

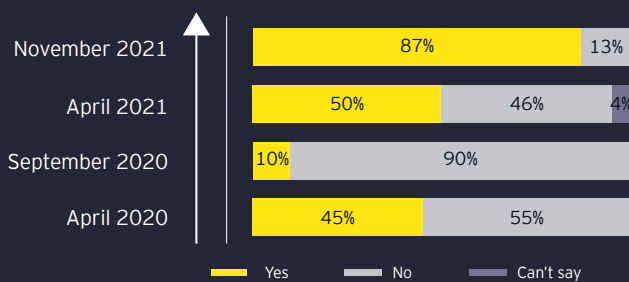
Investor confidence in the UK financial services market hits a five-year high amid the COVID-19 pandemic



The UK's attractiveness for global financial services (FS) investment increased over 2021, and hit the highest level of confidence since EY's attractiveness analysis began. As an important indicator of future foreign direct investment (FDI), the latest sentiment results from EY's *UK Attractiveness Survey* show that the country is well-positioned for continued growth in financial services. To maintain this position, the UK must continue to demonstrate its strength amid crisis, but also broaden its offerings around sustainable finance, improve the skills of the workforce and show progress in 'levelling up' across the country.

FS investor sentiment on short-term investment plans increased across 2021, and is also up on 2020 results

FS plans to establish or expand UK operations over the following year:



Source: EY's UK Attractiveness Survey, November 2021, April 2021, September 2020 and April 2020

Despite being surveyed before the main onset of the Omicron variant (in November 2021), FS investors believe the UK's attractiveness over the next three years will stay at the same high level, or improve

In November 2021:

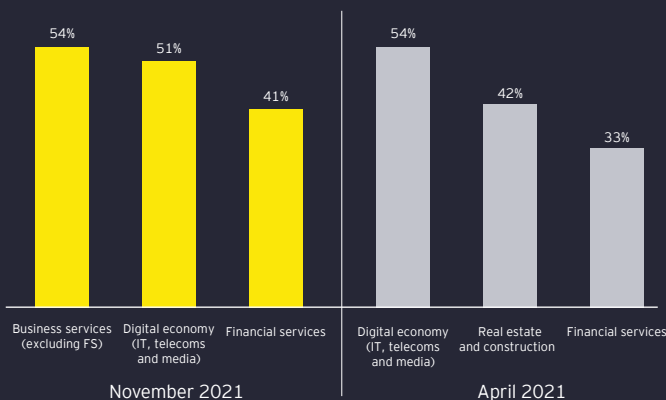
90% of FS investors said they believed the UK will be equally attractive or more attractive in the next three years

This is up from our previous survey results. In April 2021:

75% of FS investors said they believed the UK will be equally attractive or more attractive in the next three years

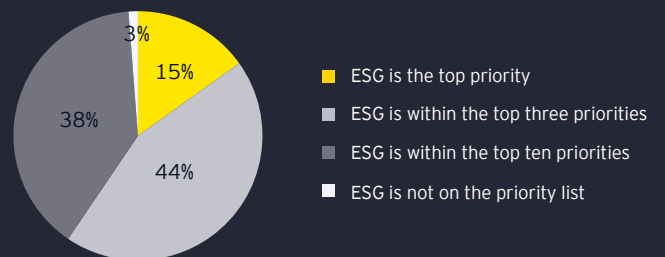
Source: EY's UK Attractiveness Survey, November 2021 and April 2021

Financial services maintained its third-place ranking as the sector to drive UK growth in the coming years, behind business services and the digital economy



Source: EY's UK Attractiveness Survey, November 2021 and April 2021

Over half of FS investors named environmental, social and governance (ESG) as a top priority in their firms' investment strategy



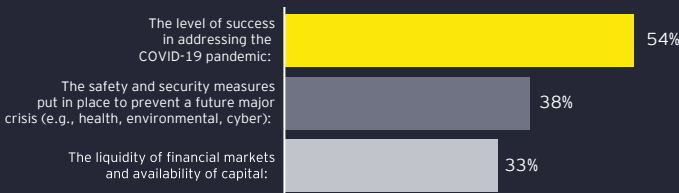
Source: EY's UK Attractiveness Survey, November 2021

And the vast majority of firms (87%) said the UK offers the right environment for their investment from an ESG perspective

Source: EY's UK Attractiveness Survey, November 2021

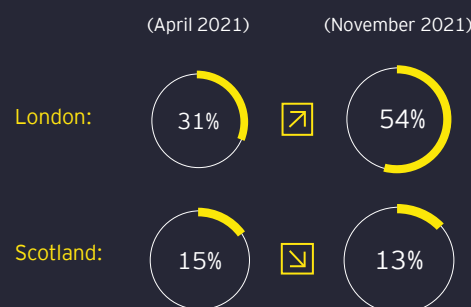
A country's success in addressing the economic effects of the COVID-19 pandemic is key to attracting FS investment

The top factors that will influence investors' decisions to select a country for future FDI are:



Source: EY's UK Attractiveness Survey, November 2021

London remains the lead UK region for FS investment, while sentiment on Scotland has dipped, suggesting there is more work to be done on the 'levelling up' agenda



Source: EY's UK Attractiveness Survey, November 2021 and April 2021