



The Operating System for Financial Wellness

Investor Presentation

Spring 2020

Safe Harbor Disclosure

This presentation contains forward-looking statements. These forward-looking statements include, in particular, statements about our plans, strategies and prospects. These statements are based on our current expectations and projections about future events. The words “may,” “will,” “should,” “expect,” “scheduled,” “plan,” “seek,” “intend,” “anticipate,” “believe,” “estimate,” “aim,” “potential” or “continue” or the negative of those terms or other similar expressions are intended to identify forward-looking statements and information. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of their dates. These forward-looking statements are based on assumptions and estimates by our management that, although we believe to be reasonable, are inherently uncertain and subject to risks and uncertainties that could cause actual results to differ from historical results or those anticipated or predicted by our forward-looking statements. These risks and uncertainties include those described in our filings with the SEC. In light of these risks and uncertainties, the matters referred to in the forward-looking statements contained in this presentation may not in fact occur.

We undertake no obligation to update or revise any forward-looking statement after the date of this presentation as a result of new information, future events or otherwise, except as required by law.

We qualify all of our forward-looking statements by these cautionary statements.

The Operating System for Financial Wellness that empowers clients with actionable intelligence to attain improved financial outcomes and better lives



Market-leading **operating system for wealth management** in large and growing \$20 trillion advisor marketplace



Integrated technology platform for all mission-critical advisor applications, including secure, seamless connectivity to third parties



Next-generation enterprise data management solution, leveraging leading data aggregation and analytics capabilities

Investnet (NYSE: ENV)

*Investnet is the **Market Leading Financial Wellness Network** Offering a **Comprehensive Suite of Solutions** That **Serves More Financial Advisors and Consumers** Than Any Other Platform in the Industry*

Investnet is the industry leader in high growth segments of financial technology



Market-leading **financial wellness network** in large and growing \$20 trillion advisor marketplace



Integrated technology **platform** for all mission-critical advisor applications, including secure, seamless connectivity to 3rd parties



Next-generation enterprise **data management** solution, leveraging leading data aggregation and analytics capabilities

\$901M
2019 Revenue

\$193M
2019 Adj. EBITDA

\$3.7T+
Total Platform
Assets

+11.9M
Investor Accounts

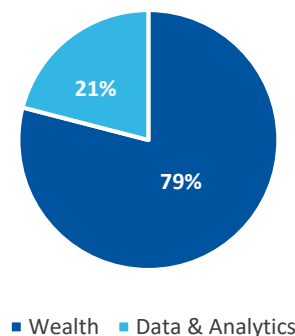
500+
of the Largest RIAs

4,700+
Enterprises

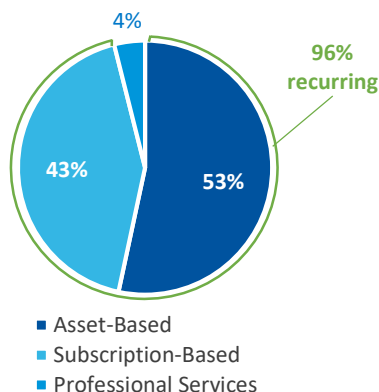
25M+
End Client Adopters

21,000+
Data Sources

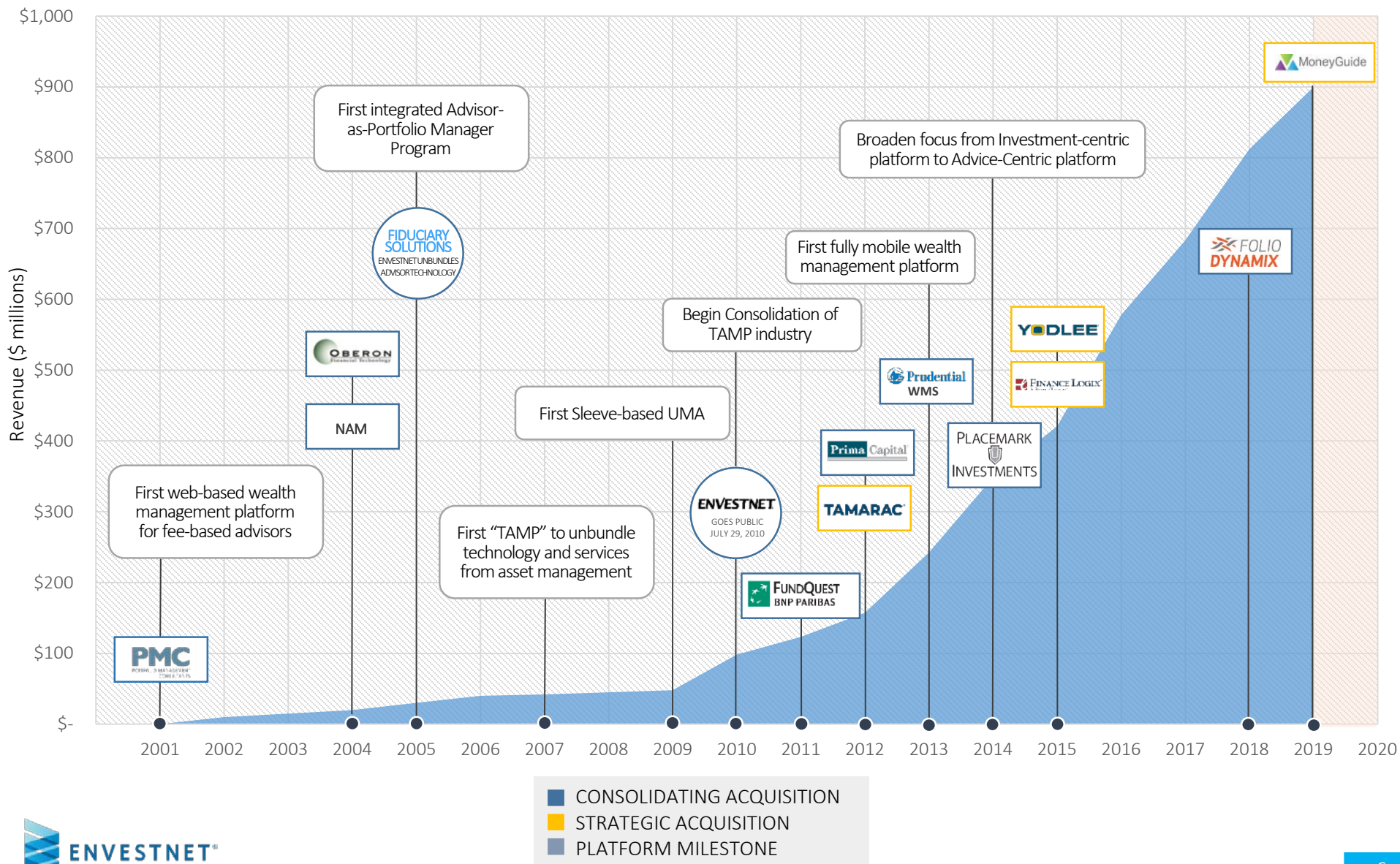
Revenue by Segment



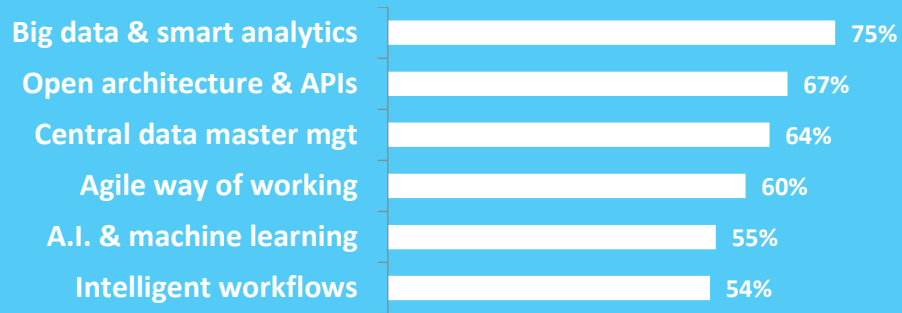
Revenue by Type



Proven Record of Innovation and Growth

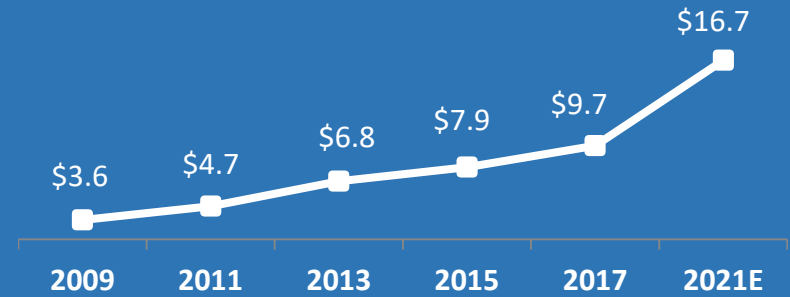


Fundamental Trends Support Growth Opportunity



Increasing reliance on technology to support evolving relationship between advisors and investors

Source: BCG Global Wealth Report, 2017



Commission-based accounts transitioning to fee-based accounts (\$Trillion)

Source: Cerulli Managed Accounts Quantitative Update 2018



Increasing advisor and enterprise dependence on data and analytics



Integrated technology delivers massive gains in operational efficiency.

Source: Aite Group, September 2016 "Technology Integration Turbocharges Advisor Productivity: Making Time for Clients" survey of 330 advisors in April 2016

Integrated Data and Technology Turbocharges Productivity



**Advisors
+
Integrated
Data & Technology
=
Better Outcomes**

RIAs

- 57% more clients served
- 78% larger book of business
- 46% higher practice revenue/production

IBDs

- 44% more clients served
- Doubled their book of business
- 73% higher practice revenue/production

Bank BDs/Trust

- 20% more time for client management
- 76% higher practice revenue

Source: Aite Group, September 2016 "Technology Integration Turbocharges Advisor Productivity: Making Time for Clients" survey of 330 advisors in April 2016



Transformation from Managed Account Platform to Financial Wellness Network

1.0 = Managed Account Platform



- Turnkey advisor solution for access to stocks, bonds, funds and managed accounts
- Advisor solution for access, back-office administration and reporting
- Investment advice = asset allocation and product selection
- Managed account platform for HNW and mass affluent households

2.0 = Wealth Management Platform



- Data-centric planning tools enhance platform
- Deep integration to all relevant wealth technology applications
- Advice = balancing short-term objectives, long-term goals and investment portfolios
- HNW/mass affluent households

3.0 = Financial Wellness Network



- Broader advice paradigm — planning, budgeting, investing, lending, insurance, tax and estate planning, impact investing, and more
- Advice = comprehensive planning and seamless integration of solutions, driven by data
- Robust human and digital collaboration between advisor and client
- Applicable and accessible to everyone

Platform

to

Network

Financial Wellness Defined



PLANNING & BUDGETING

- Developing plans for short and long-term goals
- Spend patterns relative to income (where and when)
- Short-term savings

INVESTING

- Have sufficient long-term investment assets
- Hard assets (real estate, etc.)

MANAGING CREDIT

- Credit balances, loans, mortgages for education, real estate and business

PROTECTING CAPITAL

- Insurance
- Identity protection

The Envestnet Difference: Scalable Platform Powered By Data

Envestnet Wealth + Data & Analytics = Data Powered Financial Wellness Network

Wealth

*Integrated Financial Wellness Network
Leveraging Scaled Infrastructure*

Data Platform Solutions

- Industry leading TAMP at scale and growing
- Comprehensive marketplace of Exchanges for all financial needs (insurance, credit, health, etc.)
- Scaled cloud infrastructure, API enabled, from back office to client
- Financial Planning as the gateway to client engagement
- Enterprise data management
- Wealth analytics and benchmarks

100K+

Advisors

11.9M+

Investor Accounts

\$3.7T+

Total Platform
Assets

Data & Analytics

*Integrated Data and Tech Capabilities
Fueled By Massive Scale of Financial Data*

Solutions Platform Data

- Credit
- Payments
- Wealth
- Analytics
- FinApps and Developers Portal
- Standardized APIs
- Cloud infrastructure
- Data aggregation
- Data enrichment
- Security

1,200+

Companies

25K+

Data Sources

25M+

End Client
Adopters

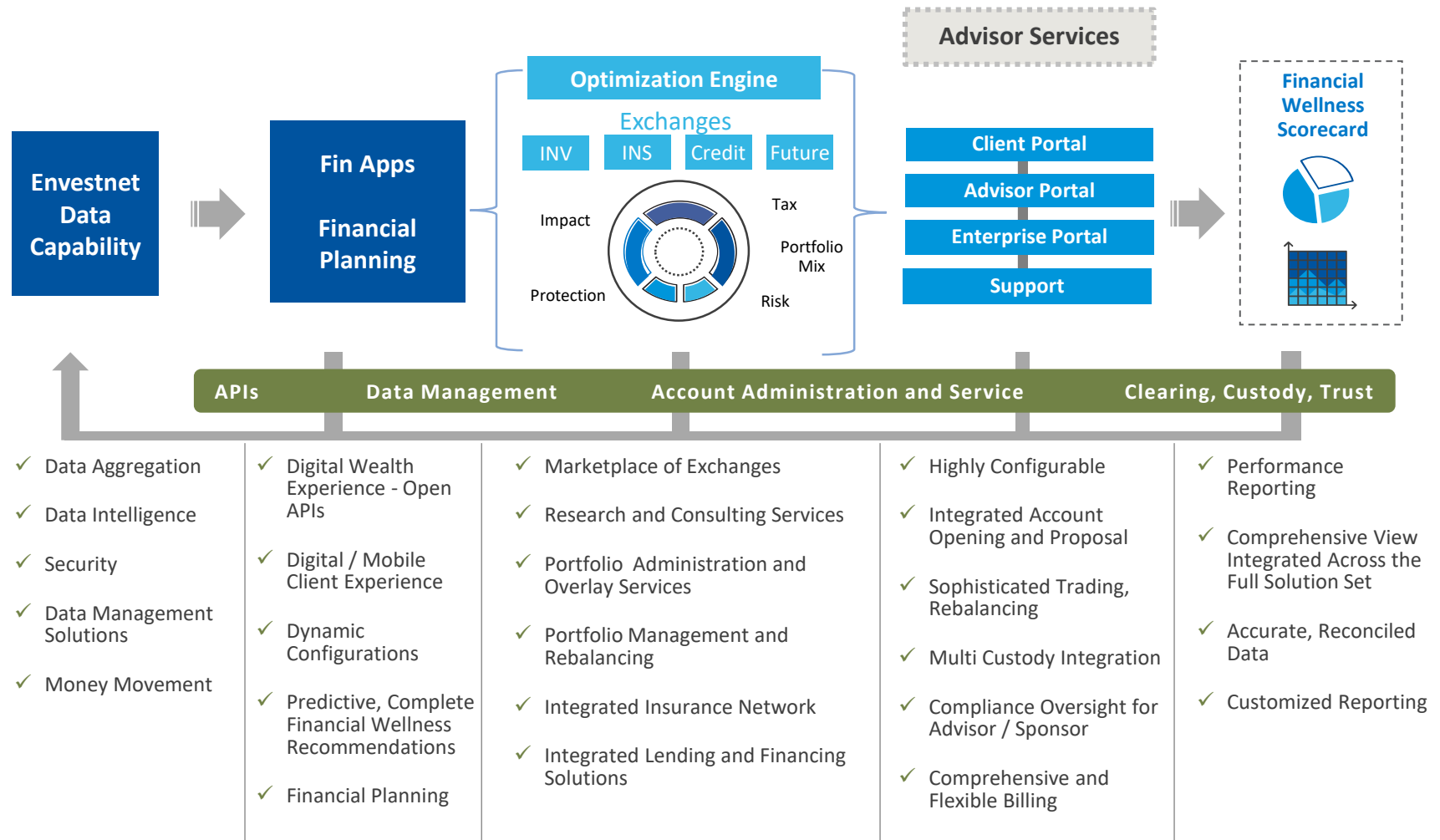


ENVESTNET®

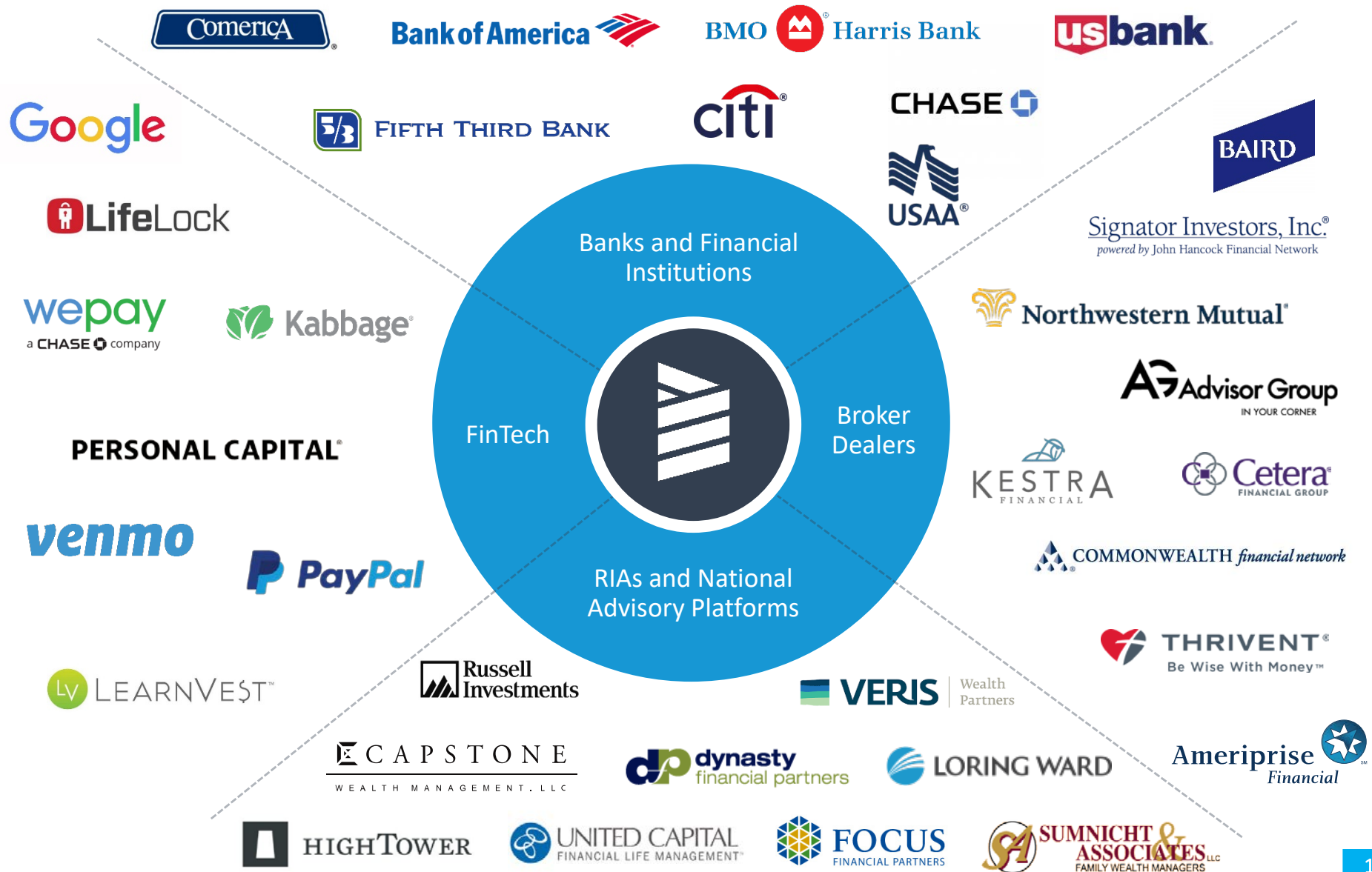
**Financial Wellness
Network**

The Investnet Vision: Deliver Financial Wellness for All Advisors and Clients by Integrating Technology, Data, and Solutions

Investnet's Financial Wellness Network has Disrupted the Wealth Management Sector Successfully; Now Ready to Disrupt the Broader Financial Services Industry, Creating a Massive Opportunity



Best-in-Class Solutions Drive Industry Leading Position



Growth Strategy



Add New
Enterprises

Broker Dealer Firms

RIA Firms

Banks

Insurance Companies

Other Financial
Institutions

FinTech Companies



Gain Advisors / Users



Increase Number of
Use Cases



Leverage Data for
Analytics

Compelling Financial Model



Growth - Expanding addressable market with broader access to FinTech, financial institutions and advisors



Visibility - Asset-based revenue billed quarterly in advance and subscription revenue on multi-year contracts



Recurring – 96% recurring revenue, long-term subscription agreements and licensing contracts based on high level of customer retention

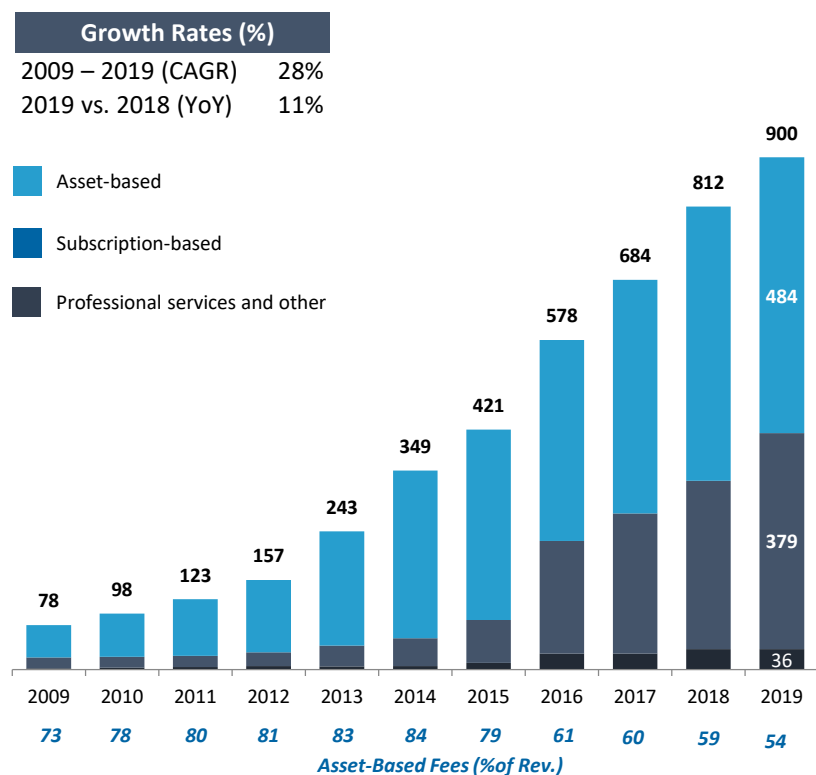


Significant operating leverage - Margins benefit from scalable business model and long-term market appreciation

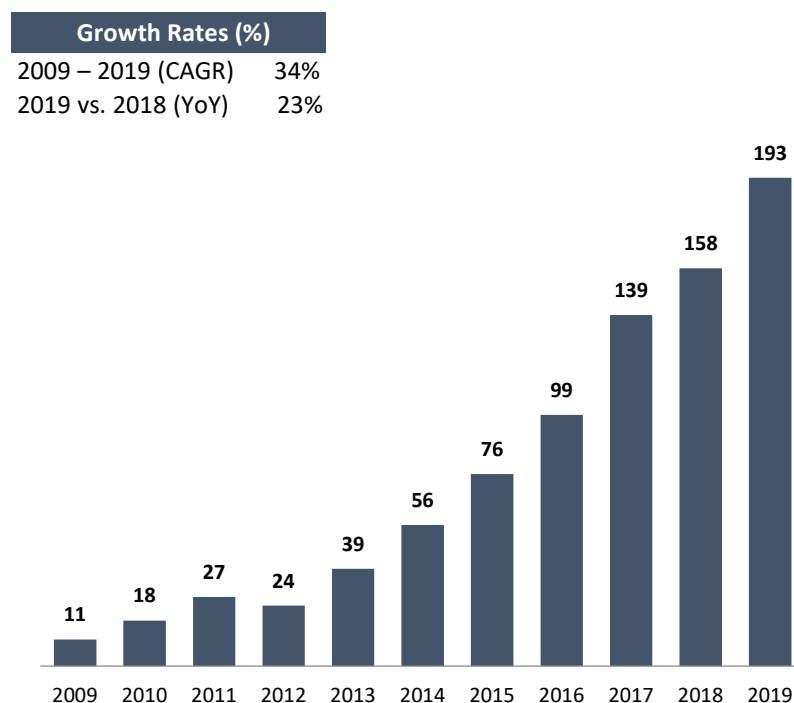
Track Record Of Solid Top- And Bottom-Line Growth

- Strong organic growth, accelerated by disciplined acquisition strategy
- Earnings growth > organic revenue growth demonstrating scale, operating leverage

Revenue (\$M)



Adjusted EBITDA (\$M) ⁽¹⁾





LONG-TERM GROWTH TARGETS

REVENUE

Organic Growth Rate in Stable Markets at a Premium to Publicly-Traded FinTech Peer Group

- Subscription-based recurring revenue: mid- to high-teens
- Asset-based recurring revenue: low double digits
- Selective acquisitions can further accelerate growth

ADJUSTED EBITDA

- Growth rate at or above 1.2x Organic Revenue Growth Rate
- Example: 15% revenue growth should yield at least 18% growth in adjusted EBITDA

Delivering Long-Term Growth



Leadership position in growing and evolving advice-centric wealth management industry



Emerging network to leverage power of data and analytics to deliver better financial outcomes



Substantial organic and strategic growth opportunities

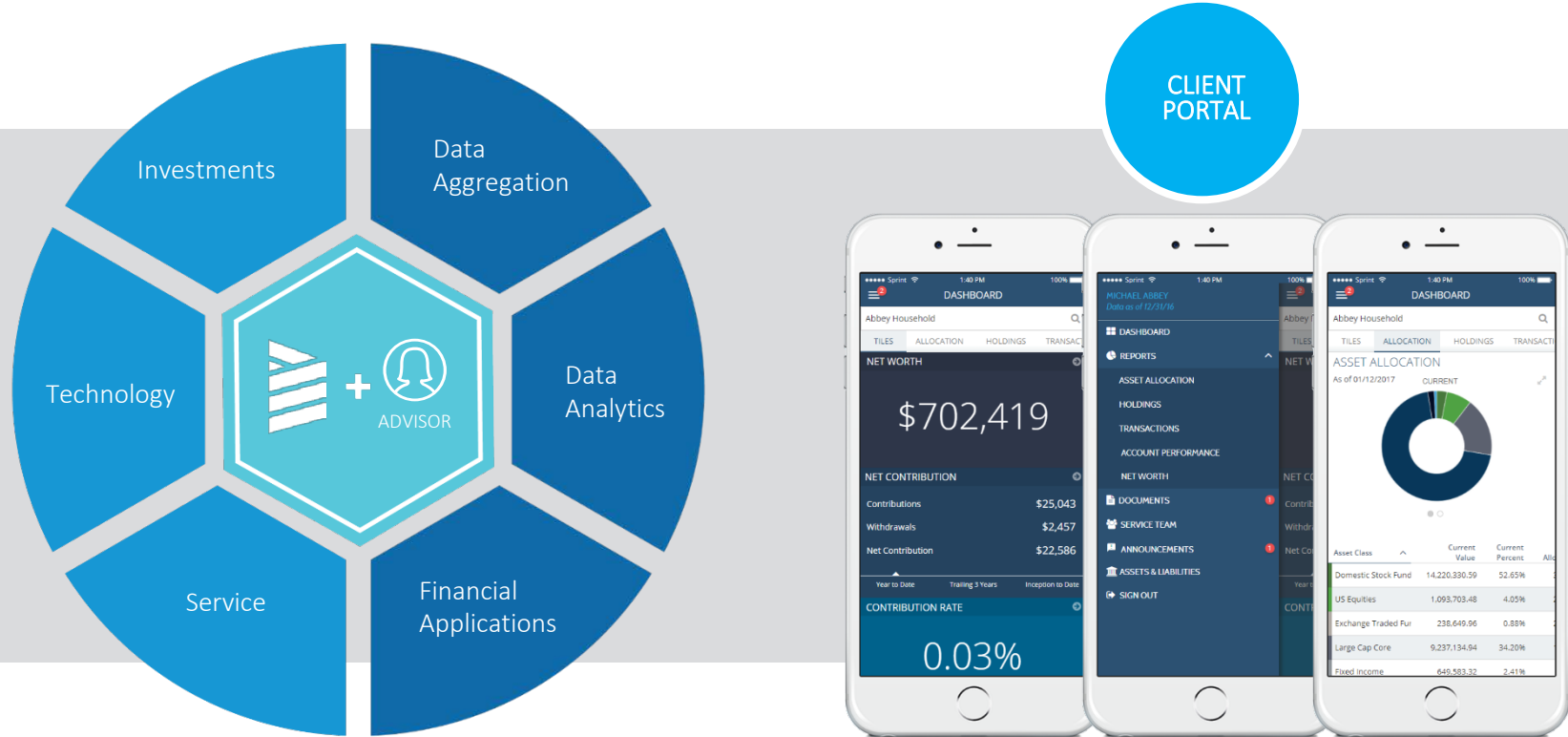


Highly recurring, visible revenues; strong free cash flow generation and operating leverage



APPENDIX

Investnet + Yodlee = Data Powered Advice



Advisor + Data + Client = Financial Wellness Network

Wealth Management Growth Opportunity



Investnet

+101,000 Advisors
+\$3.7 Trillion

REGISTERED INVESTMENT ADVISORS
64,000 (\$4.8 trillion)

INSURANCE BROKER DEALERS
69,000 (\$0.8 trillion)

BANK BROKER DEALERS & TRUST
23,000 (\$1.4 trillion)

INDEPENDENT BROKER DEALERS
59,000 (\$2.8 trillion)

NATIONAL AND REGIONAL BROKER DEALERS
43,000 (\$3.3 trillion)

WIREHOUSE FIRMS
46,000 (\$6.8 trillion)



Grow Existing Relationships

~\$4 Trillion

Opportunity for 88,000 additional advisors



Add New Relationships

~\$12 trillion

Opportunity for 115,000 additional advisors



Total Advisor Market
304,000 advisors (\$19.9 trillion)

Data Analytics Growth Opportunity

Early stages of large and growing addressable market

AI Mimics Human Abilities to Sense, Think and Act



ACT

Natural language generation
Decision management



SENSE

Image & video analysis
Biometrics
Speech recognition
Text analytics and NLP



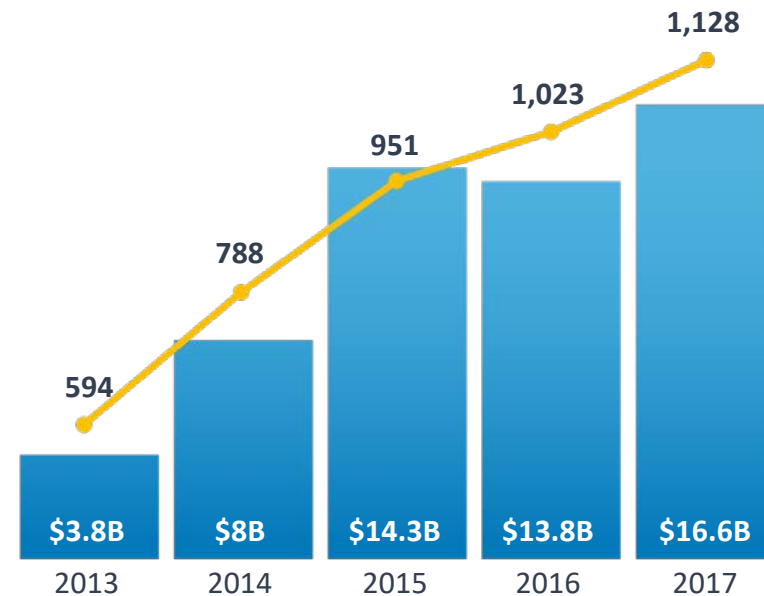
THINK

Machine learning platforms
Deep learning platforms
Semantic tech
AI-optimized hardware
Swarm intelligence



Robotic process automation
Virtual agents

Data and Analytics Fuels Growth in Fintech



ANNUAL # GLOBAL FINTECH DEALS AND \$ FINANCING

Source: Forrester January 18, 2017 "TechRadar™: Artificial Intelligence Technologies"

Source: CBInsights Fintech Trends 2018

Revenue Model



Asset-Based Recurring Revenue

54% of revenue

36% of adjusted net
revenue ⁽¹⁾

RECURRING REVENUE BASED ON VALUE OF PLATFORM ASSETS

- More than 90% billed quarterly in advance
- Client AUM/AUA mix is approximately 45% U.S. equity, 15% international equity, 30% fixed income, and 10% commodities, alternatives and cash

REVENUE FOR CURRENT QUARTER IS HIGHLY PREDICTABLE

- Timing of net flows drives partial impact
- Intra-quarter market fluctuations impact arrears-billing accounts only

REVENUE FOR FUTURE QUARTERS IS PREDICTABLE

- Net flows in the previous quarter take effect the following quarter
- Recurring revenue base updates for quarter-over-quarter market fluctuations



Subscription-Based Recurring Revenue

43% of revenue

58% of adjusted net
revenue ⁽¹⁾

Typically earn software- and services-based fees in multi-year agreements

Subscriptions and license agreements primarily with large RIAs and enterprise clients

Fees are based on the level and types of investment solutions and services provided

Within contract term, revenue not subject to asset or account volatility

(1) Adjusted net revenues represents adjusted revenues less asset-based cost of revenues. Under GAAP, we are required to recognize as revenue certain fees paid to investment managers and other third parties needed for implementation of investment solutions included in our assets under management. Those fees also are required to be recorded as cost of revenues. This non-GAAP metric presents adjusted revenues without such fees included, as they have no impact on our profitability.

Illustrative Growth Model for Asset-Based Revenue

$$\begin{array}{ccccccc} \text{Advisors} & \times & \frac{\text{Accounts}}{\text{Advisors}} & \times & \frac{\text{Assets}}{\text{Account}} & \times & \frac{\text{Revenue}}{\text{Asset}} = \text{Revenue} \\ & & & & \text{"average account size"} & & \text{"effective fee rate"} \\ & & & & & & \\ & & & & & & \\ 1.07 & \times & 1.09 & \times & 1 & & (5\%) \text{ mix impact} \\ \underbrace{\hspace{10em}} & & & & & & \\ 1.166, \text{ or } 16.6\% \text{ asset growth} & \times & 0.95 & = & 10.8\% \text{ revenue growth} \end{array}$$

Subscription and Licensing Revenue Growth Drivers

Wealth Management Technology Offerings

- Enterprise platform technology used by broker-dealers, insurance and banks
- Tamarac platform used by high-end RIAs
- Client portal, financial planning and data aggregation, and enterprise data management offerings

Data and Analytics Offerings

- Financial Enterprise data aggregation and data management solutions
- Personal Financial Management Apps
- Aggregation and analytics platform for FinTech innovators
- Data Analytics

Reconciliation – Net Income to Adjusted EBITDA

(\$MM)	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Net income (loss)	(0.87)	(0.63)	7.61	0.47	3.66	13.98	4.44	(55.57)	(3.28)	4.01	(17.20)
Accretion on contingent consideration and purchase liability	-	-	-	-	-	-	0.89	0.15	0.51	0.22	1.77
Bad debt expense	0.38	2.67	-	-	-	-	-	-	-	-	-
Contract settlement charges	-	-	1.18	-	-	-	-	-	-	-	-
Customer inducement costs	0.02	3.24	4.57	-	-	-	-	-	-	-	-
Deferred revenue fair value adjustment	-	-	-	1.25	0.16	-	0.32	1.27	0.13	0.12	9.27
Depreciation and amortization	4.50	5.70	6.38	12.40	15.33	18.65	27.96	64.00	62.82	77.63	101.27
Fair market value adjustment on contingent consideration	-	-	-	-	0.50	(1.43)	(4.15)	1.59	-	-	(8.13)
Foreign currency and related hedging activity	-	-	-	-	-	-	-	(0.72)	0.49	(0.59)	(0.07)
Impairment of customer inducement assets	-	-	0.17	-	-	-	-	-	-	-	-
Impairment of equity method investment	-	-	-	-	-	-	-	0.73	-	-	-
Impairment on investments	3.60	-	-	-	-	-	-	-	-	-	-
Imputed interest expense on contingent consideration	-	-	-	-	0.79	1.47	-	-	-	-	-
Income tax provision (benefit)	1.81	1.53	2.98	2.60	2.05	8.53	4.55	15.08	1.59	(13.17)	(30.89)
Interest expense	-	0.56	0.79	0.00	-	0.63	10.27	16.60	16.35	25.20	32.52
Interest income	(0.22)	(0.15)	(0.08)	(0.03)	(0.02)	(0.14)	(0.34)	(0.04)	(0.20)	(2.36)	(3.35)
Litigation related expense	0.60	1.93	0.13	0.27	0.01	0.02	0.07	5.59	1.03	-	2.88
Loss allocation from equity method investment	-	-	-	-	-	-	-	1.42	1.47	1.15	2.36
Loss attributable to non-controlling interest	-	-	-	-	-	1.23	1.64	1.08	0.32	1.79	0.11
Non-cash compensation expense	0.78	1.73	3.06	4.04	8.92	11.42	15.16	33.28	31.33	40.25	60.44
Non-income tax expense adjustment	-	-	-	-	-	-	-	6.23	0.35	(0.59)	0.37
Other income	-	-	(1.10)	-	-	(1.83)	0.07	(1.38)	-	-	-
Re-audit related expenses	-	-	-	-	3.11	-	-	-	-	-	-
Restructuring charges and transaction costs	-	0.86	1.05	2.72	3.30	2.67	13.50	5.78	13.67	15.58	26.56
Severance	-	0.67	0.70	0.28	0.79	0.74	1.70	4.34	2.32	8.32	15.37
Adjusted EBITDA	10.60	18.11	27.44	23.99	38.59	55.94	76.07	99.44	128.89	157.55	193.29

Note: Numbers may not sum due to rounding.

