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.
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Non-GAAP Measures

We refer to certain Non-GAAP financial measures in this presentation, including earnings from continuing operations before interest, taxes, depreciation, and amortization ("EBITDA"), EBITDA Margin from continuing operations, calculated as EBITDA from continuing operations divided by revenues from continuing operations ("EBITDA Margin"), adjusted diluted earnings per share from continuing operations, and free cash flow. Non-GAAP financial measures should not be considered as a substitute for, or superior to, measures of financial performance prepared in accordance with accounting principles generally accepted in the United States (GAAP). Because these measures are not measures of financial performance under GAAP and are susceptible to varying calculations, they may not be comparable to similarly titled measures for other companies. For a description of these non-GAAP financial measures, including the reasons management uses each measure, and reconciliations of these non-GAAP financial measures to the most directly comparable financial measures prepared in accordance with GAAP, please refer to previously filed press releases posted on our investor relations website at http://investors.hrblock.com.

Market and Industry Data

The data included in this presentation regarding the tax preparation services industry, including trends in the market and the company's position and the position of its competitors within this industry, are based on the company's estimates, which have been derived from management’s knowledge and experience in the industry, and information obtained from customers, trade and business organizations, internal research, publicly available information, industry publications and surveys and other contacts in the industry. 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.
Jeff Jones
President and Chief Executive Officer
Why we’re here

Three key takeaways

1. We are a stronger company today

2. Our strategy development process has been rigorous and methodical

3. We are focused on execution and value creation
Our Senior Leadership Team
We continue to strengthen our team

Jeff Jones  
President and Chief Executive Officer  
Joined 2017

Les Whiting  
Chief Financial Services Officer  
Joined 2020

Tony Bowen  
Chief Financial Officer  
Joined 2004

Tiffany Scalzitti Monroe  
Chief People Officer  
Joined 2018

Kirk Simpson  
CEO and Co-Founder Wave  
Joined 2019

Julius Lai  
Chief Product and Experience Officer  
Joined 2020

Tom Gerke  
General Counsel and Chief Administrative Officer  
Joined 2012

Daniel Rieger  
Vice President of International  
Joined 2014

Jamil Khan  
Chief Strategy and Development Officer  
Joined 2019

Karen Orosco  
Senior Vice President U.S. Retail  
Joined 1999

Heather Watts  
Senior Vice President DIY Tax  
Joined 1997

Alan Lowden  
Chief Information Officer  
Joined 2012

Julius Lai  
Chief Product and Experience Officer  
Joined 2020
Exploring the benefits of Block Horizons

AGENDA

<table>
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<tr>
<th>Topic</th>
<th>Presenter</th>
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<tr>
<td>Block Horizons Strategy</td>
<td>Jeff Jones</td>
</tr>
<tr>
<td>Small Business</td>
<td>Kirk Simpson</td>
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<td></td>
<td>Karen Orosco</td>
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<tr>
<td>Financial Products</td>
<td>Les Whiting</td>
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<td>Block Experience</td>
<td>Julius Lai</td>
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<td>Heather Watts</td>
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<td>Financial Principles &amp; Outlook</td>
<td>Tony Bowen</td>
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<tr>
<td>Closing &amp; Q&amp;A</td>
<td>Jeff Jones</td>
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</tbody>
</table>
We are purpose-driven:
To provide help and inspire confidence in our clients and communities everywhere

Leveraging our human advantage and technological expertise

Trusted advisor for customers

Supporting communities through Make Every Block Better
We are strategically positioning the company for success.

- **FALL 2017**
  - Thorough look-back upon Jeff’s arrival as CEO

- **SPRING 2018**
  - Implemented Upfront Transparent Pricing and accelerated technology investments

- **FALL 2018**
  - Assessed multiple adjacencies to drive growth

- **SPRING 2019**
  - Confirmed opportunities in small business and financial products; acquired Wave Block Horizons to drive next phase of growth

- **FALL 2020**
  - Block Horizons to drive next phase of growth
We’ve already made significant progress

<table>
<thead>
<tr>
<th>Talent and Culture</th>
<th>Brand</th>
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<tr>
<td>Digital &amp; Data Platforms</td>
<td>Improvement in Consumer Tax</td>
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</table>
Our five-year roadmap is built on three strategic imperatives

**Small Business**

Build direct, valuable relationships with small business owners through Block Advisors and Wave

**Financial Products**

Evolve the Emerald Card into a consumer-centric, mobile-first solution for the underbanked

**Block Experience**

Make tax easier, faster and more personalized by blending digital tools with human expertise and care
The focus of our business is changing

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<tr>
<th></th>
<th>HISTORICAL ROLE</th>
<th>FUTURE ROLE</th>
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<tbody>
<tr>
<td><strong>Small Business</strong></td>
<td>Over 2 million customers, without strategic focus</td>
<td>Tailored customer experience and services to drive growth through Block Advisors and Wave</td>
</tr>
<tr>
<td><strong>Financial Products</strong></td>
<td>Primarily linked to tax event and to distribute refunds</td>
<td>Create a mobile-centric banking alternative leveraging our technology platform and favorable banking partnership</td>
</tr>
<tr>
<td><strong>Consumer Tax</strong></td>
<td>Traditional delivery model of Assisted or DIY</td>
<td>Converged platform blending human expertise and digital capabilities</td>
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</table>
Kirk Simpson
Co-Founder and CEO
Wave

Karen Orosco
Senior Vice President,
U.S. Retail
Strengthen the spirit of entrepreneurship and help small business owners thrive
H&R Block is well-positioned in small business

- Large Base of 2.4 Million Customers
- Strong Entrepreneurial Spirit
- Creating a Superior Customer Experience

~$500 million in annual small business revenue
Small business is a significant opportunity for Block and Wave

**U.S. Number of Small Businesses**

- **2013**: 28.7 million
- **2015**: 30.1 million (2.4% CAGR)
- **2017**: 31.6 million (0.9% CAGR)

**U.S. Small Business Revenue**

- **2010**: $5.3 trillion
- **2014**: $5.9 trillion (3.2% CAGR)
- **2018**: $6.8 trillion (3.7% CAGR)


**1-499 Employees** | **Self-employed**
---|---
$0 | $1.1
$2 | $1.1
$4 | $1.2
$6 | $5.6
$8 | $6.8

$23.0 | $24.3 | $25.7

$1.1 | $1.1 | $1.2

$5.7 | $5.8 | $5.9

$4.2 | $4.8 | $5.6

$0 | $2 | $4 | $6 | $8
Even through COVID, small businesses are resilient

Source: National Bureau of Economic Research, Impact of COVID-19, July 2020; U.S. Census Bureau; The Economist (10/10/20)

**Business Applications for the U.S.**

1. A “once in a generation” surge in start-ups
2. Small businesses will lead the recovery
3. Increasing adoption of digital tools
We have a clear view of our target customer

Small Business Targets

- 0–9 EMPLOYEES
- REVENUE OF $10,000 +
- SEEKS BENEFITS OF YEAR-ROUND RELATIONSHIPS
We will go to market with two small business brands: Block Advisors and Wave

Human help and expertise with virtual and physical options

Initial focus on tax, bookkeeping and payroll

30,000 tax pros eligible for Block Advisors certification across 7,500 locations

DIY software for small business owners

Invoicing, payments and more plus Wave Money, the embedded business banking account

Integration with Block Advisors for tax
Our position of strength is grounded in understanding small business owners’ needs.
Customer needs define the opportunity

Our research shows small business owners:

<table>
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<tr>
<th>Are short on time</th>
<th>Our Block Advisors value proposition, products, and brand strategy are built to address these needs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lack financial expertise</td>
<td></td>
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<tr>
<td>Struggle to find support and resources</td>
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</table>
Block Advisors offerings create value for business owners year-round

One source for small business service needs

Consultative advisor team to help boost cash flow and profitability

Block Advisors branding builds on trust in H&R Block brand

Year-round help with small business questions
We’ve redesigned the entire small business workflow

**Appointment Setting**
- New service offerings
- Client chooses physical or virtual service
- Match client to certified Block Advisor

**Completion and Filing**
- Upfront price
- Showcase Advisor expertise and care
- Get to know your business questions

**Post-Service Follow-Up**
- Entity Approve Online
- Mobile payment
- Year-round support from Advisor team
New capabilities will enable growth

We have launched new products in response to customer needs...

Small Business P&L

Business Audit Support

Quarterly Payment Consultation

...and they are resonating with clients

More than half of those who used Small Business P&L recalled it

More than 65% of these clients gave it the highest value scores

We will continue to broaden our offering over time
Certified Block Advisor tax pros provide unique expertise and build long-term relationships.
We have an integrated go-to-market strategy

Investing in marketing, branding and expanded offerings to drive Block Advisors growth

Will use partnerships to round out relationships, product and service selection
Our heritage positions us for upside in small business tax

Current H&R Block Market Share

1% incremental business tax market share equates to ~$60M in incremental revenue
Wave is a robust platform that allows us to continue to build value-added services

Annually via Wave...

- $22 billion in invoices sent
- $2 billion in payments processed
- $650 million in payroll funds dispersed
Wave Money provides fully integrated digital banking capabilities

- First-to-market, software-powered small business bank account
- No monthly fees or minimums
- Instant access to funds from your invoice payments
- Seamless integration with Wave accounting platform
Tremendous synergy potential for Block Advisors and Wave

Wave and Block together offer seamless support for small business tax
IMPERATIVE #2

Financial Products
Les Whiting
Chief Financial Services Officer
Develop new products and experiences that create financial confidence and help ease financial burden.
Providing financial services for the underbanked is a significant opportunity.

Underbanked households as a fraction of total US households

- 24% Underbanked
- 31M underbanked households in the U.S.

The growing dissatisfaction with traditional banks provides an opening for challengers.

- Higher fees and minimums
- Increasing lack of trust in traditional banks
- Fewer branches, comfort with digital

Seeking low-fee, mobile-centric alternatives.
COVID is accelerating consumer moves to digital banking

- **46%** Using online/mobile banking more than pre-COVID
- **74%** Plan to maintain some/all digital banking habits adopted during the pandemic
- **79%** Plan to maintain new mobile habits (44% will keep all of them)

Source: PMNTS and Feedzai.
H&R Block is well-positioned in financial products

8M
H&R Block customers who are underbanked

~67%
Block customers likely to open a bank account with Block if offered

$9B
Dollars deposited annually to Emerald Card

Customer-first, mobile-centric, year-round

What to expect in the next 12 months

1. Adding mobile-wallet capabilities to Emerald Card
2. Further developing the digital experience
3. Refining customer acquisition and engagement strategy
Block Experience
Julius Lai
Chief Product and Experience Officer

Heather Watts
Senior Vice President, DIY Tax
Reimagine our experience for customers and tax pros in a digital-first world by blending technology and data with human expertise and care.
We’ve already made significant progress toward a faster, easier tax prep experience

Use of Digital Services
Customers who engaged with a tax pro or approved return online doubled in Tax Season ‘20

Customer Satisfaction
‘Intent to return’ increased as much as 8 percentage points in Tax Season ‘20 among these customers

Total Clients
Total returns up more than 5% since 2017 due to improvements in service and experience
Block Experience is how we are reimagining tax

<table>
<thead>
<tr>
<th>Unique position across digital, people and locations</th>
<th>More ways to get human expertise</th>
<th>Easier and faster tax filing</th>
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<tbody>
<tr>
<td></td>
<td>More convenience and care via AI-driven personalization</td>
<td>All drive higher growth in the business</td>
</tr>
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</table>
Leading the tax industry to a converged model

<table>
<thead>
<tr>
<th>Historical</th>
<th>Today/Future</th>
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<tbody>
<tr>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>DIY</td>
<td>Assisted</td>
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A customer who starts digitally may get online assist or Tax Pro review

An on-location customer may complete process digitally, or start digitally and come in to sign & file

Near-term target: 50% of Assisted clients using at least one digital tool
MyBlock is the hub for customer engagement

**Bold 1:1 Design**

**Integrated Service Selection**

**Virtual Tools**

**Video Call/Chat**
Growing DIY remains a focus

- Net promoter scores up more than 10 percentage points in last two years
- Customer retention up more than 2 percentage points in last two years
- Delivering live help for DIY customers in <3 minutes with Online Assist
- >50% yoy growth in DIY customers taking live Tax Pro help
What to expect in the next 12 months

1. Launch new MyBlock as mobile portal to connect tax pros and customers
2. Determine new machine learning models that will further streamline tax prep and reduce time to complete
3. Test new labor models to understand opportunity for efficiencies
Tony Bowen
Chief Financial Officer
Our financial goals are tied to our strategic vision to drive growth.

- Small Business
- Financial Products
- Block Experience

**Targeted total annual revenue growth**

3-6%  

Note: Does not apply to fiscal years 2021 and 2022 due to the financial impact of the pandemic.
Tremendous operating leverage helps increase the impact of our investments

Note: EBITDA is a non-GAAP financial measure. Specific quantifications of the amounts that would be required to reconcile the company’s EBITDA outlook for FY21 are not available. Because of the variability of these and other items as well as the impact of future events on these items, management is unable to reconcile without unreasonable effort the expected range of EBITDA for future periods to a comparable GAAP range.
We have multi-year expense reduction goals to focus our teams on driving efficiencies.

Goal of $150 million in savings by 2025 to fuel investment for growth.
To track our progress, we will be sharing key metrics going forward.

<table>
<thead>
<tr>
<th>Total Company Financials</th>
<th>Financial Products</th>
<th>Block Experience</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>Customers who reload</td>
<td>Total consumer tax customers</td>
</tr>
<tr>
<td>EBITDA</td>
<td>Revenue / customer</td>
<td>% of Assisted customers using digital tools</td>
</tr>
<tr>
<td>EPS</td>
<td></td>
<td></td>
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<table>
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<tr>
<th>Small Business</th>
<th></th>
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<tbody>
<tr>
<td>Total small business tax customers</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue / customer</td>
<td></td>
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Our strong liquidity and balance sheet provide the flexibility to invest for growth.

Maintain investment-grade metrics

Adequate access to liquidity through line of credit and recent debt financing

Target adjusted debt to EBITDA ratio of 2.5-3x
And we will return capital by continuing our dividend and opportunistic share repurchases

**Balanced return of capital**

<table>
<thead>
<tr>
<th>Dividends</th>
<th>$150M</th>
<th>Share repurchases Q2 FY21</th>
</tr>
</thead>
<tbody>
<tr>
<td>+30% Dividend increase since FY16</td>
<td>~6% Current dividend yield*</td>
<td></td>
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<table>
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<tr>
<th>Share Repurchases</th>
<th>$150M</th>
<th>Share repurchases Q2 FY21</th>
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</thead>
<tbody>
<tr>
<td>~6% Current dividend yield*</td>
<td>19% Shares outstanding repurchased FY17-Q2 FY21</td>
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*As of market close on Dec. 2, 2020.*
Our fiscal year 2021 outlook marks the beginning of our journey

<table>
<thead>
<tr>
<th>Category</th>
<th>Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>$3.5B - $3.6B</td>
</tr>
<tr>
<td>EBITDA</td>
<td>$950M - $1B</td>
</tr>
<tr>
<td>Effective Tax Rate</td>
<td>18% - 20%</td>
</tr>
<tr>
<td>Depreciation &amp; Amortization</td>
<td>$155M - $165M</td>
</tr>
<tr>
<td>Interest Expense</td>
<td>$105M - $115M</td>
</tr>
</tbody>
</table>

Note: EBITDA is a non-GAAP financial measure. Specific quantifications of the amounts that would be required to reconcile the company’s EBITDA outlook for FY21 are not available. Because of the variability of these and other items as well as the impact of future events on these items, management is unable to reconcile without unreasonable effort the expected range of EBITDA for FY21 to a comparable GAAP range.
These five principles will drive shareholder value:

1. Sustainable annual revenue growth of 3 to 6%
2. EBITDA and EPS growing at a faster rate than revenue
3. Redeploying cost savings to highest ROI opportunities
4. Maintaining a strong balance sheet and liquidity position
5. Continuing to return capital via dividends and buybacks
Block Horizons is the next step in our transformation.

- Strengthened our foundation
- Created a culture of experimentation
- Leveraging data and AI in new ways
- Solving problems for consumers and small business
Q&A