

Vanguard

Powering your business towards 2030

UK Adviser Roadshow 2026



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Artificial Intelligence:

Challenges, opportunities
and considerations facing
your business today

Regulatory landscape in 2026:

What should be on your radar?

Choice and consistency:

How Vanguard's evolving adviser
solutions can support your business



**What three words
would you like to
use to describe
your business
in 2030?**



**What challenges
might slow down
your progress?**



Key facts from summer 2021



What was making the news?

COVID dominated — but there was also other news

Supply chain
chaos – Suez
canal blocked by
cargo ship

Bitcoin hit major
highs and lows

NFTs – huge
interest



Key facts from summer 2021



What were we watching on TV?
Evenings at home were the norm



News was still heavy, but hope
(vaccines, reopening) was finally louder

Line of Duty



Succession



Euro 2020



Tik tok dancing!



People back in nightclubs, travelling, socializing...



...but – Delta variant cases on the rise



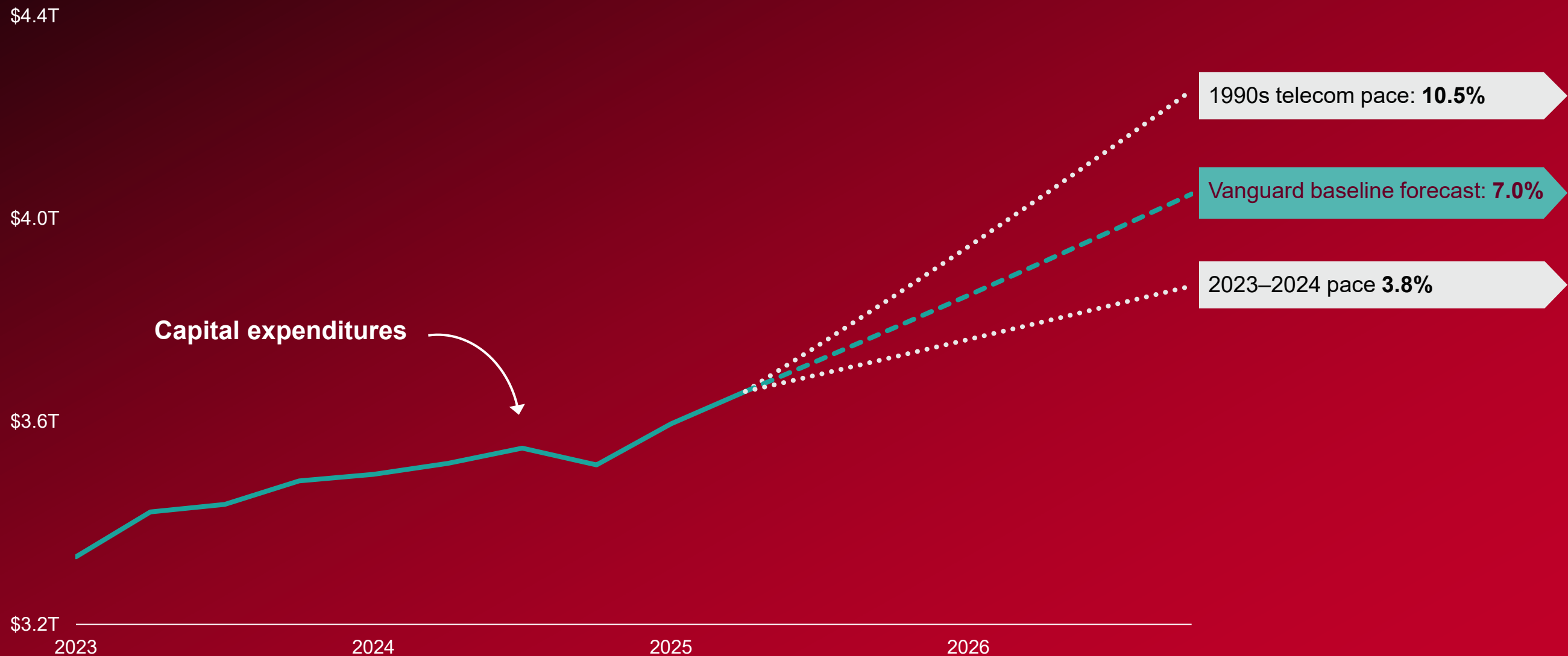
Artificial Intelligence: Challenges, opportunities and considerations facing your business today



**Are you currently
using AI in your
business?**



AI may support the pace of capital spending growth



For illustrative purposes only. Any projections should be regarded as hypothetical in nature and do not reflect or guarantee future results.
Note: The forecasted baseline year-over-year growth in capital expenditures for early 2025 through 2026 is higher than the average pace set in recent years (2023–2024) but lower than the pace set during the telecom boom years of 1995–1999.
Sources: Vanguard calculations, based on data from the Bureau of Economic Analysis, as of June 30, 2025.

AI and tech innovation remain geographically concentrated

Top 5 corporate R&D spenders by sector and country/region

					
United States	Euro area	United Kingdom	China	Japan	Australia
Software	Automotive	Pharmaceutical	Technology	Automotive	Pharmaceutical
Software	Automotive	Pharmaceutical	Software	Automotive	Technology
Technology	Automotive	Finance	Software	Telecommunications	Finance
Software	Automotive	Finance	Construction	Leisure goods	Finance
Technology	Automotive	Finance	Automotive	Pharmaceutical	Travel

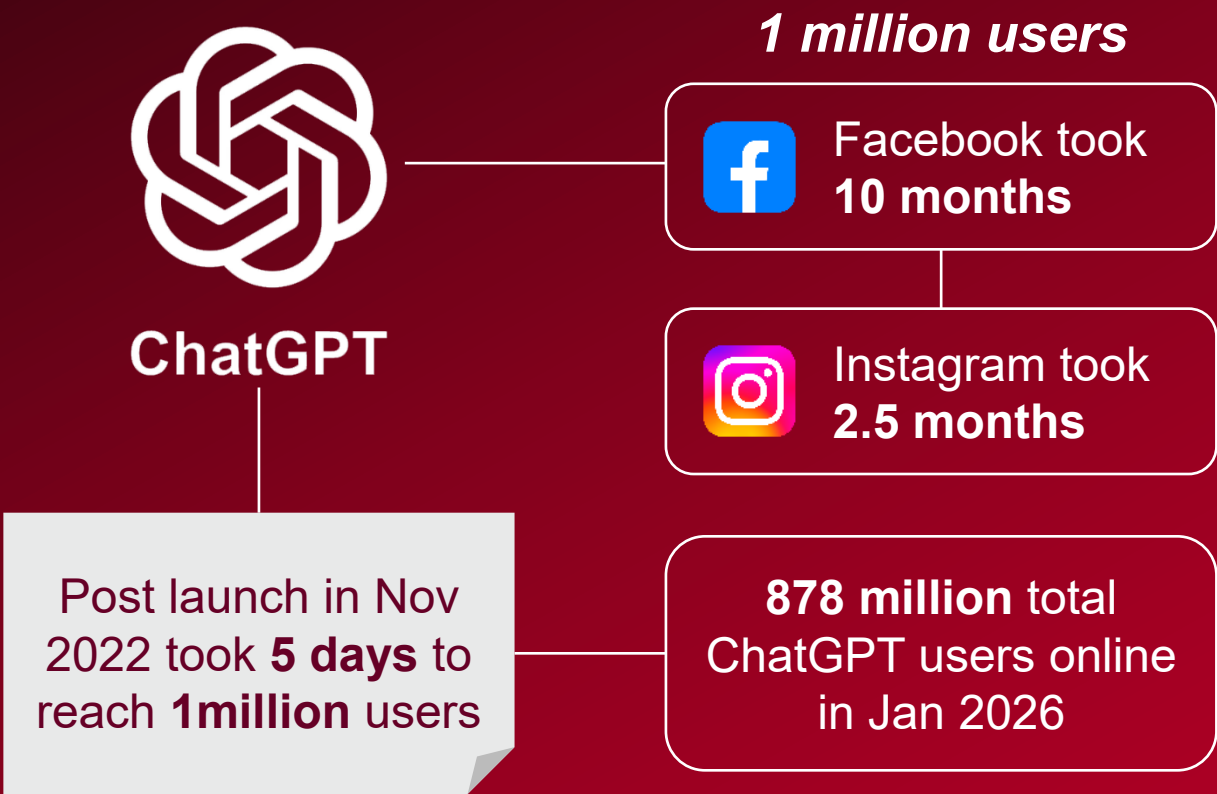


For illustrative purposes only.
Notes: This table is based on the 2024 EU Industrial R&D Investment Scoreboard, which analyzed the world's top 2,000 research and development (R&D) investors, headquartered across 40 countries. The table depicts the top five corporate R&D spenders by sector within six countries/regions, allocated geographically by the location of company headquarters.
Sources: Vanguard calculations, based on data from the European Commission, as of December 31, 2024.

AI – Where are we now?

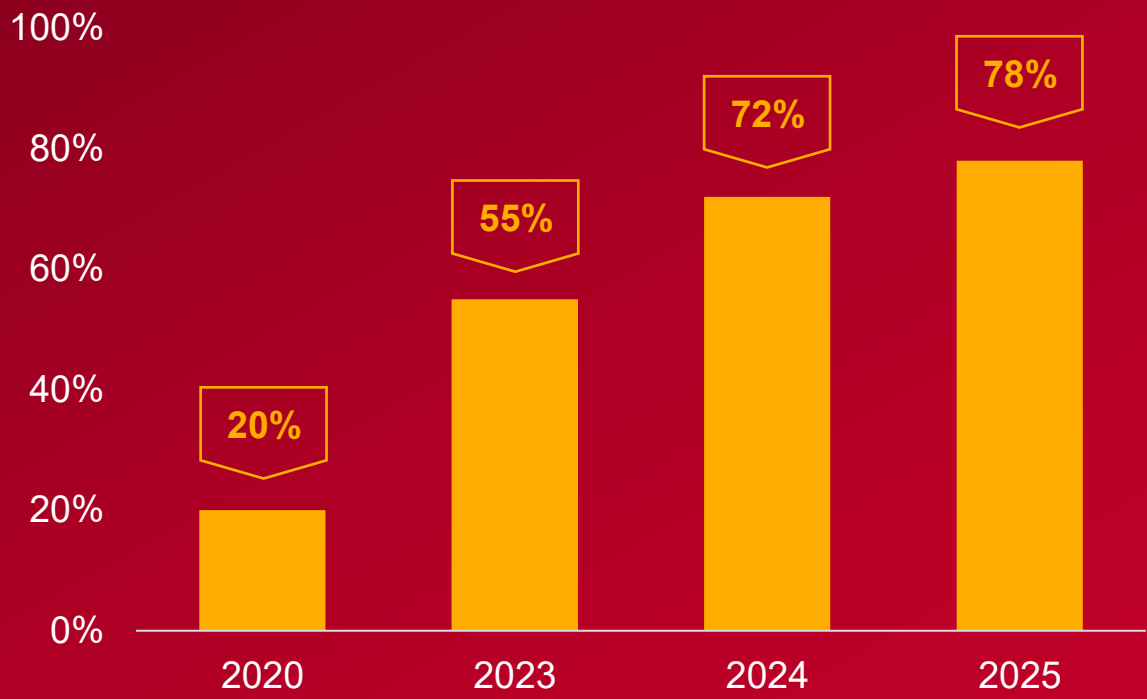
Rapid adoption globally

Rapid ChatGPT adoption



Enterprise AI adoption

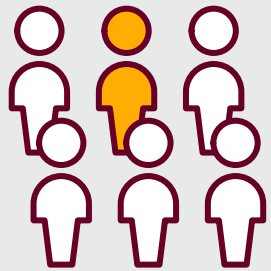
Global companies using AI in at least one function



Sources: Techart Chapt GPT statistics 2026. Allaboutai.com; 2026 Global AI adoption report.
Note: Figures are based on third party research and estimates and may vary by source.

AI – Where are we now?

Rapid adoption globally



1 in **6** people globally use AI tools for work, learning or problem solving (Microsoft)

Advisers using AI

- Meeting note tools
- Adviser workflow
- Advice process

45%
are using or
adopting an
AI solution



79%
of advisers

Say - Regulation and compliance is slowing adoption but report perceived increases in process speed and efficiency.

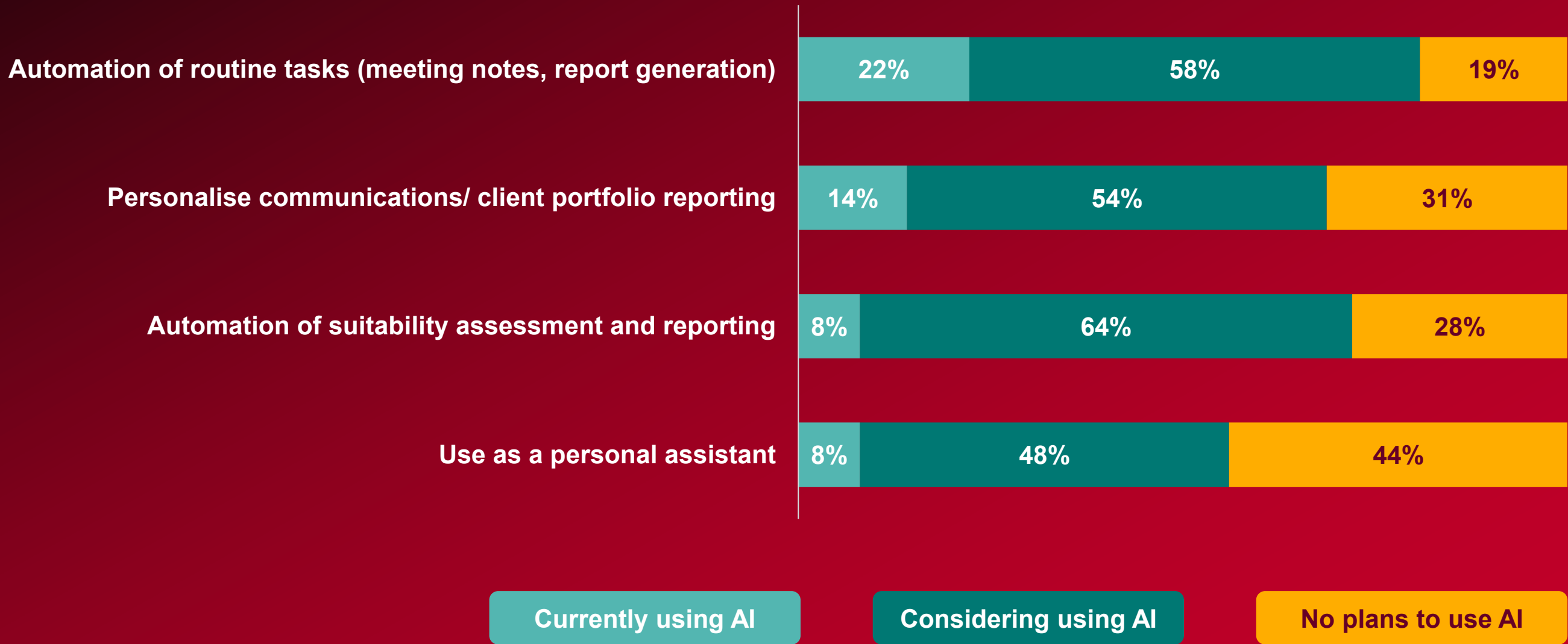


Image source: Vanguard via AdobeStock.

Sources: Techart Chapt GPT statistics 2026. Allaboutai.com; 2026 Global AI adoption report; <https://nextwealth.co.uk/research/financial-advice-business-benchmarks-report-2025>.

Note: Figures are based on third party research and estimates and may vary by source.

Advisers use of AI



Sources: Nextwealth - Clearing the path for AI in advice, December 2025.

Trust, transparency and the human touch

51% still prefer advice from a human adviser

56% say they use AI for financial decisions more than they did last year

78% of those who trust AI, use AI for financial decisions more than they did last year



Embedding in the advice process



Source: Vanguard

Note: ¹Any use of AI tools must sit within firms' existing governance, suitability and regulatory frameworks.

Challenges

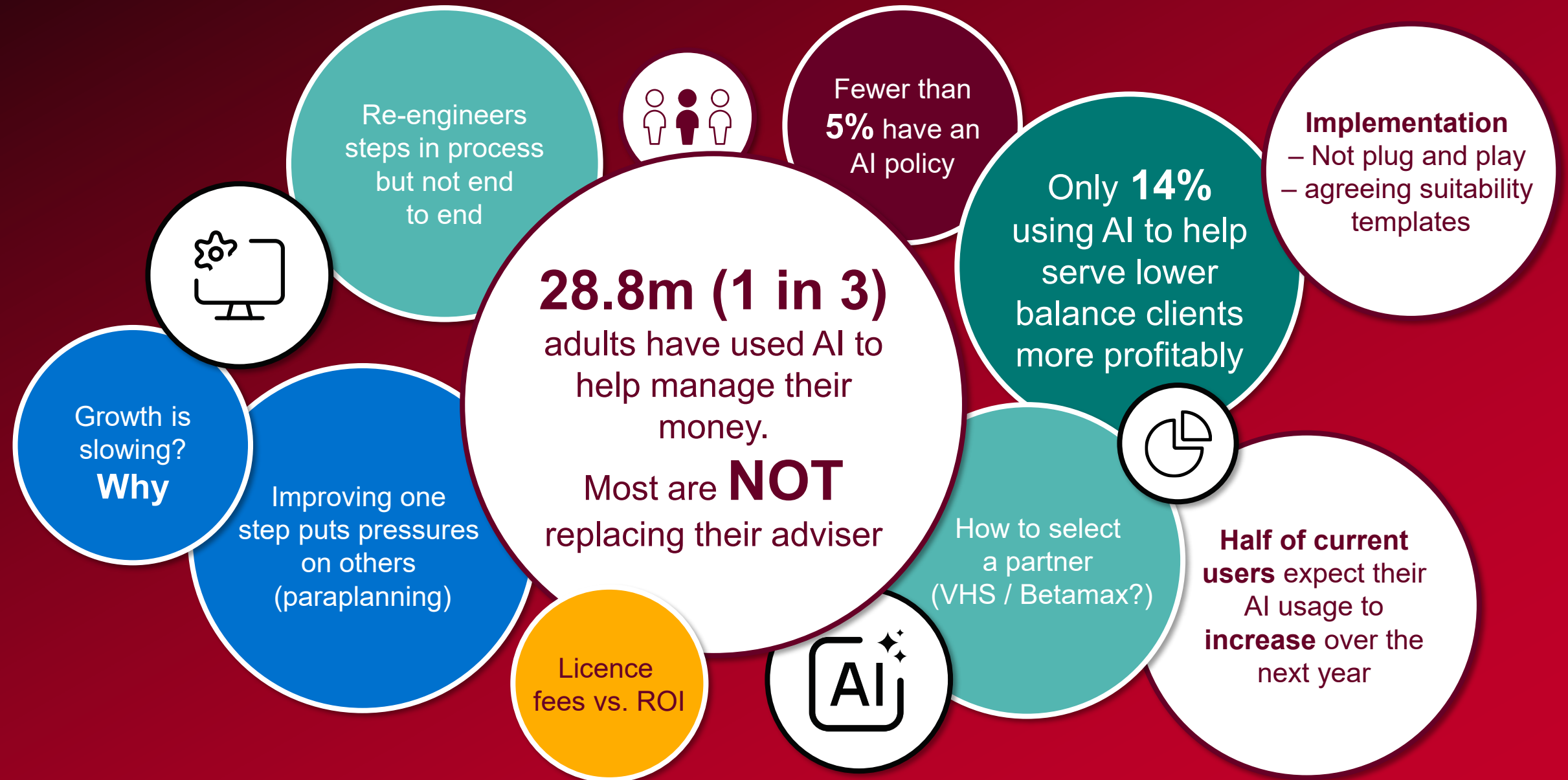
28.8m (1 in 3)

adults have used AI to
help manage their
money.

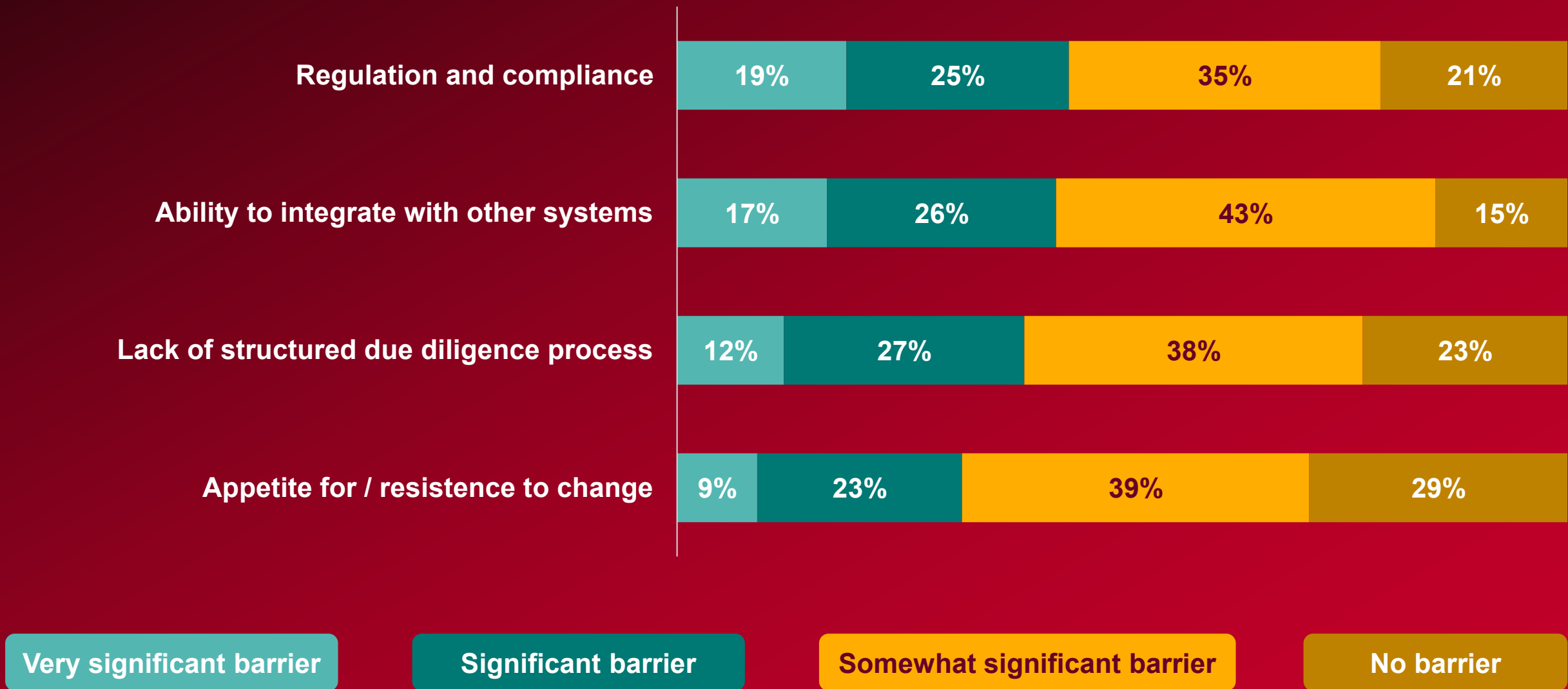
Most are **NOT**
replacing their adviser



Challenges



Barriers to adoption



2026 – Get AI ready

Why do you want to use it?

1



2



3



4



Data Handout

Helping advisers get AI-ready starts with better data

Vanguard

High quality data helps advisers deliver more personalised, efficient and scalable client support

Vanguard's approach to AI

Vanguard's approach to AI

Improving investor outcomes while maintaining trust and human oversight.

Outcome-focused

AI should help advisers deliver better investor outcomes

Trusted & Responsible

Strong governance, privacy and human oversight matter

Human-centered

Technology should support – not replace – the Adviser relationship

10 steps to get your data AI-ready

1

Standardise client information

Record information in a consistent, structured way using standard categories, to ensure data is clear and usable.

2

Build complete client profiles

Capture up-to-date client context and preferences, and think beyond individuals to include family members / linked clients for a full picture.

3

Record information at the source

Enter key details directly into systems rather than relying on notes or emails.

4

Keep data consistent

Align information across systems used (e.g. CRM, planning tools and platforms).

5

Prioritise data quality over quantity

Accurate, up-to-date information is more valuable than large volumes of incomplete or inaccurate data.

6

Keep client activity records current

Regularly update meeting notes, calls and interactions to maximise the benefit of tools which can quickly summarise and support personalisation.

7

Align with regulation

Clear, structured data supports documentation, auditability and compliance, helping to meet regulatory requirements with confidence.

8

Protect client data

Use secure systems, follow enterprise policies when managing sensitive information, and apply strong cybersecurity practices to minimise risk.

9

Start with the end in mind

Decide on the tasks you want automated, then ensure data is well-organised and accurate so automation can work effectively.

10

Develop an AI-ready mindset

Stay curious and open to new tools, and treat data capture as a strategic part of delivering high-quality advice.

Capture data for better client outcomes

Build strong & trusted data foundations

Prepare for AI-enabled advice

How AI will support advisers over time

Assist

Supporting tasks such as meeting preparation and summarising

Augment

Providing insights and personalised recommendations

Action

Automating routine processes to improve efficiency

Strong data foundations today help advisers deliver better client outcomes tomorrow

Consumer Duty DATA Forum

CONSUMER DUTY ALLIANCE

2026

HOW TO MANAGE AND REPORT YOUR DATA

A good practice guide by the Consumer Duty Data Forum



We are looking for a volunteer!



Image source: Vanguard via Adobe Stock, May 2026

**A voice
message to
your PA**

“Hi, I’m rushing to a meeting but we can speak later. I’ll email you an invoice this afternoon, but could you make a payment this morning for (£10,500) to the following bank details for me...”



Challenges and opportunities of voice cloning

Social engineering: Criminals no longer need to hack systems, they can manipulate people

Most cyber losses now involve human deception rather than technical hacking

Why does this matter to you?



Wealthy clients

Access to client funds

Ability to transfer funds

Challenges



Security

Fraud

Client detriment

Reputational damage

Opportunities



Tailored communication

Provision of simple information

Delivery of content

The insurance problem!

Many firms assume cyber insurance covers cyber fraud

But insurers might argue:



No system was
hacked

Internal controls
failed

The dangerous gap is 'voluntarily'
– you authorised the transfer!
Even through the instruction
was fraudulent

Funds were
transferred voluntarily

This is 'crime' not
'cyber'

Key lesson – Policy wording matters so check the small print!

Questions you should ask before purchasing cover

Is social engineering explicitly covered?

Does cover include authorised payments?

Are fake emails covered?

What is the sub-limit?

Are client losses included?

What verification processes are mandatory?

Ask yourself - if you had an issue tomorrow? Would your insurer pay up?



1 | **AI is moving fast but don't panic to implement**

2 | **Get yourself AI ready!**

3 | **Data is the real edge:
Risk vs Reward**



Vanguard[®]

Investment risk

The value of investments, and the income from them, may fall or rise and investors may get back less than they invested.

Past performance is not a reliable indicator of future results.

Some funds invest in emerging markets which can be more volatile than more established markets. As a result the value of your investment may rise or fall.

Investments in smaller companies may be more volatile than investments in well-established blue chip companies.

The Vanguard LifeStrategy® Funds may invest in Exchange Traded Fund (ETF) shares.

ETF shares can be bought or sold only through a broker. Investing in ETFs entails stockbroker commission and a bid- offer spread which should be considered fully before investing.

Funds investing in fixed interest securities carry the risk of default on repayment and erosion of the capital value of your investment and the level of income may fluctuate. Movements in interest rates are likely to affect the capital value of fixed interest securities. Corporate bonds may provide higher yields but as such may carry greater credit risk increasing the risk of default on repayment and erosion of the capital value of your investment. The level of income may fluctuate and movements in interest rates are likely to affect the capital value of bonds.

The Funds may use derivatives in order to reduce risk or cost and/or generate extra income or growth. The use of derivatives could increase or reduce exposure to underlying assets and result in greater fluctuations of the Fund's net asset value. A derivative is a financial contract whose value is based on the value of a financial asset (such as a share, bond, or currency) or a market index.

For further information on the model portfolio(s) risks please see the Understanding the Risks: Vanguard LifeStrategy model portfolio solutions document at https://www.vanguard.co.uk/content/dam/intl/europe/documents/en/understanding_the_risks_mps.pdf as well as the

“Risk Factors” section of the prospectus of the underlying funds on our website at <https://global.vanguard.com>

For further information on the modelportfolio (s) risks please see the Understanding the Risks: Vanguard BlendedLife Dynamic model portfolio solutions document at <https://www.vanguard.co.uk/content/dam/intl/europe/documents/en/blendedlife-understanding-the-risks.pdf> as well as the

“Risk Factors” section of the prospectus of the underlying funds on our website at <https://global.vanguard.com>

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For further information on the investment policies and risks of the underlying funds, please refer to the prospectus and KIID of the underlying funds. The KIID for each fund is available, alongside the prospectus via Vanguard's website <https://global.vanguard.com/>. For third-party funds, please visit the respective provider's website.

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