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FOR IMMEDIATE RELEASE

Halifax launches bespoke youth online banking

- *Tailored online banking service launched for Expresscash account encouraging younger customers to 'learn as they bank'*
- *Research indicates that customers who bank online are more likely to demonstrate better money management*

Customers of the Halifax youth account, Expresscash, will now have access to a bespoke online banking service, intended to help those aged between 11 and 15 years old manage their money effectively and encourage active financial management from an early age.

The new service has been designed specifically for younger customers, in association with Childnet International and The Money Advice Service, and features financial education and online safety information throughout the secure pages, along with access to the Halifax mobile banking app.

Helping to maximise the financial potential of young customers further underscores the commitment set out in our Helping Britain Prosper Plan to invest in communities to help them prosper and grow. This is in addition to the Lloyds Banking Group Money for Life programme.

Learning as they bank

Whilst the new service mirrors the standard secure online banking offered to all Halifax customers, the Expresscash service is unique among other high street youth accounts in that it is the only one to offer tailored security and financial education information as part of the secure online banking experience. The aim is to introduce the concept of learning how to manage money to younger customers, as they start to take more control of their finances.

One example of this is the online safety and security features, a tips list has been provided so that younger customers can see at a glance what they can do to help stay secure when transacting online.

Anita Hockin, Head of Digital for Halifax, says:

"It is clear that online banking is having a positive impact on those that are actively making use of the service. That is why it is extremely important to introduce our younger customers to this, and help them make the most of their finances.

"A lot of work is being done to improve financial education for children and what better way for them to learn than through the management of their own accounts in a forum that will be second nature to them."

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Online banking leads to better banking

To demonstrate the positive impact that access to online banking could have on younger customers, recent analysis conducted by Halifax on adult customers¹ indicates that on a like for like basis, customers that are actively using online banking are more likely to demonstrate behaviours associated with good money management. For example, online banking customers:

- have higher average savings balances compared to their non online banking equivalents, £1,929 compared to £869 respectively.
- will access their account more frequently, by either visiting a branch, calling telephone banking or logging on to their account. Four out of five (79%) online customers will access their accounts on average over 60 times in the year, this falls to just one in 10 (12%) for those not online
- are more likely to shop around for alternative financial providers, with over a quarter (27%) of online customers using over three different financial providers, compared to less than a fifth (17%) for those that aren't online.

Will Gardner, Chief Executive Officer for Childnet International, adds:

“Learning to use the internet safely and responsibly is a key skill which is so important in the lives of children and young people, and this includes how to manage money online. We fully support efforts and initiatives like these to help equip young people”.

Caroline Rookes, Chief Executive at the Money Advice Service comments:

“Developing good money management habits early is vital. Our research tells us that the proportion of young adults making mistakes with their money in the first years of financial independence is very high (72%). A particular tipping point comes when people turn 18 and get access to credit - many young people think it is essentially ‘free money’ and do not take into consideration that they will have to pay it back with interest.

“Young people leaving school, perhaps starting full-time work for the first time, or heading to college can be especially vulnerable to poor financial decision-making because many haven't been given the chance to manage their own money. By gradually taking on more responsibility for their own money, rather than relying exclusively on their parents, financial independence need not be such a shock. Learning how to keep track of their personal finances online is great way for young people to learn as they bank”.

ENDS

NOTES TO EDITORS

The Halifax Expresscash account includes:

- A Visa Debit card.
- Access to Online and Mobile Banking. The Halifax Mobile Banking App is currently rated 5 stars in the Apple App Store.
- Access to thousands of cash machines, for money in an instant. Mobile text alerts.
- Credit interest on the account on any credit balance.
- Access to our Pay a Contact services.

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About Helping Britain Prosper + Money for Life

In March 2014, Lloyds Banking Group published its Helping Britain Prosper Plan, setting out seven separate and significant public commitments to do even more to help address some of the big issues facing its customers and Britain today. As part of the Plan, the Group has committed to take a lead in financial inclusion, including the accreditation of 4,000 community support workers to deliver financial education, as part of Money For Life, by 2017.

To find out more about Lloyds Banking Group's commitment to Help Britain Prosper, please visit <http://www.lloydsbankinggroup-cr.com/>

Childnet is a UK-based charity set up to empower children, families and schools in the digital age, and its vision is to make the internet a great and safe place for children. Launching in 1995, just two years after the public launch of the open web, it has stayed at the cutting edge of the latest tech trends by speaking to thousands of children and parents face-to-face each year. Childnet has created a number of innovative resources, from the recently launched app version of its celebrated children's storybook, Digiduck's Big Decision, to its award-winning suite of cyberbullying resources, Let's Fight IT Together, which includes films, interactive games and government-backed guidance for schools. Childnet continually seeks to help the most vulnerable in society, recently launching resources for young people with autism spectrum disorders, and for foster carers and adoptive parents. In 2010 Childnet was appointed by the European Commission as the UK Safer Internet Centre, together with SWGfL and IWF. In this role Childnet coordinates Safer Internet Day, which has grown tenfold in the last four years, and in 2014 reached 25% of UK children, 18% of teens and 10% of parents.

All of Childnet's resources and advice are available at www.childnet.com.

About the Money Advice Service

The Money Advice Service is an independent organisation. It gives free, unbiased money advice online at moneyadvice.org.uk, over the phone on 0300 500 5000, and face-to-face right across the UK. The Service was set up by Government and is paid for by a statutory levy on the financial services industry, raised through the Financial Conduct Authority. Its statutory objectives are to enhance the understanding and knowledge of members of the public about financial matters (including the UK financial system); and to enhance the ability of members of the public to manage their own financial affairs.

ⁱ Analysis focused on Lloyds Banking Group current account customers aged between 18 and 34 years old. Account behaviour was compared on a like for like basis between those that use online banking and those that don't. The age range was selected as these are the most digitally active group of customers and therefore provided a more robust comparison on a like for like basis.

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