Days Early			
IRS Tax Refund 5 Days Early			

Features based on improving financial health.



Spend



Save



Borrow



Plan



Product Features
Spend

No Monthly Fees



No Monthly Fee



No Minimum Balance Fee



No Overdraft Fee



Access to 55K Fee-Free ATMs



Product Features

Spend

Get Paid Early



Get your paycheck
up to 2 days earlier

[How to set up direct deposit](#)

 Spruce now

 You just received your IRS refund
5 days early!



Product Features
Spend

Overdraft Protection

We've got you covered.

Your Courtesy Coverage kicked in and covered you \$19.24. This prevented a declined transaction - phew!

[Transfer money](#)

Spruce



Morning, Josh! Take a peek at your recent money movement.

Your Spending Account Balance

-\$19.24

Money Out



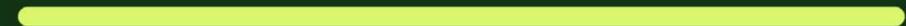
Product Features
Save

Savings Goals



Buy a car >

\$10,000.75



You hit your goal on June 5, 2021!



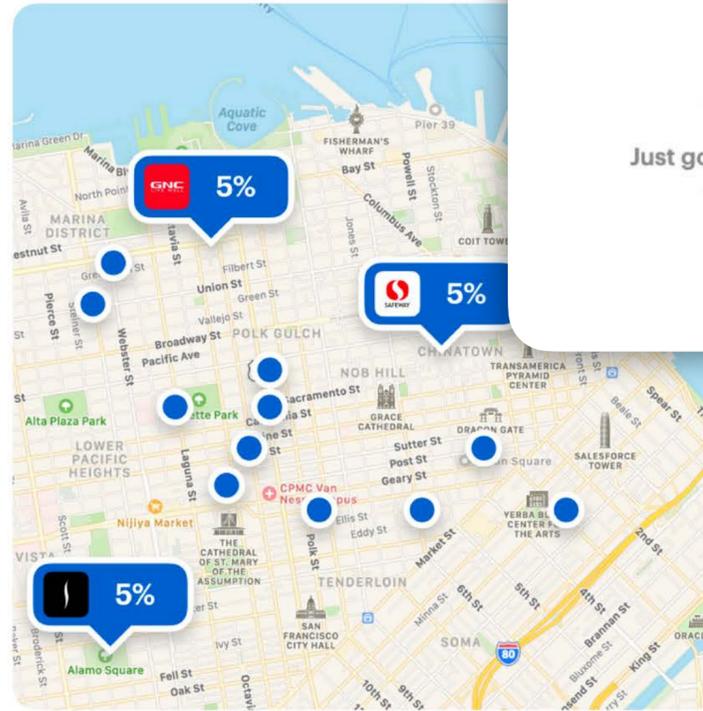
Product Features
Save

Automatic Cash Back Rewards

 Spruce now

 You've earned \$4.82 in cash back! We put that directly towards your savings.

What's nearby?



H&M 

6%

 **In-Store Instant Cash Back**

Just go to a participating location and use your Spruce™ Mastercard® Debit Card.

Offers Powered by **Dosh**



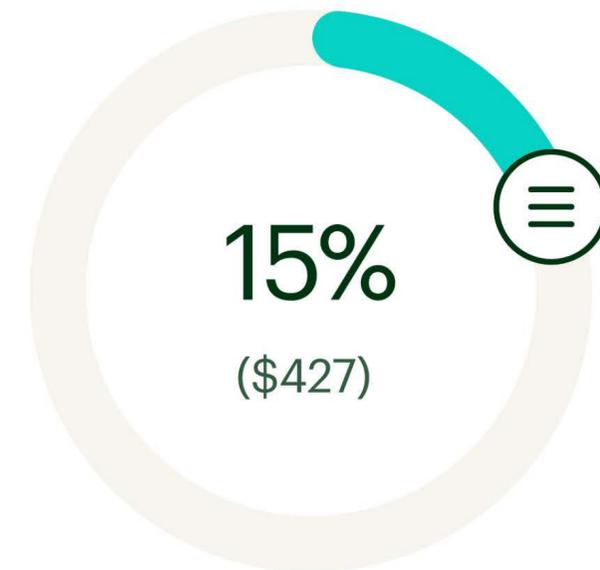
Product Features
Save

Smart Tax Refund

Expected Federal Tax Refund ✕

Let's find the best way to save your refund.

Expected Federal Tax Refund: \$2,850



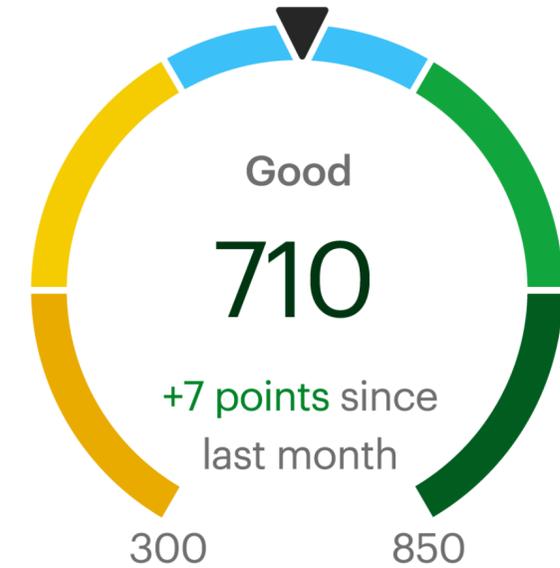
To



Product Features
Borrow

Free Credit Score

Higher scores are better scores



FICO® Score 8 is based on Experian®

Understand your score

Your FICO® Score 8 is based on the following factors.

- 35% Payment history
- 30% Amount owed
- 15% Credit history
- 10% New credit
- 10% Credit mix



[Learn more >](#)





Product Features
Plan

My Life & Insights

Spruce



Morning, Josh!
Take a peek at how
your money is
moving.

 Your Spending Account Balance

\$1344.80

Payday!

+\$600.21 >

Dunder Mifflin



Features based on improving financial health.



Spend



Save



Borrow



Plan

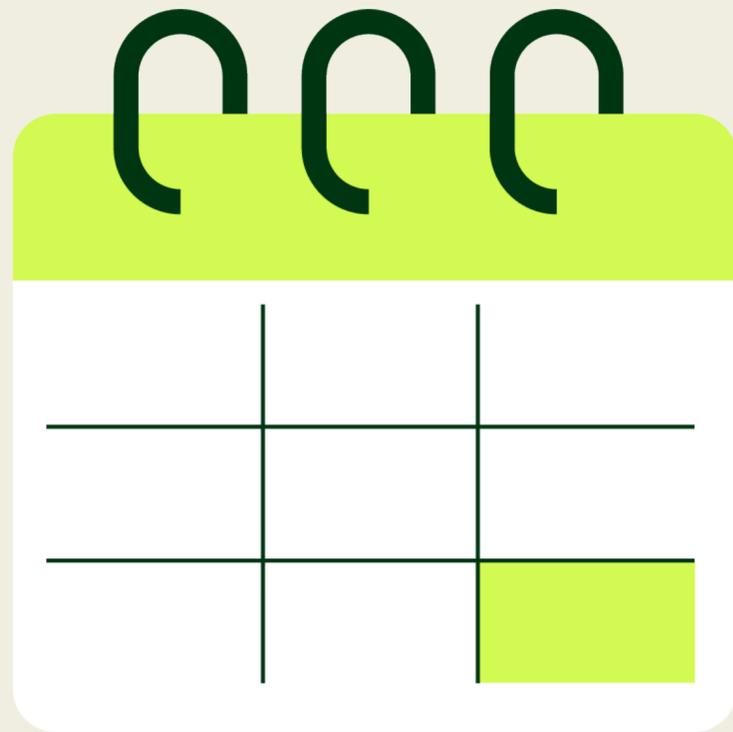
John Thompson

VP,
Financial
Services

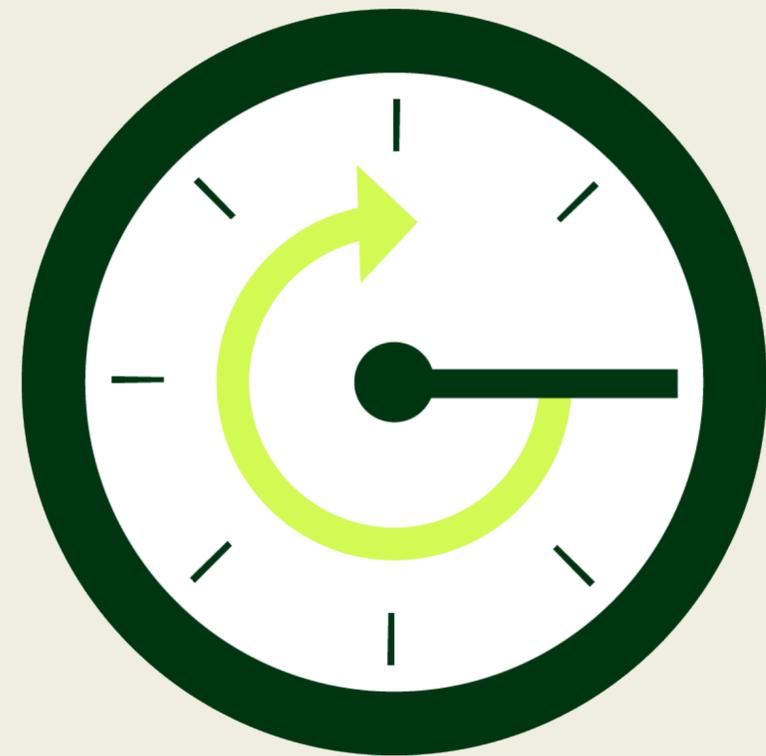
Product Demo

Business Model

From once-a-year to all year.



Yearly



Every Day

Spruce

Transaction Revenue

✓ Point of Sale

✓ Tap to Pay



✓ Online Purchase

✓ Subscriptions



→
Interchange Fees

✓ Mobile Wallet

**H&R
BLOCK®**

Spruce

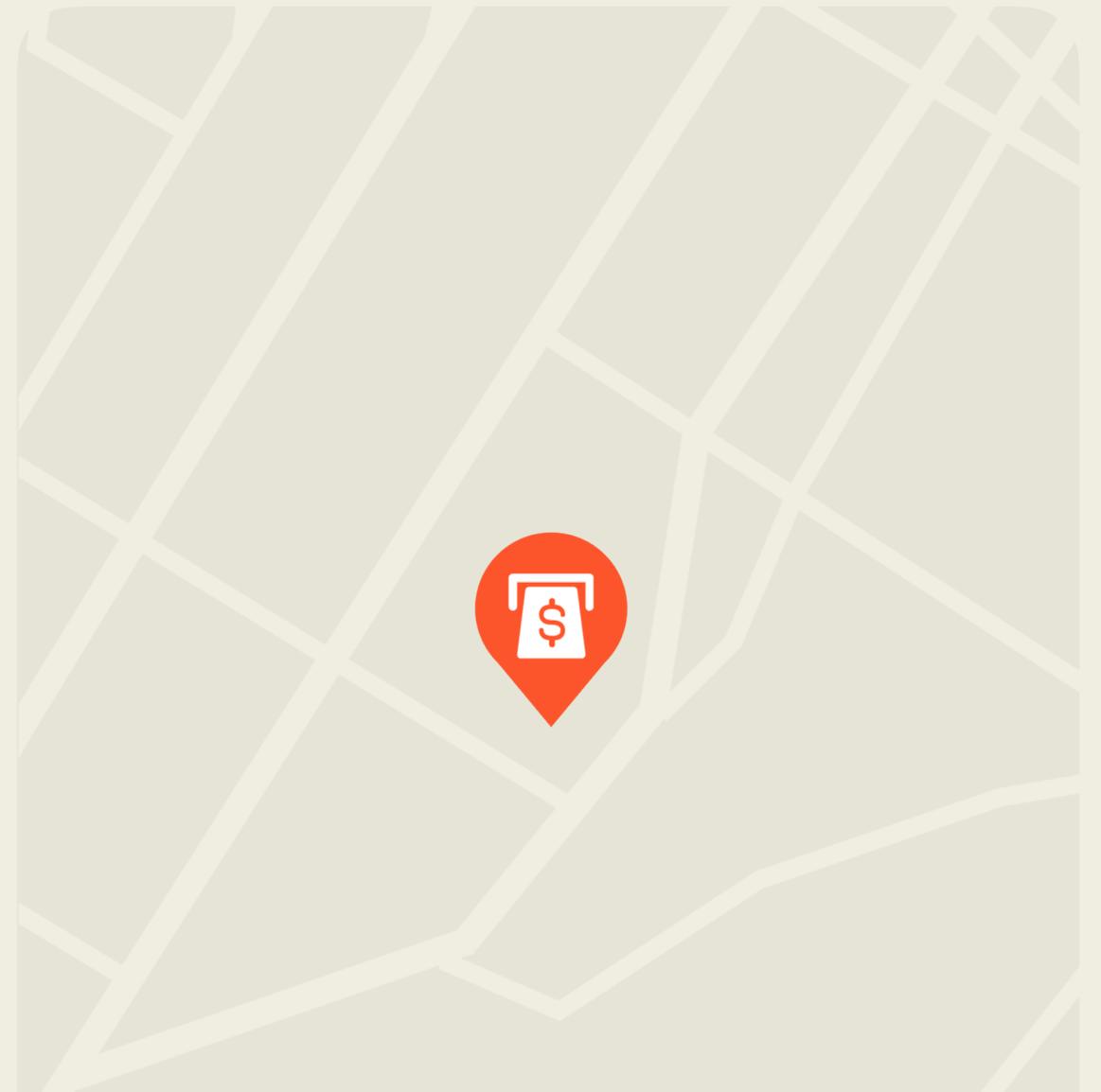
ATM Revenue



Spruce

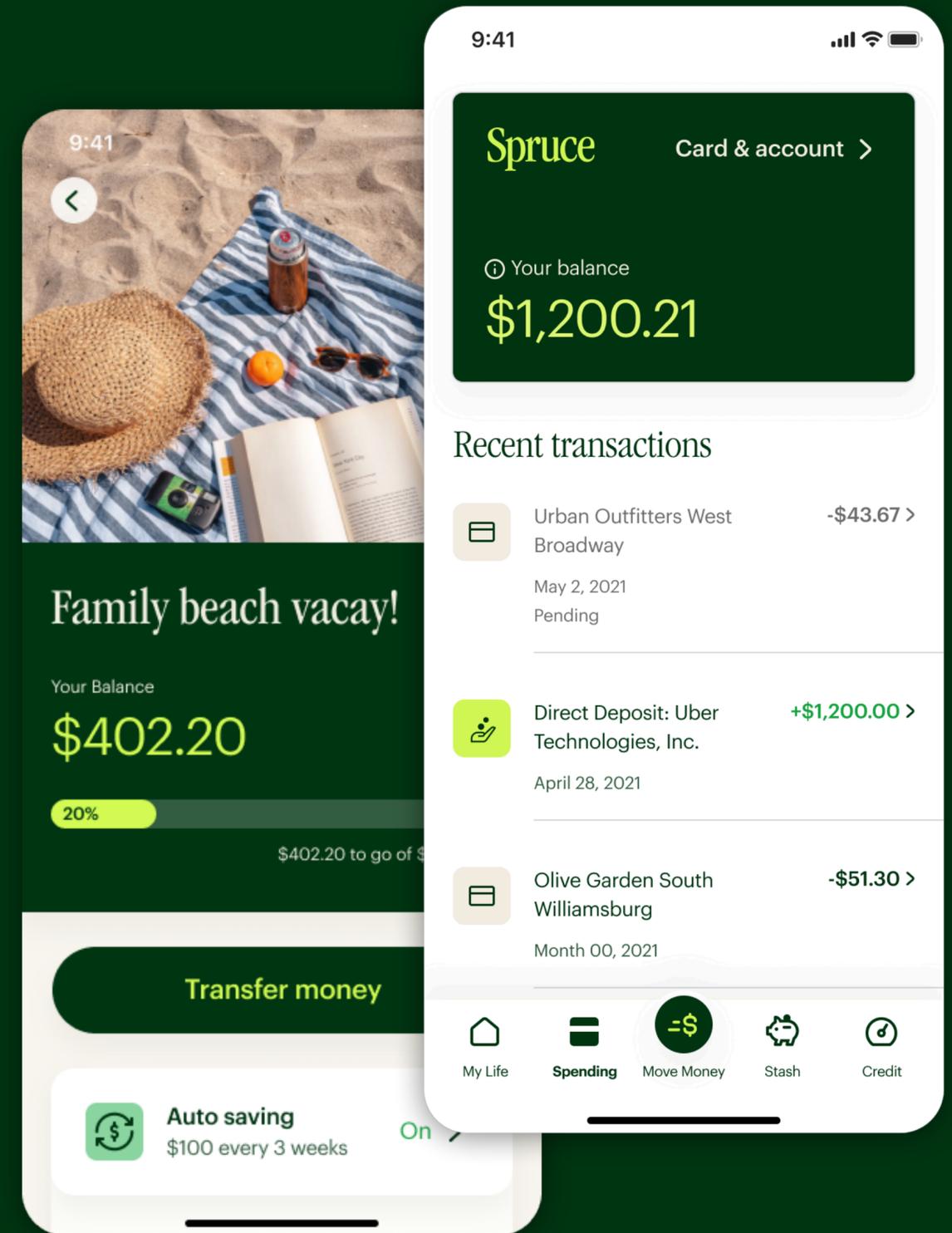
**In Network
No Fee**

55K ATMs Nationwide



**Out of Network
Small Fee**

Spruce makes
it easy to be good
with money.



Q&A

Spruce it up.

Sign up *now*.



Appendix

Sources:

- (1) https://fhn-finhealthnetwork-assets.s3.amazonaws.com/uploads/2021/10/2021_Pulse_Trends_Report.pdf
- (2) https://s3.amazonaws.com/cfsi-innovation-files-2018/wp-content/uploads/2021/04/19180204/FinHealth_Spend_Report_2021.pdf