Quilter

Brighter financial futures for every generation

Quilter plc Annual Report 2024

At Quilter, we believe in brighter financial futures for every generation.

Our core values – do the right thing, always curious, embrace challenge and stronger together – continually drive us in the way we behave with our customers, partners and each other.

Strategic Report

Governance Report

Financial statements

Other information

Quilter plc listed on the London and Johannesburg Stock Exchanges on 25 June 2018. Quilter has a primary listing on the London Stock Exchange and a secondary listing on the Johannesburg Stock Exchange.

2024 highlights

During 2024, the Group delivered significant increases in flows, strong adjusted profit growth and achieved its operating margin targets early.

Strategic highlights

- Strength of dual-distribution strategy demonstrated through a significant increase in gross and net inflows across both the Quilter and Independent Financial Adviser ("IFA") channels.
- Maintained status as the largest discrete retail advised platform in the UK by assets under administration and new business flows.
- Improved operating margin by two percentage points to 29%, ahead of our target of 25% by 2025.
- Continued focus on building distribution, enhancing our proposition and driving efficiency.
- Advice transformation programme remains on track.
- Acquisition of NuWealth to accelerate our digital capabilities.
- Restricted Financial Planner numbers broadly stable.

Operational highlights

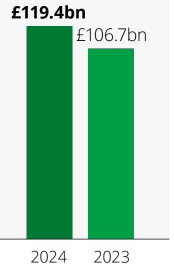
- Record core net inflows of £5.2 billion, with each quarter incrementally stronger than the previous, and strong flows in both Quilter and IFA channels.
- Bringing our High Net Worth advice and investment management teams together within the Quilter Cheviot legal entity, following FCA approval.
- Increased number of Quilter Partners firms to nine since 2023 launch.
- WealthSelect surpassed £18 billion in assets, and is now one of the leading MPS offerings in the UK market.
- £35 million Simplification Phase Two annualised run-rate savings achieved from a target of £50 million by end 2025.

Financial performance highlights

Assets under management and administration ("AuMA")*

£119.4bn

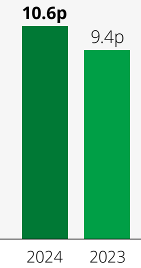
+12%



Adjusted diluted earnings per share*

10.6p

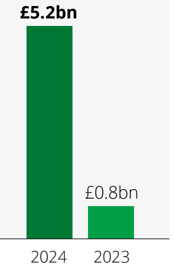
+13%



Core net flows*

£5.2bn

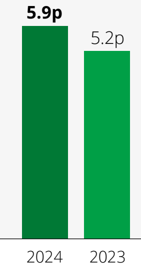
>100%



Recommended total dividend per share

5.9p

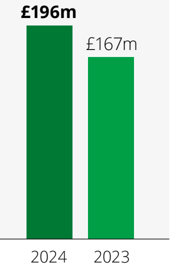
+13%



Adjusted profit before tax*

£196m

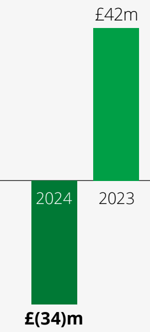
+17%



IFRS (loss)/profit after tax

£(34)m

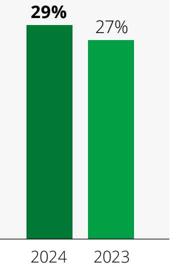
>(100%)



Operating margin*

29%

+2ppts



Alternative performance measures ("APMs")
We assess our financial performance using a variety of measures including APMs, as explained further on page 186. These measures are indicated with an asterisk (*).

Chair's statement

Ruth Markland
Chair

Dear shareholder

I am pleased to introduce our 2024 Annual Report, in which we set out the significant progress and achievements the Company has made in the year. Despite the challenges in the global external markets, regulatory change in our industry and fiscal changes introduced by the new UK government, we have made good progress on delivering our strategic goals whilst importantly remaining focused on how we deliver for our stakeholders.

Performance

In 2024, we delivered record levels of new business flows, revenues and profits. Overall core Group inflows totalled £16.0 billion gross and £5.2 billion net. Platform reported inflows totalled £12.4 billion gross, £5.6 billion net, making us the leading UK advised platform for total assets and new business. Our High Net Worth segment improved new business inflows which were 42% higher than the previous year. We also delivered record profitability, reporting adjusted profit of £196 million and a two-percentage point improvement in the operating margin to 29%, over the course of the year.

We have continued to invest in our business both organically through adding distribution and inorganically through the acquisition of NuWealth which, as Steven discusses overleaf, adds to both our proposition and distribution capabilities.

The Board has dedicated time in 2024 to the Ongoing Advice Review. You can read more about this on pages 3 and 4.

Shareholder returns

2024 was a year of excellent returns for our shareholders. We delivered a total shareholder return of 58% in sterling terms (and 54% in ZAR terms on the JSE), outperforming both our peers and the FTSE-100 and FTSE-250 indices.

The Board is recommending to shareholders at our 2025 Annual General Meeting ("AGM") a Final Dividend of 4.2 pence per share. Taken with our Interim Dividend of 1.7 pence per share paid in September 2024, the full year dividend will be 5.9 pence per share which is an increase of 13% over the 2023 level.

Governance

The views of our shareholders remain an important influence on our boardroom discussions. Once again, we maintained a high level of engagement with existing and potential shareholders in the year. I continued my programme of engagement and in early 2025 I met with a number of shareholders in the UK and South Africa covering topics including corporate governance, executive remuneration and Board composition and succession planning.

You can read about the engagement with our shareholders on the proposed changes to our remuneration policy, led by our Board Remuneration Committee Chair, on page 78.

People and culture

A key area of focus for the Board in 2024 was overseeing the embedding of our new target culture, and we were pleased with the progress made. You can read more about how our colleagues embraced this change on pages 16 and 17. In the year, the Board oversaw the evolution of our purpose – brighter financial futures for every generation. Our purpose is supported by our values – do the right thing; always curious; embrace challenge; and stronger together – which were refreshed in 2024 in an exercise led by our colleagues who strive to achieve these values every day.

Quilter's commitment to corporate sustainability is outlined on pages 22 to 29. During the year, management continued to oversee our progress as a responsible investor and our own commitments to a low carbon economy. In addition, we have continued to have a positive impact in the communities in which we operate as set out on page 14.

Inclusion and diversity

We continue to strive towards a truly diverse culture where all can thrive, and management's ambitions in this regard are set out in the latest Inclusion and Diversity Action Plan. You can read more about this Action Plan and our progress against the targets on page 18.

I am pleased to confirm that as at the year end, the Board met all the commitments set out in our Board Diversity Policy and the requirements of the UK Listing Rules. 40% of our Board are women, as are the Chair and the Senior Independent Director, and we have one Board member of a minority ethnic background.

Board matters

The Board welcomed Chris Hill and Alison Morris in the year and our sincere thanks go to Tazim Essani and Paul Matthews who stood down at our AGM in May 2024. Later in the year, Tim Breedon also retired from the Board and we are grateful to Tim for his contribution. As you might expect, the Board will continue to evolve over time in line with the expectations set out in the 2024 UK Corporate Governance Code.

Conclusion

Quilter had a positive year in 2024 in terms of operational and strategic progress and we look to the future with confidence. On behalf of the Board, I would like to thank all my colleagues for the significant progress made in 2024 and in particular thank our Chief Executive Officer, Steven Levin, and his management team for what has been achieved. I am grateful to our shareholders for their ongoing support for Quilter.

Ruth Markland
Chair

Chief Executive Officer's review

Steven Levin
Chief Executive Officer

When I took on the role of Chief Executive Officer in late 2022, it was clear that we needed to apply more urgency to our transformation plans. Our net inflows were running at 2% of opening assets, our operating margin was well below peers, and we needed to improve efficiency. As a result of our efforts over the last two years, I am pleased to report that Quilter is in much stronger shape today. We have a well-positioned High Net Worth franchise and the UK's largest, fastest growing, scale adviser platform in our Affluent segment. We are primed for future growth.

2024 performance

In 2024, we delivered:

- revenue growth of 7%, four percentage points higher than cost growth of 3%. That led to a two-percentage point increase in our operating margin to 29%;
- record core net inflows of £5.2 billion, with incrementally higher gross and net inflows achieved in each successive quarter of the year; and
- record adjusted profit of £196 million, an increase of 17% (2023: £167 million).

Across our two segments:

- Our High Net Worth segment increased revenue by 7% to £226 million (2023: £211 million). After maintaining growth investment, we delivered a 17% increase in adjusted profit before tax to £48 million (2023: £41 million).
- Affluent segment revenues increased by 8% to £424 million (2023: £393 million) reflecting higher advice and management fee revenues combined with a higher contribution from interest income on the shareholder capital which supports the segment. This revenue growth combined with strong cost management led to a 19% increase in adjusted profit to £148 million (2023: £124 million).

Group adjusted profit before tax of £196 million represents the Group's IFRS result, adjusted for specific items that management consider to be outside of normal operations or one-off in nature. The Group's IFRS loss after tax was £34 million compared to a profit of £42 million in 2023. Principal differences between adjusted profit and the IFRS result are due to non-cash amortisation of intangible assets, business transformation expenses (which are pre-funded and expensed as incurred), finance costs, the impact of policyholder tax positions on the Group's results and, in 2024, the customer remediation exercise provision in respect of the cost of undertaking additional work, together with the potential cost of client redress.

We expect business transformation expenses to remain elevated in 2025, reflecting remaining spend on our Simplification programme, but to reduce substantially thereafter.

Total Group adjusted diluted earnings per share were 10.6 pence, an increase of 13% (2023: 9.4 pence). On an IFRS basis basic EPS was (2.5) pence per share compared to 3.1 pence per share for 2023, with the decline largely reflecting the provision in respect of the Ongoing Advice Review and costs of undertaking the review.

Shareholder returns and capital

Our increased profit in 2024 supports a higher dividend of 5.9 pence per share for the year (2023: 5.2 pence). This represents a pay-out ratio of 59% (2023: 61%).

We have a strong balance sheet with a Solvency II ratio of 219% after an accrual for payment of the Final Dividend and allowing for the customer remediation exercise provision of £76 million. Given the strength of our balance sheet, once the Ongoing Advice Review is more advanced, the Board expects to undertake a review of our capital needs, foreseeable requirements and expected future cash and capital generation to consider whether the Group has excess capital and whether the current distribution strategy remains appropriate.

Ongoing advice

Delivering advice is central to how we operate, and we have policies in place that underline the need for advisers to meet their ongoing servicing obligations. We believe that a well-delivered ongoing advice service, tailored to the individual needs of the client, should be the foundation of an enduring beneficial and trusted relationship between client and adviser to help people make the most of their money. As such, we welcome the announcement made by the Financial Conduct Authority ("FCA") on 24 February 2025 regarding ongoing advice services.

In June 2024, a Skilled Person was appointed to conduct a review and provide a view to the FCA on whether the delivery of ongoing advice services by Appointed Representative firms in the Quilter Financial Planning ("QFP") network was compliant with applicable regulatory requirements. This work is well advanced, and the final report is expected to be submitted to the FCA in the second quarter of 2025.

As the review has progressed, the analysis of our historical data and practices has supported our view that, except in limited cases, where clients have paid for ongoing service, this has been provided. We also note that the actual number of customer complaints received by Quilter on this issue remains low. Although the Skilled Person Review is yet to complete and will be the subject of further discussions with the FCA, we have concluded that in those limited instances where clients may not have been provided with the expected level of service from their adviser, some form of client remediation is likely to be appropriate. Our best estimate of the cost of undertaking this work, together with potential cost of client remediation (plus interest), amounts to some £76 million and accordingly we have recognised a provision for this amount.

In line with FCA guidance, we would encourage any clients who believe that they have paid for and not received an ongoing advice service from their adviser to contact us directly rather than approaching a Claims Management Company. This will ensure that any amounts that may be due to them are received in full.

We also have the ability to seek appropriate reimbursement from the relevant advisers who have been unable to demonstrate that the ongoing servicing paid for by the client was provided.

As the broader advice regulatory landscape continues to evolve, including through the Advice Guidance Boundary Review, we are fully

Chief Executive Officer's review *continued*

supportive of the FCA's intention to review the rules on ongoing advice to make sure that they remain fit for the future and help as many people as possible to access high quality support to build brighter financial futures for themselves.

Flows and investment performance

- Our business generated excellent inflows in 2024, reflecting the strategic initiatives put in place over the last few years. Most importantly, our performance accelerated over the course of the year with each quarter incrementally stronger. Total net inflows in our core business were 5% of opening assets, or 4% after non-core net outflows. Both High Net Worth and Affluent performed well relative to their respective market peers.
- Our High Net Worth segment continued to deliver very good levels of new business flows. This performance was achieved despite experiencing higher than historical average outflows predominantly reflecting increased investor activity, including that associated with pre-UK Budget tax planning in the latter part of the year.
- Within our Affluent segment, we were particularly pleased with the improvement in net inflows onto our Platform. We were the leading advised platform for new business flows and remain the largest single discrete UK retail advised platform by assets.

High Net Worth investment performance has been strong. Discretionary client portfolios outperformed the ARC PCI Steady Growth peer group indices over 1, 3 and 5 years; and in the ARC PCI Equity Risk category, they outperformed over 1 and 5 years, with a small 25bps underperformance over 3 years (figures to end December 2024). High Net Worth Core Managed Portfolio Solutions outperformed the respective IA sectors over all time periods. Within Affluent, we continued to deliver good performance from our WealthSelect managed portfolio range. Cirilium Passive and Blend also continued to perform as expected given relative underweight positions in the Magnificent-7 US stocks. Over the last few years, our WealthSelect MPS range has overtaken Cirilium as the preferred solution for advisers and reflects the increasing shift by independent advisers to outsourcing their client investment solutions to managed portfolios on platforms.

Business improvement

Distribution

In our High Net Worth segment, we continue to invest in our advice capability across the UK and internationally in our Dublin and Jersey offices, increasing the size and breadth of the client types we can attract. We plan to grow our client-facing professional headcount (Investment Managers and Restricted Financial Planners) to around 300 over time through developing existing staff and external recruitment.

The Quilter channel across both segments is building distribution on three fronts. We are targeting increased:

- adviser numbers, where the position has broadly stabilised versus the reductions seen in recent years. Total adviser headcount declined in the first half of the year reflecting a combination of natural attrition and retirements but increased modestly in the second half;
- adviser productivity. In 2024, we achieved a 14% increase in annual gross flow per adviser to £3.2 million (2023: £2.8 million). This means that while adviser numbers declined modestly in 2024, during the year the Quilter channel delivered a 46% increase in net inflows to £2.9 billion (2023: £2.0 billion); and
- adviser assets managed within our propositions. During 2024, we undertook back-book transfers, of c.£800 million (2023: c.£750 million).

Proposition

Our Platform and investment solutions are both market-leading propositions. Both are competitively positioned and offer consistent value to our customers. Initiatives to improve our market share of new business flows delivered strong results which, in turn, led to a significant increase in net inflows. IFA gross inflows onto the Platform increased by 68% to £8.8 billion (2023: £5.3 billion). This reflects the quality of our core platform and adviser support staff, and improvements in our sales effectiveness which has led to increased market share. We continue to enhance our proposition through the provision of value-added tools and services, such as family linking pricing, faster payment services and our CashHub cash management offering.

Our dual distribution strategy means that all Quilter products and services are available to both our advisers and independent financial advisers. The strong usage of products and solutions by third parties demonstrates that they are competitive with market alternatives and are both customer focused and competitively priced. Our unbundled pricing is fully aligned with the Consumer Duty principles and puts client choice at the heart of our business.

In September 2024 we acquired NuWealth, a small online Direct to Consumer ("D2C") business. This acquisition accelerates our digital capabilities, enabling us to onboard clients directly. The acquisition will broaden our propositions and add another channel to our distribution capability. It is not our intention to compete directly with the established players in the D2C market. Instead, our goal is that NuWealth will support advisers to nurture early-stage clients who can grow into core advisory relationships over time.

Through NuWealth, we will provide financial education and intuitive tools which are aligned with our advice processes to foster better investing habits and put customers in control of their financial journey. This will allow Quilter to support clients at an earlier stage in their lifetime wealth journey, before their assets have reached a level that would normally require face-to-face advice. As these clients' wealth and financial complexities evolve, they will be able to transition to a more tailored advisory service, thereby creating an additional pipeline for future growth.

Strategic transformation

Our change programmes remain on track and are contributing to improved performance.

1. High Net Worth

Following FCA approval of our application to provide financial advice from the Quilter Cheviot legal entity, we have been focused on getting the necessary administration and IT updates formalised ahead of taking up the permissions. From the second quarter, Quilter Cheviot will operate as a directly authorised, fully integrated business, allowing a more seamless approach to client servicing and providing scope for business efficiencies.

2. Affluent: Quilter Channel

Having declined in the first half, our number of restricted advisers increased modestly in the second half of 2024. Natural attrition and retirements was partially offset by recruitment and graduates from our Academy, with increased adviser productivity supporting an increase in gross new business flows.

We continued to invest in our Quilter Partners hubs, which combine increased investment and Platform alignment with the entrepreneurial drive and focus of owner-operated businesses. By the end of February 2025, nine firms had joined Quilter Partners which is in line with our initial plans.

Our goal of building a more efficient operating model to deliver further improvements in adviser productivity and client experience is progressing to plan, with expected delivery over a two to three-year horizon.

Chief Executive Officer's review *continued*

3. Simplification Phase Two
We remain on track to achieve our second stage Simplification target of £50 million of cost savings by end 2025 on a run-rate basis. The programme covers the simplification of our governance and internal administration processes, together with our Advice Transformation and High Net Worth initiatives. By end-2024, £35 million of these savings were delivered on a run-rate basis. Completion of this programme will support our ambition of operating sustainably above a 30% operating margin over the medium term.

Culture

During 2024, we undertook a strategic refresh of our purpose which is "brighter financial futures for every generation". This was supported by an employee led refresh of our values – do the right thing; always curious; embrace challenge; and stronger together – which our colleagues strive to achieve every day.

Looking forward

As I have outlined, I am very pleased by the progress we have made to position Quilter for the future. The strength and breadth of our businesses means Quilter is uniquely positioned in the UK wealth market:

- In our High Net Worth segment our 14 onshore offices provide nationwide coverage. We offer an integrated advice and investment management proposition to those clients who require this, or each service separately for those clients who do not need both from us. Our approach is relationship led and our business balances meeting complex client needs while retaining the intimacy and client focus of a traditional wealth manager.
- Our Affluent segment is a leading large-scale player in UK Wealth. Our Platform and investment solutions businesses benefit from operating leverage as assets grow and economies of scale are realised. Reflecting this, our strategy is to maximise distribution by supporting advice through both our restricted and independent channels.

When we look across the UK savings and investment landscape, it is clear that too many people have insufficient savings. Quilter believes UK Government policy should be directed at encouraging those individuals to build greater financial self-sufficiency. For those who do save, many do so disproportionately in cash savings with numerous studies concluding that the UK consumer over-saves but under-invests. We are concerned that this may lead to a wealth-gap emerging for future pensioners, with them living on lower incomes than could have been attained through better financial planning.

Studies conducted by Quilter show that consumers who take financial advice tend to have a greater proportion of their wealth in long-term investments and achieve better financial outcomes relative to those who do not. Financial advisers across the market use Quilter as a gateway to access a wide range of fund solutions on an industry-leading platform which supports their clients' investment goals. Instilling a wider long-term investing culture in the UK would increase the likelihood of a well-funded retirement for most individuals. As the UK's second largest advice firm, Quilter will play a leading role in supporting consumers who want to build themselves a brighter financial future.

Over the next decade, we expect a transformation in the way that financial advice is delivered to customers, both through technological change facilitating higher adviser productivity, and regulatory changes such as the expected outputs from the Advice Guidance Boundary Review. We will ensure our business is at the forefront of embracing these changes.

With the business now primed for growth, we are evolving our strategic goals towards a more outward focus:

1. Grow distribution
We achieved our Core net inflow target of 5% of opening balances in 2024. We expect the environment for UK savings to remain constructive. UK households need to invest more, lower interest rates should heighten focus on longer-term investment products, and lower inflation increases the ability to invest. We aim to deliver market leading net new business flows. By gradually improving our share of a growing market, while maintaining persistency levels in line with long-term trends, we expect to continue delivering net flows of around 5% of opening balances, through the cycle.

2. Enhance propositions
Our open, unbundled business model is, by its nature, highly customer-centric. We will continue to innovate and anticipate future client needs. We will create new propositions to support the development of a stronger UK investment culture. Our investment in NuWealth will allow us to accelerate development of digital distribution and propositions. Delivering brighter financial futures for our customers is central to our philosophy.

3. Be future fit
We will complete our current Simplification programme and further improve our operating margin, over time, while investing in our business to deliver our growth objectives. We will continue to evolve our culture and talent to ensure we are regarded as a high-performing organisation.

Outlook

Business performance was excellent in 2024, and we look to 2025 and beyond with confidence. Our customer-centric business model, dual channel distribution, and commitment to operational efficiency, backed by a strong balance sheet, positions us well to support our clients on their wealth-building journey. We have started 2025 well with net inflows running ahead of the corresponding period in 2024. Our current view of the remainder of the year embeds the following assumptions:

- Market levels sustain the solid momentum that has characterised early 2025 and the broader environment remains conducive to improving new business flows.
- In line with Bank of England commentary, we expect UK interest rates to gradually decline from current levels, albeit the pace of easing remains uncertain. Although this will reduce the investment income generated on shareholder cash, it should increase demand for longer-term investment products from clients and be supportive to equity market valuation levels.
- We see a strong opportunity to continue to capture market share and are primed for growth. As a result, we expect cost growth of around 5% in 2025, before the benefit from Simplification, as we increase growth investment spend.
- In addition, we expect a £5 million increase (annualised) in costs arising from the change in Employer's National Insurance rates. We also expect the FSCS levy to double to approximately £8 million from 2024 levels.

As a result of the above, we expect a cost base of around £500 million in 2025. This is expected to lead to a mid to high single digit increase in adjusted profit in 2025, with the pace of cost investment broadly matched to that of revenues and with accelerating profit growth in 2026 and beyond.

Steven Levin
Chief Executive Officer

Our markets

Quilter is a UK focused wealth manager. We provide services to the High Net Worth and Affluent segments of the UK population, helping provide for their brighter financial futures.

We also support our clients during the decumulation phase, in retirement, to ensure the duration of their assets matches their expected lifestyle.

The market in which Quilter operates offers long-term growth potential with the onus on individuals in the UK to take responsibility for their financial futures and their need for support in making their decisions. Our integrated business, including advice solutions, is well positioned to meet our clients' needs.

Key trends

Economic climate and UK Budget tax changes

While 2024 saw some improvement in market conditions with larger levels of new business flows across the market and higher equity market levels, there were still some challenges for the wealth management industry. A change in the UK Government, who introduced changes to capital gains and inheritance taxes in the October UK Budget, created market uncertainty ahead of the announcement. The introduction of new rules led to increased engagement between advisers and clients to understand the new tax rules and the potential impact on their assets. UK interest rates eased in 2024 but did not fall as much as initially expected due to inflationary pressures. Although there is a consensus that rates will fall further in 2025, the pace of this remains uncertain and may have an impact on investor confidence.

Making financial advice more accessible

There is continued need for consumers to have access to and support from financial advice, allowing individuals and families to make well informed investment and saving decisions. The Financial Conduct Authority recently took steps toward addressing the "advice gap" in the UK with proposals aiming to create a simplified financial advice regime identified through the Advice Guidance Boundary Review. A proposition that aims to ensure customers have access to timely and affordable financial help, provides significant longer-term opportunity that will be relevant to full-service UK wealth managers such as Quilter.

Large market with growth trends

The UK wealth management market is positioned for growth. According to a Fundscape report on the retail wealth management industry, on a realistic five-year compound annual growth rate basis, Investment platforms are projected to grow 11.6%, while the direct discretionary segment is expected to grow 4.2%. Additionally, there is also a growing emphasis on individuals to take personal responsibility for their financial future. Thus, building relationships with younger generations as they begin investing for retirement is key for advice businesses and will drive future growth.

Technology and digital innovation

The wealth management industry has continued to embrace technology with digital innovation. Investing in technology enables us to improve productivity and provide our customers with more seamless, personalised experiences across both our High Net Worth and Affluent segments. Adopting a digital client experience can help ensure compliance and streamline these processes, thereby fostering collaborative and better relations between clients and advisers. Over 165,000 customers now use our Platform mobile app, enabling day-to-day engagement with their wealth goals.

Attractive attributes within the UK wealth management market

The UK wealth management industry demonstrates attractive strong structural growth trends built on long-term relationships with customers, recurring revenues and high customer retention rates. UK wealth managers, such as Quilter, with scale, brand recognition, operating leverage and capacity to fund technological and digital investment, are well positioned to continue to meet client needs and deliver good customer outcomes.

Our strategy

Our strategy is focused on meeting the needs of our clients across the UK and elsewhere. Our goal is to support our clients to build brighter financial futures for every generation.

Financial advice is core to our client proposition and so we aim to grow the number of advisers who work with us by broadening and deepening our distribution, enhancing our propositions, and improving the efficiency of our operations.

We have made significant progress through the year against our three areas of strategic focus.

Strategic focus	Progress in 2024
Grow distribution In a consolidating industry, maintaining market leading strength in distribution is key. Our goals are to improve retention and alignment of the Quilter channel advisers, add client facing individuals in our High Net Worth segment, and broaden and deepen our relationships with the Independent Financial Adviser community.	– Broadly stable Quilter channel adviser numbers. – Quilter Partners firms increased to nine across our Network. – Improved strategic alignment of adviser force. – Transferred c.£800 million of Quilter advised assets onto our Platform from third party platforms. – Leading UK retail advised platform for new business flows. – Largest discrete UK retail platform in the advised market. – Continued build out of Jersey and Dublin financial planning offices.
Enhancing propositions Our market is highly competitive. To remain an industry leader, we need to be agile, responsive and market focused. This involves delivering good investment performance to clients through the cycle, ensuring that our Platform and investment solutions remain market leading to meet the needs of both adviser and client needs, providing exceptional service and being competitive in the value we offer.	– WealthSelect launched on four peer platforms. – Launched CashHub on Quilter Platform. – Acquired NuWealth. – Launched new High Net Worth solutions strategies. – Within High Net Worth, bolstered our professional connections with our Big-4 offering for partners of accountancy firms.
Be future fit Since Listing in 2018, we have made very good progress at optimising and simplifying our business. We are in the latter stages of our Simplification journey which is focused on achieving efficiencies from investment in technology and simplifying our governance structures. Our Platform and investment solutions business are highly scalable which will lead to further improvements in our operating margin, over time.	– Delivered £35 million of targeted run-rate cost savings as at the end of 2024. We remain on track to achieve our Simplification Phase Two target of £50 million of run-rate cost savings by the end of 2025. – Advice technology and operating model transformation programme well underway with the Group already experiencing productivity benefits and cost savings.

Our business model

The power of two

Quilter is a UK focused wealth manager. Supporting financial advice is central to our propositions. We offer services to clients and their advisers. Our Platform and investment solutions are available on similar terms to both our own advisers and independent advisers, enabling us to remain competitive with third party market offerings in terms of pricing and proposition, thereby ensuring good client outcomes.

Two segments

Two distribution channels

We administer and manage client assets that have originated from financial advisers through two channels: our own Quilter advisers and Independent Financial Advisers ("IFAs").

Two investment approaches

1. For clients in our Affluent segment, we administer assets on the Quilter Investment Platform. Assets on the Quilter Platform are invested across the c.250 fund management groups and c.3,000 fund offerings on our Platform, including our Cirilium (fund of fund) and WealthSelect (Managed Portfolio) range.
2. High Net Worth clients' assets are managed through either a bespoke Discretionary Managed Portfolio or through our Managed Portfolio service.

What makes us different

Two segments with strong distribution channels

High Net Worth
Delivering growth by partnering with specialist intermediaries to offer relationship led advice, and bespoke investment solutions.

Affluent
We aim to be the leading scale provider of administration and investment services to financial advisers across the market.

Broad UK advice distribution network

Our own restricted adviser force, coupled with Independent Financial Advisers ("IFAs"), are the distribution channels for our Platform and solutions. Our restricted advisers are provided with a matrix of products which they utilise to service their customers. This provides them with a wide range of suitable products where we have used our scale to ensure value for money and confidence in the suitability of products on offer. Our restricted advisers operate under regulatory authorisation overseen by us and benefit from marketing, compliance oversight and administrative support. For IFAs, we provide a range of services from a market-leading investment platform to back-office and technical support. This approach reinforces and strengthens our position in the market.

The size of our Platform

With c.£85 billion of assets under administration as at 31 December 2024, we are the largest discrete platform in the retail advised market, offering best-in-class technology with the benefits of our scale to clients at sustainable and competitive prices.

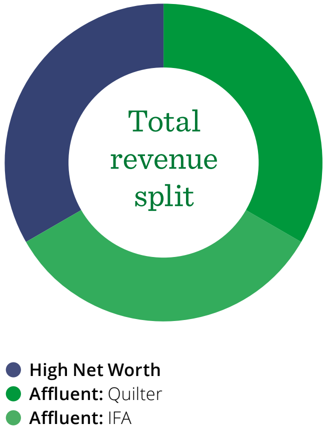
Our own investment solutions

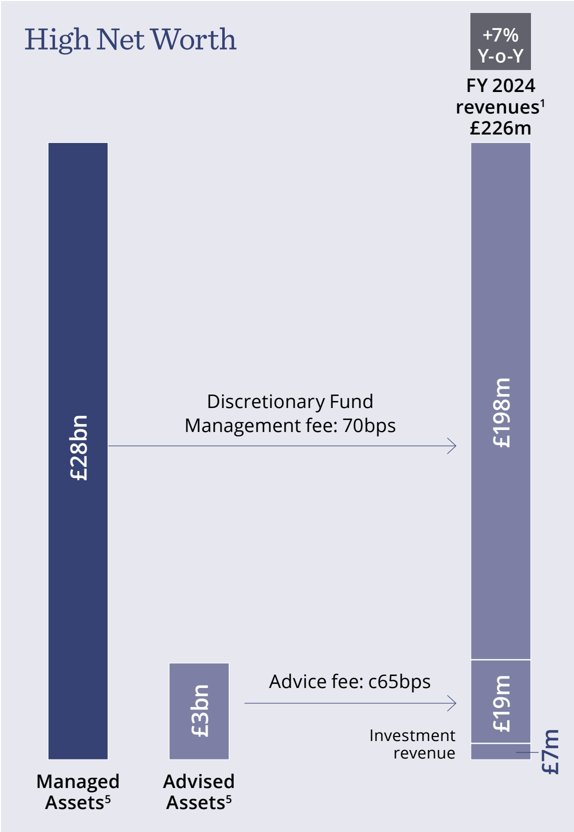
As well as the third party funds on our Platform, we also offer our own solutions which are structured to support the advice process, and allow for client choice in terms of investment style (active or passive, risk appetite and ESG preferences).

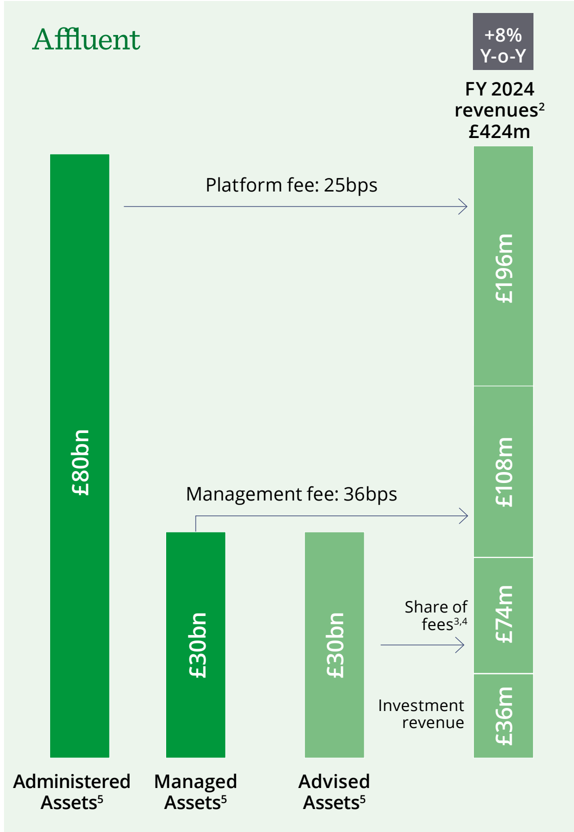
Our business model *continued*

How we make money

Revenue contribution







[1] HNW revenue total includes 'other' revenue of £2m.
[2] Affluent revenue total includes 'other' revenue of £10m.
[3] Quilter retains 15-20% of all fees generated by Quilter Financial Planning advisers.
[4] Includes initial and Mortgage and Protection
[5] 2024 average assets.

Revenue margins in the above represent the revenue margins that Quilter retains.

Advice fee

We earn a share of revenues generated from the advice provided by our advisers. A client typically pays an ongoing fee, representing a percentage of their investment, and some may also pay a one-off initial advice fee.

Platform fee

Administration fees are charged to clients on a quarterly basis, representing a percentage of the value of their investment under administration.

Management fee

Clients pay an annual management charge based on their assets under management by Quilter.

Investment revenue

Interest earned on shareholder cash balances (including cash at bank and money market funds).

Highlights

Customers

We help customers plan their finances to ensure a more secure financial future.

£16bn
Gross inflows

Advisers

We help financial advisers to run a more successful and efficient business.

Awards

Schroders UK Platform Awards 2024:
– UK Platform of the Year Winner.
– UK Leading Platform for Model Portfolio Services.

DFM Bespoke Defaqto award – Expert rated.

City of London Wealth Management Awards – Wealth Manager of the Year.

Strong Trustpilot ratings for Quilter, Quilter Cheviot and Quilter Cheviot Financial Planning.

Shareholders

We aim to deliver attractive shareholder returns. We aim for a dividend payout ratio of between 50% – 70% of post-tax, post-interest adjusted profit.

Key performance indicators

The following Key performance indicators ("KPIs") seek to track the achievement of our strategic priorities and express the benefits delivered for all our stakeholders.

Financial KPIs

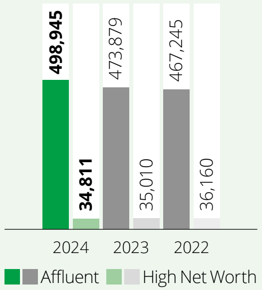
Number of clients

Definition

Based on the number of households or clients served by High Net Worth. Affluent client numbers are identified as individuals, or corporate or trust entities actively using our Platform.

2024 Performance

533,756
+5%



Affluent client numbers increased by 5% in the year, with a strong contribution from the Quilter channel (+8%).

HNW client numbers declined 1% as growth in higher value Quilter channel clients was offset by a reduction in lower value clients in the IFA channel.

Outlook for 2025

We aim to increase the number of clients served by broadening and deepening our distribution reach.

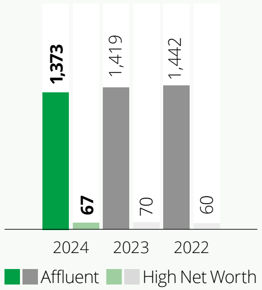
Number of Restricted Financial Planners ("RFPs")

Definition

Advisers licensed to advise across Pensions, Investment and Protection Solutions, but only permitted to recommended products and solutions from providers on the Quilter Financial Planning restricted panel.

2024 Performance

1,440
(3%)



Affluent RFP numbers declined in the period as recruitment and Quilter Academy additions were offset by retirements.

Quilter Cheviot Financial Planning ("QCFP") declined in the year, as adviser leavers marginally offset recruitment and Quilter Academy joiners.

Outlook for 2025

Seek to grow RFP numbers sustainably.

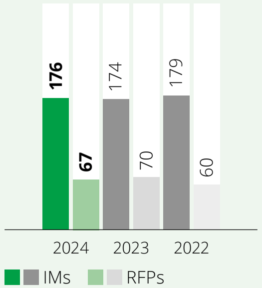
Number of Client Facing Individuals ("CFIs")

Definition

Individuals providing discretionary Investment Management ("IM") services to clients and/or advisers licensed to advise Quilter Cheviot clients in line with individual circumstances and investment objectives.

2024 Performance

243
(0.4%)



The total number of CFIs decreased by one, primarily due to Restricted Financial Planner leavers, which were offset by an increase in Investment Managers.

Investment Manager numbers increased on a net basis due to promotions, partially offset by retirees and other leavers.

Outlook for 2025

We plan to grow our client facing professional headcount (IMs and RFPs) to around 300 over time through developing existing staff and external recruitment.

Build out investment management proposition.

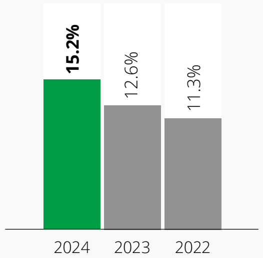
Gross flow market share

Definition

Total Platform gross sales as a percentage of the retail advised platform market gross flows, provided by Fundscape.

2024 Performance

15.2%
+2.6ppts



The Quilter Platform's market share increased year-on-year, reflecting the quality of our core platform and adviser support staff, and improvements in our sales effectiveness.

Outlook for 2025

Aim to further increase our Platform's market share.

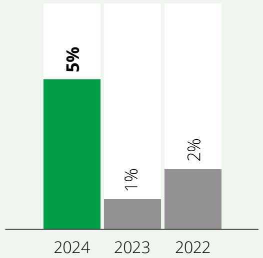
Net flows as a % of opening AuMA (core)

Definition

Total core net inflows as a percentage of opening core AuMA. This measure evaluates the level of inflows during the period in relation to the opening asset base and excludes market movements.

2024 Performance

5%
+4ppts



Core net flows as a percentage of opening AuMA was +5%.

We delivered strong performance during 2024 with each quarter demonstrating incremental improvement compared to the preceding quarter. This outcome reflects the strategic initiatives that management have put in place over the last few years.

Outlook for 2025

Target building core net inflow growth to c.4–5% of opening AuMA on average, through the cycle.

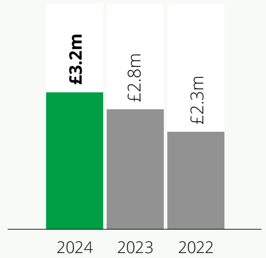
Productivity (Quilter channel)

Definition

Quantum of new gross flows generated by Quilter Restricted Financial Planners into our Platform and solutions, divided by the number of average RFPs.

2024 Performance

£3.2m
+14%



The increase in productivity reflects initiatives to improve strategic alignment among our RFPs, coupled with strong gross inflows and continued progress in transferring Quilter Restricted Financial Planner back-books.

Outlook for 2025

Continue to improve productivity through a combination of buying books of business to accelerate productivity of newly graduated RFPs, and investing in technology to support back-office efficiency improvements.

Key performance indicators *continued*

Financial KPIs

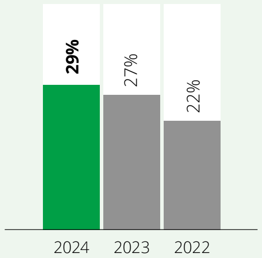
Operating margin

Definition

Represents adjusted profit before tax divided by total net revenue. Operating margin is an efficiency measure that reflects the percentage of adjusted profit before tax generated from total net fee revenues.

2024 Performance

£29%
+2ppts



We remain ahead of our target to achieve 25% operating margin by 2025, as a result of increased total net revenues, continued strong cost management and the benefits of our Simplification programme.

Outlook for 2025

Complete our Simplification programme, enhancing efficiency and reducing complexity, with total benefit of £50 million of annualised cost savings expected by the end of 2025.

Operating margin improving from a c.30% base, over time.

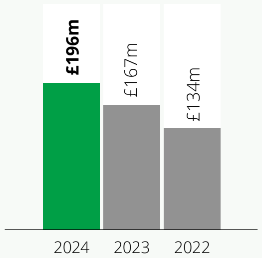
Adjusted profit before tax

Definition

This represents the Group's IFRS profit, adjusted for specific items that management consider to be outside of the Group's normal operations or one-off in nature as detailed in note 7(b) in the financial statements.

2024 Performance

£196m
+17%



Total net revenue increased 7% supported by higher net management fees, advice revenue and revenue generated on corporate cash balances. Operating expenses were 3% higher, as a result of inflationary increases and planned business investment, partially offset by Simplification cost savings.

Outlook for 2025

Accelerating growth in the medium term as investor sentiment and Quilter's operating leverage improves.

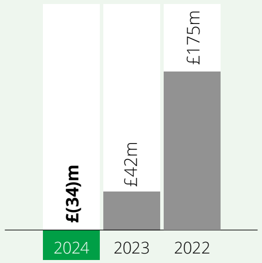
IFRS (loss)/profit after tax

Definition

IFRS (loss)/profit after tax from continuing operations.

2024 Performance

£(34)m
>(100%)



The change from IFRS profit in 2023 to a loss in 2024 reflects the variances in policyholder tax outcomes due to market gains in the year, the provision for the customer remediation exercise and the cost of the Skilled Person Review. This is partially offset by an improvement in the adjusted profit result.

Outlook for 2025

IFRS profit after tax from continuing operations can vary significantly year-on-year depending on the change in policyholder tax. Business Transformation expenses reflecting expense towards our Simplification Phase Two programme and investment in advice transformation, are expected to reduce substantially from end-2025.

Non-financial KPIs

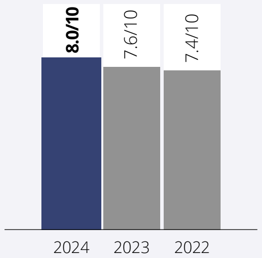
Employee engagement

Definition

"Overall engagement" score as captured in the all-employee engagement survey, measured by "Peakon".

2024 Performance

8.0/10
+0.4/10



Communication and engagement activity supported the score improvement, including all-employee conferences designed to engage colleagues on strategy, culture, customers and positive market perception. Over 80% of attendees rated these events as informative or very informative.

Outlook for 2025

Aim to maintain strong engagement scores from colleagues, as measured in our employee engagement survey, Peakon. Management has planned activity in continued support of our target culture, including the embedding of our refreshed purpose and values. Leading through change can be challenging, and management is aware that continued effort is required to maintain and improve the engagement scores.

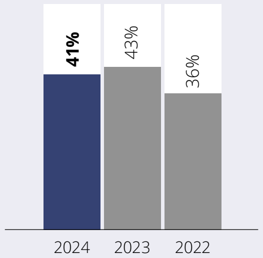
Female representation in senior management

Definition

Proportion of females within our senior management team.

2024 Performance

41%
(2)ppts



At 31 December 2024, Quilter exceeded the 2025 target set in its Inclusion and Diversity Action Plan of 40% female representation within the senior management team in line with the FTSE Women Leaders Review.

Outlook for 2025

Maintain our target of at least 40% female representation in senior management by the end of 2025, in line with the recommendations in the FTSE Women Leaders Review and as set out in our Board Diversity Policy.

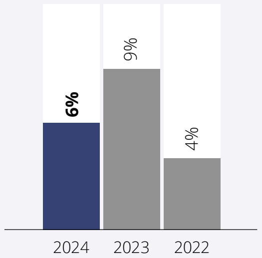
Ethnic diversity representation in senior management

Definition

Proportion of ethnic diversity representation within our senior management team.

2024 Performance

6%
(3)ppts



At 31 December 2024, Quilter had not met its internal ethnicity target within the senior management team for 2024. The senior management team is a small population and its demography is sensitive to small changes in the underlying population. The Company does not expect its progress toward the 2027 Inclusion and Diversity Action Plan target of 13% ethnic diversity representation to be linear.

Outlook for 2025

We are taking deliberate action to build a robust pipeline of diverse talent with a focus on inclusive recruitment, targeted development programmes and addressing barriers as outlined in our Inclusion and Diversity Action Plan. We remain committed to meeting our internal goal of 13% ethnic diversity representation within our senior management team by 2027.

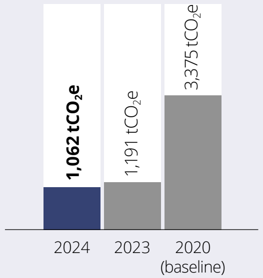
Scope 1 & 2 Greenhouse Gas ("GHG") emissions

Definition

Level of direct emissions from owned or controlled sources (Scope 1) and indirect emissions from the generation of purchased energy (Scope 2).

2024 Performance

1,062 tCO_2e
(11%)



In 2024, we made material restatements to our previous year's emissions, including our baseline year to ensure we are reporting in accordance with the GHG Protocol.

Scope 1 and 2 emissions were 69% lower than the 2020 baseline, primary due to the delivery of our Workplace Strategy which considers our office footprint in relation to changing workspace demands.

Outlook for 2025

Going forward, we anticipate a continuation of incremental reductions each year as we implement energy saving opportunities across our offices and source renewable energy contracts where we control the office energy procurement.

Section 172 (1) statement

Delivering for our stakeholders: Section 172 (1) statement

The Companies Act 2006 (the "Act") and the UK Corporate Governance Code require the Annual Report to provide information that enables our stakeholders to assess how the Directors of Quilter have performed their duties under section 172 of the Act.

The Act provides that Quilter Directors must act in a way that they consider in good faith and would be most likely to promote the success of Quilter for the benefit of shareholders as a whole. In doing so, Quilter Directors must have regard, amongst other things, to the factors set out below:

- the likely consequences of any decision in the long term;
- the interests of Quilter's employees;
- the need to foster the Company's business relationships;
- the impact of Quilter's operations on the community and the environment;
- the desirability of the Company maintaining a reputation for high standards of business conduct; and
- the need to act fairly for all our members.

Building Quilter to deliver long-term success for all our stakeholders

To ensure that Quilter achieves its purpose – brighter financial futures for every generation, it is critical for the Board to balance the needs, interests and expectations of our key stakeholders. At times these competing stakeholder views can appear to be at odds and in order to achieve long-term success, it is the Board's role to balance these complexities. The Board has a comprehensive stakeholder engagement programme and seeks to act in the best interests of the Group, whilst being fair and balanced in its approach.

In addition to direct engagement with our stakeholders, papers submitted to our boards and board committees across the Group identify for their consideration where stakeholders could be impacted by the proposals. At all times, the Board remains focused on ensuring good customer outcomes and preventing customer harm, in line with obligations under the FCA's Consumer Duty. Some of the ways the Board engages with our stakeholders, including examples of how our Board has considered stakeholders when it made key strategic decisions in 2024, can be read on pages 50 to 56.

Quilter's stakeholders

The Board has identified six key stakeholder groups whose interests it regularly considers:

Stakeholder engagement

Advisers

Advisers expect Quilter to:

- Provide an investment platform and support which facilitates the provision of a high-quality service to advisers and their customers.
- Have a wide range of compelling investment propositions that meet the needs and expectations of customers.
- Provide a high-quality control environment that enables advisers to be productive within an effective control environment with tools that support their business.

How does the Board engage with advisers?

- Our Chief Executive Officer, and other members of the Executive Committee, regularly brief the Board on key issues impacting advisers.
- The Board and Board Risk Committee scrutinise and challenge the activities that align to our risk appetite to identify how effectively and safely Quilter is supporting advisers in serving their customers.
- The Chief Executive Officer attended various adviser events throughout the year, ensuring adviser feedback formed part of updates to the Board.
- The Chair and a number of the Non-executive Directors joined management at an adviser event, Q-Live, in April 2024, meeting directly with advisers to listen to their experiences of working with Quilter.
- The Board discussed and endorsed continuing investment in technology that advisers use to support our customers.

What was the outcome of that engagement?

- Quilter continues to offer support for people to enter the financial advice profession, with routes to qualification including a graduate support programme under our Adviser Academy. In 2024, we have invested in our Adviser Academy and 94 students successfully completed their chosen qualifications during the year.
- Following its introduction in 2023, Quilter Partners has been extended giving a "franchise-style" model to advisers and increasing the number of ways that advisers can work with Quilter. Nine firms are now Quilter Partners.

Colleagues

Our colleagues expect Quilter to:

- Create a values-led culture that is open and inclusive.
- Invest in the development of its people so that they can deliver excellent service to our customers.
- Offer an attractive reward structure and a compelling colleague proposition.
- Support the wellbeing of all colleagues.
- Listen to ideas, suggestions and concerns, and take action as appropriate.

How does the Board engage with colleagues?

- The Board reviews biannual reports from the Human Resources Director on the Group's people, culture and ways of working, and closely monitors colleague engagement survey scores. This includes metrics measuring our colleagues' response to Quilter's new purpose and values.
- The Group Chief Executive Officer and the Chief Financial Officer hosted a number of colleague conferences to help colleagues understand more about our Company, the economic and financial impact of our performance, the progress we are making in delivering our strategy and how we support customers. Other topics included the launch of our refreshed purpose and values and recognition. Colleagues were asked to provide feedback on the topics covered at the conferences.
- All Non-executive Directors took part in a Talent Engagement programme, meeting colleagues across a broad spectrum of careers including potential successors to the current executive team, high performing managers, rising talent, and senior female talent.
- The Workforce Engagement Director attended certain meetings of the Employee Forum and with the Cultural Diversity Network Chairs.
- The Board endorsed management's recommendation to offer a 2024 Save As You Earn ("SAYE") Scheme for all colleagues, noting the benefit in aligning colleagues' interests to that of our shareholders. You can read more about our SAYE Scheme on page 99.

What was the outcome of that engagement?

- Colleague understanding of the Group's strategy improved with the Peakon score increasing to 8 out of 10 as at September 2024.
- Colleague engagement with our new purpose – brighter financial futures for every generation – increased from 8.2 to 8.5, indicating a strong resonance with colleagues across Quilter.
- The Board endorsed the Group's 2024-2027 Inclusion and Diversity Action Plan.
- Quilter has won a number of external awards including "Best employee voice" awarded by the simplys – The Digital Internal Communications Awards.

Communities

Our communities and suppliers expect Quilter to:

- Contribute to the communities in which Quilter operates and where our products and services are used.
- Behave responsibly, including understanding our environmental impact.
- Treat suppliers fairly and professionally.

How does the Board engage with its communities?

- By overseeing the delivery of Quilter's corporate sustainability agenda, including broader ESG matters, which affects customers, colleagues, communities and the environment.
- By receiving updates on the Quilter Foundation (the "Foundation") and the successes and progress made to deliver the Foundation's objectives.
- The Board received updates on the Foundation's initiatives including strategic partnerships with MyBnk, which promotes financial education, and the Brokerage, which aims to break down barriers in the workplace and create a more diverse workforce.

What was the outcome of that engagement?

- Employees across the Group were offered the opportunity to volunteer their time to support charities and organisations with over 900 volunteering hours recorded.
- Quilter supported colleagues who made a difference to causes that matter to them, resulting in donations to 22 charities totalling over £160,000 inclusive of matched funding.
- The Chief Executive Officer regularly engages with the media and industry bodies on pensions and savings.

How does the Board engage with its suppliers?

- Strong supplier partnerships are necessary to provide effective and efficient support for our customers and advisers. The Board Risk Committee receives updates on the performance of our key suppliers and Quilter's third-party risk management with substantive matters reported to the Board.
- The Board Risk Committee reviewed and reported to the Board on the Group's cyber risk and control environment, including the threat posed by the risk of ransomware attacks on both the Group and our material third-party suppliers. It was also briefed on the performance of third parties in respect of resilience, data security, and operational, business and financial issues.

What was the outcome of that engagement?

- Quilter held a proactive dialogue with its suppliers regarding geopolitical events, disasters and conflicts which may impact their financial resilience or the services that they provide to us. This ensures that we understand their needs and how we can work together to support our customers.
- Operational resilience is crucial for ensuring the business can continue to deliver important business services during disruptions. The Board Risk Committee reviewed and approved the Important Business Services and Impact Tolerance Thresholds required to ensure that services to clients and advisers could be managed in the event of business disruption.
- We aim to treat suppliers fairly and pay them promptly in accordance with best practice.

£160k+

Donated to charities inclusive of matched funding.

Customers

Customers expect Quilter to:

- Provide consistently high quality service and access to products and services that meet their needs and expectations, within their risk appetite and with the flexibility to reflect their investment preferences.
- Provide personalised customer propositions, through supporting long-term advice-based relationships.
- Deliver good investment performance.
- Adhere to relevant regulatory requirements, including the Consumer Duty, in ensuring good customer outcomes and the avoidance of foreseeable harm.

How does the Board engage with customers?

- The Board is updated by the Chief Executive Officer on customer related matters, including customer related strategic initiatives such as product and propositional developments, enhancements to customer-facing and back office technology. These strategic developments were further considered at the Board Strategy Day held in May 2024.
- The Board and the Board Risk Committee have been briefed on customer experience and customer journeys, communication and branding strategy. All Board and Committee papers include, where appropriate, analysis of the impact on customers of business proposals.
- Customer is an important component of the executive scorecard which drives remuneration outcomes for our senior executive team. The Board Remuneration Committee oversees the outcomes of the metrics set in the scorecard.
- The Board's Consumer Duty Champion supports the Chair, the Chief Executive Officer and the whole Board to raise the Consumer Duty regularly at Board meetings and all other relevant discussions.

What was the outcome of that engagement?

- The Board and the Board Risk Committee oversaw the process for the Group and its UK regulated subsidiaries to complete the first annual Consumer Duty assessment in July 2024. These assessments set out how Quilter is delivering good outcomes for its customers, supporting them to achieve their financial objectives, and avoiding foreseeable harm. You can read more about the work of the Board on the Consumer Duty on page 53.
- Management was encouraged to enhance colleague awareness and training on support for vulnerable customers.
- Quilter sponsored The Investing and Savings Alliance's ("TISA") Vulnerable Customer conference.
- CashHub was launched, which enables customers to manage their cash savings alongside their Quilter investments, providing greater visibility of finances through a single login.

2024 Trustpilot rating

4.5 "excellent"

Quilter's Trustpilot customer satisfaction score has improved from 4.2 in 2023.

Stakeholder engagement *continued*

Investors

Our investors expect Quilter to:

- Develop a strategy that ensures long-term shareholder value and sustainable earnings, supported by a resilient business model that generates growth and reliable cash flow for both shareholders and debt investors.
- Uphold robust corporate governance to ensure effective oversight and control of the business.
- Ensure responsible and sustainable approaches are embedded in both how we act as a business and invest on behalf of our clients.

How does the Board engage with its investors?

- Maintaining regular and constructive dialogue with investors and other market stakeholders to communicate the Company's strategy, governance and performance. The Chair, Chief Executive Officer and Chief Financial Officer, with support from the Head of Investor Relations, conducted over 200 meetings in 2024 with shareholders, debt holders and prospective investors.
- The Chair of the Board Remuneration Committee met with representatives from larger institutional shareholders to discuss proposed changes to the Directors' Remuneration Policy.
- The Chief Executive Officer and Chief Financial Officer participated in investor conferences to engage with existing and prospective investors.
- Holding an Annual General Meeting which was accessible for all shareholders, including those based overseas. We also strongly encouraged shareholders to engage with us by voting before the meeting if they were unable to attend in person.

What was the outcome of that engagement?

- The Board considers investor feedback on an ongoing basis, both from management feedback and via our corporate brokers.
- We received more than 99% of votes cast in favour of the majority of resolutions voted on by our shareholders at the 2024 AGM (and more than 93% of votes cast in favour of all but one of the resolutions).
- Continuing dialogue with our major South African shareholders on the precautionary resolution in respect of political donations/ expenditure proposed at each Annual General Meeting in line with routine market practice for UK listed companies, to avoid any inadvertent technical breach of UK company law. You can read more on page 55.
- In February, the Chair conducted a governance roadshow to meet with representatives of our major shareholders. She briefed them on key matters impacting Quilter and listened to their thoughts and views.

200+

meetings held with shareholders, debtholders and prospective investors in 2024.

Regulators

Our regulators expect Quilter to:

- Operate in an open and transparent manner with its regulators, its customers and the financial markets both as a Wealth Manager and a listed company in its own right.
- Ensure customers' interests are central to the firm's culture and purpose, and that this is embedded throughout the organisation.
- Manage Quilter's operations in a prudent manner, being appropriately capitalised and with sufficient liquidity to enable it to discharge its obligations.
- Fulfil regulatory responsibilities through the application of policies and practices, including managing our conduct risk.

How does the Board engage with the Group's regulators?

- Quilter maintains a constructive and open relationship with our regulators and members of the Board have regular meetings with our UK regulators.
- Our UK regulators engage with us to discuss their objectives, priorities and concerns and how they affect our business.
- The Board Risk Committee monitors key regulatory matters and areas of interest and receives updates on the status of material regulatory relationships and current areas of focus.

What was the outcome of that engagement?

- Through the approval of Quilter's first annual Consumer Duty assessment in July 2024, the Board endorsed action plans for the Group and its UK regulated subsidiaries to enhance how the Duty is embedded.
- Given the strategic importance of regulatory matters, the Board discussed regulatory change including the Consumer Duty and the potential impacts of the Advice Guidance Boundary Review, and the acquisition of NuWealth.
- Quilter responded to regulatory information requests, consultations and surveys on specific areas of our business, including topics such as operational resilience and the Consumer Duty.

Our people

Evolving our culture

2024 has been an important year for Quilter as we embed our target culture to support the delivery of our strategic ambitions. We recognise that in setting ourselves ambitious goals we need to invest in our people and equip colleagues to deliver for our stakeholders.

Quilter's culture is demonstrated in the way we behave – how we interact with each other, with customers and stakeholders, the values we hold and the decisions we make. We want to create a culture in which our colleagues can thrive and feel listened to. Where we embrace ambition, take accountability and ownership, and adopt a learning mindset where we seek new opportunities, ideas and knowledge to help us to improve and succeed.

You can read more about how the Board oversaw the culture transformation programme on page 56.

Our purpose

Brighter financial futures for every generation

We do this by guiding our customers and their families through the complexity of planning for their future, responding to their rapidly evolving needs, and giving them peace of mind.

Our values

Our four core values continually drive us in the way we behave with our stakeholders

Do the right thing

We do the right thing

We act with integrity and are proudly committed to going above and beyond in service of our clients and the support we provide our communities.

Embrace challenge

We set bold objectives for impactful results

We aim high to transform our potential into meaningful outcomes.

With ambition as our driving force and a steadfast commitment to growth, we succeed for the good of every generation.

Always curious

We are forward-thinking and curious

We continuously seek new ideas and knowledge so we are one step ahead of our clients' needs.

We look for inspiration everywhere and encourage experimentation, recognising that this is how we create brilliant solutions for brighter futures.

Stronger together

We achieve remarkable outcomes together

Combining our diverse talents, we accomplish more collectively than we ever could do alone.

We speak openly, actively listen and support each other, and constructively challenge and embrace new ideas.

We seek empowerment and demonstrate ownership and trust, with the confidence to make impactful decisions.

Our refreshed purpose and values

Having set the target culture in 2023, we wanted to engage colleagues across the business to ensure that Quilter's purpose, and the values underpinning it, are appropriate and would resonate and inspire them in their day-to-day activities. A collaborative process was run Group-wide to ask colleagues and customers to provide their thoughts on the behaviours Quilter colleagues should demonstrate to enable them to deliver for our stakeholders, each other and especially our customers. The Board endorsed the refreshed values in June 2024.

How the values were communicated

Quilter's refreshed purpose and values were launched at an all-colleague conference in July. The Chair, Ruth Markland, Chief Executive Officer, Steven Levin, and Executive Committee members led discussions on culture, purpose and values. Quilter's nominated culture champions shared their experience of how they had got involved and what it meant for them in their roles supporting customers and advisers.

81%

of colleagues responding rated the July all-colleague conference as informative or very informative and colleague feedback included feeling inspired, proud and connected with the refreshed purpose and values.

How Quilter is embedding the target culture, purpose and values

Culture workshops have been held across the business, with over 600 colleagues involved and exploring what the refreshed purpose and values means for them. Individual teams have dedicated time to discuss how they can work together to make a positive impact in what they do and how they do it.

Over

600 colleagues & **125** customers

participated in workshops and feedback sessions to refresh our values.

Saying thank you

To recognise the work of our colleagues, a new recognition platform "Thank Q" was launched in November 2024.

Designed to motivate, engage and reward high performance habits in line with our refreshed values, the platform allows colleagues to recognise those who are demonstrating the values. Over 1,500 recognitions were posted in recognition of colleagues' efforts and achievements in the first six weeks after launch.

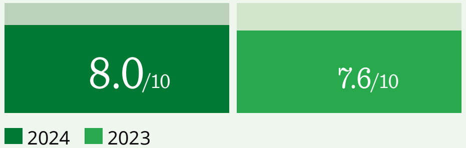
Outcomes

Results from Peakon (our colleague engagement survey tool) shows that colleagues identify strongly with the refreshed values.

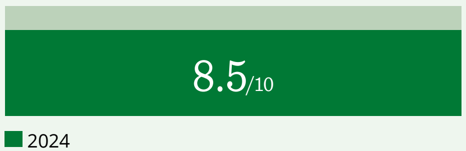
Our overall employee engagement score for 2024 reached 8.0, exceeding the industry benchmark of 7.8.

Our colleagues particularly align to the new value of "do the right thing" (8.5/10) which represents acting with integrity and going above and beyond in service of clients and communities.

Overall employee engagement



Colleague alignment to the new value of "do the right thing"



Source: Quilter Peakon survey September 2024

Awards

We were pleased that the collaborative and inclusive process adopted in evolving our culture was recognised:

Winner
Best employee voice
the simplys – The Digital Internal Communications Awards

Highly Commended
Employee voice initiative
The Business Culture Awards 2024

Building capability

We recognise the importance of building talent from within Quilter. In 2024, training and development has been largely focused on supporting our people on the culture change programme and ensured that the new values are embedded appropriately across the Group. Key initiatives undertaken include:

1. Senior management engagement

Setting the tone from the top, senior management were invited to attend a series of workshops and briefings on the culture in recognition of their pivotal role in ensuring that the expected behaviours are embedded across the Group.

In addition, Quilter's most senior managers, identified through Executive succession planning, joined the Forward Institute's Fellowship Programme with a focus on strategic and responsible leadership.

2. Manager development programme

A new manager development programme was launched to equip managers with the skills they need to manage high performing teams. Discussing the key culture anchors, the programme included topics such as having conversations with impact, performance development and leading with purpose. A new online manager hub was launched to provide continuing support for managers.

15 current and aspiring managers completed the Aspirational and Transformational Leadership Programmes in 2024 with 100% pass rate and 80% of colleagues achieving a distinction. A further 29 colleagues are participating and due to complete their training in 2025. These programmes are funded by the apprenticeship levy and accredited by a global learning organisation, Future Talent.

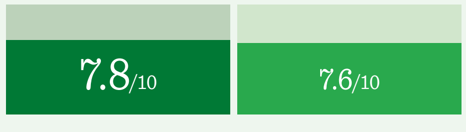
3. Building a talent pipeline

During the year, Quilter has invested in a new talent pipeline with four interns spending 12 months with our Quilter Cheviot business, with the opportunity for them to join Quilter permanently.

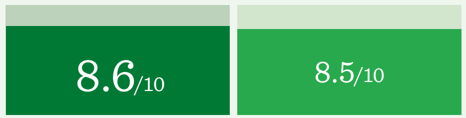
Quilter also welcomed 30 work experience students giving them a unique opportunity to gain insight in to a financial services company and the range of career opportunities open for them. In addition, we again partnered with Girls Are Investors ("GAIN"), hosting ten students as part of their Spring insights programme.

Focus continued on attracting and hiring talent from underrepresented backgrounds at junior to mid-levels, an important step in building a sustainable diverse talent pipeline.

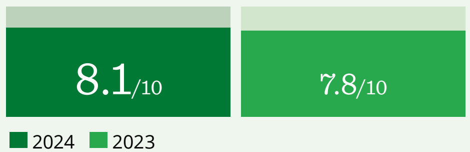
I feel that I'm growing professionally



My manager encourages and supports my development



How likely is it you would recommend Quilter as a place of work?



Source: Quilter Peakon survey September 2024

Inclusion and diversity

Quilter remains committed to building an inclusive culture in which everyone has an opportunity to thrive. We believe that the key to achieving this is nurturing and growing a diverse workforce, ensuring we attract, develop, and retain great talent and embrace inclusivity.

Inclusion and Diversity Action Plan

Quilter first published an Inclusion and Diversity Action Plan in 2022 which laid firm foundations for our new ambitions. Key successes from that plan include:

- increased representation of women and ethnically diverse colleagues in senior management roles;
- a significant increase in data disclosure among colleagues with several demographic areas exceeding industry peers; and
- the establishment of employee networks including the launch of a Disability and Neurodiversity support group.

In July 2024 we published a refreshed three-year Action Plan setting out the new targets we have set ourselves. The plan builds on the strong foundations established and focuses on the key areas that require improvement and actions required to prompt change. Quilter remains committed to swift action, nurturing a culture that values diversity and ignites innovation.

Our ambition is to build on our progress and reach a more advanced stage of diversity, equality and inclusion maturity by 2027. To do this, we will focus on initiatives that ensure our leadership is inclusive, enhance management information and reporting on diversity, deliver the growth of future talent through how we recruit, and investing in future generations.

Diverse representation

There are two key aspirations for diverse representation. Quilter is committed to:

- 40% of senior management roles* being held by women by 2025. This is in line with the FTSE Women Leaders Review Target.
- 13% of ethnically diverse colleagues in senior management roles* by 2027. This is in line with our commitment with the Parker Review and is an increase on the prior target of 5%, which was in place until 2023.

As at 31 December 2024 the proportion of females in senior management roles was 41% and the proportion of ethnically diverse colleagues was 6%, a fall from 43% and 9% respectively, against prior year.

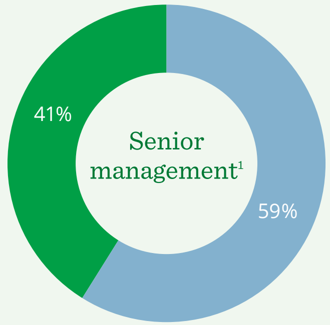
We are pleased that we continue to exceed our gender diversity target, and are mindful of the need for sustained focus, as progress toward our long-term inclusion and diversity commitments will take time and may not always be linear. The senior management population is relatively small, making representation sensitive to even modest changes in year.

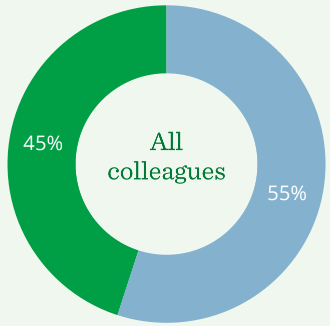
We are committed to promoting advancement opportunities for underrepresented talent and driving improvements in succession planning.

Women in Finance Charter

Quilter is proud to be a signatory of the Women in Finance Charter which requires firms to work together to create more gender balance at all levels across financial services firms. It is a voluntary initiative, led by the Treasury, aimed at promoting best practice.

Gender representation





Senior management[1]

Female	41% (28 employees)
Male	59% (41 employees)

All colleagues

Female	45% (1,375 employees)
Male	55% (1,653 employees)

[1] Senior management is defined as the Executive Committee and their direct reports, excluding business managers and personal assistants.

Ethnic representation*

Senior management[1]

Ethnic group representation	2024	2023
Asian[2]	0%	0%
Black[3]	3%	3%
Mixed[4]	1%	3%
White[5]	93%	90%
Other[6]	1%	3%
N/A[7]	1%	1%

* The percentages above have been rounded. 6% of colleagues in senior management are ethnically diverse.

All colleagues

Ethnic group representation	2024	2023
Asian[2]	7%	6%
Black[3]	3%	3%
Mixed[4]	2%	2%
White[5]	85%	85%
Other[6]	1%	2%
N/A[7]	2%	2%

[1] Senior management is defined as the Executive Committee and their direct reports, excluding business managers and personal assistants.
[2] Colleagues who identified as belonging to one of the following ethnic groups: Bangladeshi, Chinese, Indian, Pakistani or Asian other.
[3] Colleagues who identified as belonging to one of the following ethnic groups: Black African, Black Caribbean, Black other.
[4] Colleagues who identified as belonging to one of the following ethnic groups: Mixed White/Asian, Mixed White/Black African, Mixed White/Black Caribbean, Mixed other.
[5] Colleagues who identified as belonging to one of the following ethnic groups: White British, White Irish, White Gypsy Traveller, White other.
[6] Colleagues who identified as belonging to one of the following ethnic groups: Arab, Any other.
[7] Colleagues who responded but opted not to disclose their ethnic group.

In accordance with section 414C(8)(c) of the Companies Act 2006 (the "Act"), Quilter is required to report the gender balance of our employees, our "senior managers" and the Quilter plc Directors. The breakdown by gender of our employees can be found above and that of our Board on page 49. For the purposes of the disclosure under the Act, the definition of "senior managers" adopted is the Executive Committee and the Directors serving on our consolidated legal entities but excluding the Directors of Quilter plc. Where these individuals hold multiple directorships, they are only counted once. As at 31 December 2024, there were 32 male and 9 female senior managers.

*Executive Committee and direct reports. Progress towards these targets is included in the Executive Directors' short-term incentive scorecards and reflected in remuneration outcomes. You can read more about this in the Remuneration Report on page 77.

Diversity disclosure

Endorsed by the Board and led by the Chief Executive Officer, the Inclusion and Diversity 2022 Action Plan sets out our belief in the importance of data in order to provide deeper insight into Quilter's progress.

Having data provides a firm foundation to identify areas for improvement and shape the strategy and action needed to achieve our goals. Our diversity dashboard informs our activity and allows us to monitor progress achieved. Whilst we have been reporting on ethnicity pay gaps for over three years, our data is now more robust, allowing us to assess pay and performance outcomes with greater confidence. Where appropriate, we share insights with managers to drive meaningful action.

Data disclosure response rates

Data disclosure response rates as at 31 December	**2024**	**2023**
Gender	100%	100%
Gender identity	63%	55%
Sexual orientation	81%	76%
Ethnicity	92%	91%
Disability	54%	56%
Age group	100%	100%
Religion	86%	83%
Socio-economic background	73%	65%

Gender and ethnicity pay gaps

Quilter has made steady progress in reducing the average gender pay gap over the past few years. The mean gender pay gap improved to 27% in 2024, down from 29% in 2023, while the median pay gap remained at 30%. Whilst it is positive that the trend is improving, the mean gap remains large and slightly above than the Financial Services industry average.

Quilter's mean ethnic pay gap increased to 18% from 15% in 2024, and the median ethnic pay gap rose to 15% from 8%. Given the smaller numbers involved – with colleagues from ethnically diverse backgrounds comprising 13% of the workforce – the pay gaps are more susceptible to larger swings from changes in the underlying population than in respect of gender. Moreover, we have made significant strides in hiring more ethnically diverse colleagues into entry and early professional level roles, which is crucial for building a diverse talent pipeline but has had an adverse short-term effect on the ethnicity pay gap, as a higher proportion of these hires are initially in lower-paid roles.

Quilter's pay gaps reflect the ongoing challenge for the industry as a whole to attract and promote more females and colleagues from ethnically diverse backgrounds into higher paid roles in revenue generating areas and senior management positions. The next phase of the Inclusion and Diversity Action Plan aims to address this challenge through key foundational actions for long-term, sustainable change.

Gender pay gap[1]

	2024	**2023**
Mean hourly pay gap	27%	29%
Median hourly pay gap	30%	30%
Mean bonus gap	55%	57%
Median bonus gap	45%	39%
Female colleagues receiving a bonus	94%	94%
Male colleagues receiving a bonus	94%	94%

Ethnicity pay gap[1]

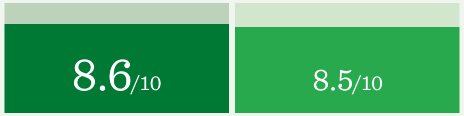
	2024	**2023**
Mean hourly pay gap	18%	15%
Median hourly pay gap	15%	8%
Mean bonus gap	47%	48%
Median bonus gap	38%	30%
Ethnically diverse colleagues receiving a bonus	89%	83%
White colleagues receiving a bonus	95%	94%

[1] The methodology for calculating our gender and ethnicity pay gaps follows UK government guidelines.

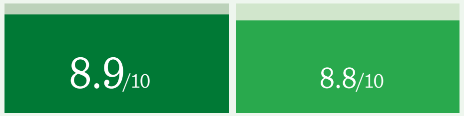
Diversity engagement

Scores from Quilter's employee engagement survey, Peakon, demonstrate that colleagues are showing high levels of satisfaction with our efforts to maintain a diverse workforce and create an environment where every individual feels included.

Diversity
A diverse workforce is a clear priority at Quilter (for example, in terms of age, gender, ethnicity, neurodiversity, disability, religion, sexual orientation, educational, social and cultural background).



Inclusiveness
At Quilter, people of all backgrounds are accepted for who they are.



2024 2023

Source: Quilter Peakon survey September 2024

Awards

Winner
Best DE&I Initiative
PIMFA DEI Awards 2024

Shortlisted
Best DE&I Initiative
Professional Adviser Awards 2025

Equipping our managers as inclusive leaders

Quilter's managers play a critical role in creating an inclusive workplace where talent from all backgrounds can thrive. To support them in driving equitable outcomes we ran a dedicated webinar with Suzy Levy, a specialist in social change and author of "*Mind the inclusion gap*", to equip managers with the knowledge and practical steps needed to foster inclusion within their teams and contribute to meaningful progress.

350+

Over 350 managers attended the "*Mind the inclusion gap*" webinar.

Networks and communities

There are established employee networks and communities which support colleagues and generate learning initiatives centred on inclusion and encouraging positive wellbeing practices within the organisation. The I&D forum is open to all colleagues and continues to play an active role, giving colleagues the opportunity to deepen their understanding and empathy around diverse people.

Topics discussed this year include Inclusive Skills for a Modern World and an exploration of Merit, Privilege and Fairness.

Wellbeing

An important part of culture is our wellbeing initiative: Thrive. We offer a wide range of resources, tools, and information to help colleagues take care of their physical, financial and mental health.

Our Code of Conduct

Our Code of Conduct sets out the duties of all colleagues and includes acting with integrity and respect, treating customers fairly, managing conflicts of interest, good market conduct, information, data and communications, use of Company assets, prevention of financial crime and working with regulators and governments. Colleagues are required to undertake annual mandatory training to ensure they fully understand the requirements of the Code of Conduct.

Our policies

Our policies support our aim to create an inclusive culture that embraces diversity and enables our people to thrive. They also reflect relevant employment laws, including the Universal Declaration of Human Rights and International Labour Organisation Declaration on Fundamental Principles and Rights at Work. All employees and suppliers providing onsite services in the UK are paid no less than the real Living Wage.

In October 2024, the Living Wage was increased to £12.60 within the UK and £13.85 in London. As a Living Wage employer, we ensured that all colleagues and contracted service providers earn in excess of these amounts.

Equal opportunities

We promote equal opportunities and ensure that no job applicant or colleague is subject to discrimination or less favourable treatment on the grounds of gender, marital status, nationality, ethnicity, age, sexual orientation, responsibilities for dependants or physical or mental disability. We are committed to continuing the employment of, and for arranging training for, employees who have become disabled whilst employed by Quilter. We select candidates for interview, career development and promotion based on skills, qualifications, experience and potential.

"Speaking up" culture

At Quilter, we want to promote a culture of "speaking up", where colleagues feel able to raise any concerns they may have about acts of misconduct, malpractice or wrongdoing. Quilter's Whistleblowing Policy and channels provide colleagues with avenues to raise concerns in good faith without fear of retribution. Colleagues are able to raise such concerns anonymously via the confidential and independent ethics hotline or directly to their line manager, Human Resources or Risk & Compliance. All whistleblowing reports are treated confidentially, seriously and are fully investigated. A grievance procedure is available for colleagues to raise a complaint or problem about any issues relating to their work, working environment, pay and benefits, working hours or any other concern about employment issues.

Human rights and modern slavery

We are committed to respecting the rights and freedoms of our employees and those in the supply chain. Our human resource and supplier policies and processes prohibit Quilter from doing business with parties involved in modern slavery, forced labour, compulsory labour and child labour. These policies also promote equal opportunity and reject any form of discrimination or unfair treatment on the grounds of protected characteristics or personal factors. We respect the right of employees to associate for the purposes of collective bargaining and colleagues are free to join a union of their choice.

Responsible investment

Investing responsibly

The United Nations backed Principles for Responsible Investment ("PRI") define responsible investment as a strategy and practice to incorporate environmental, social and governance ("ESG") factors in investment decisions and active ownership. We believe that incorporating ESG factors into our investment decision-making processes and exercising active ownership through voting and engagement, helps mitigate risk and identify potential opportunities.

Within our investment management businesses, Quilter Investors and Quilter Cheviot, we have dedicated teams focused on ESG integration and active ownership, as well as investment teams who manage our responsible and sustainable investment solutions.

For more information on our approach please visit:

- **quilter.com/investments/responsible-investment**
- **quiltercheviot.com/ri**

UK Stewardship Code
Quilter is a signatory to the UK Stewardship Code. In order to be a signatory, we submit a report that outlines our stewardship activity on behalf of our customers. Stewardship includes engagement with the companies and funds we invest in, using our voting rights, and the consideration of environmental, social and governance factors within investment decision making. We retained our signatory status in 2024, and the next report will be submitted to the Financial Reporting Council by 30 April 2025.

Signatory to the PRI
Quilter is a signatory to the PRI, which is a global network organisation that works to:

- understand the investment implications of ESG factors; and
- support its international network of investor signatories in incorporating these factors into their investment and ownership decisions.

The annual assessment of how an organisation implements responsible investment was reinstated for 2022, and the Group completed this for the 2022 and 2023 financial years. The Assessment Reports*, which are produced using signatories' reported information, relate to the investment management activities within Quilter Investors and its investment solutions, and Quilter Cheviot. For the 2023 reporting period (completed in 2024) we achieved 42 Stars out of a possible 65, across 13 modules. In six of these modules our score was above the PRI median with the Policy, Governance and Strategy module receiving the highest score.

11

Across Affluent and High Net Worth we have 11 dedicated responsible investment professionals, working in collaboration with other teams within the businesses.

Progress update

Priorities 2022-4	Progress in 2024
Continue to support customers, advisers and colleagues to engage with and understand responsible investment	Ongoing programme of engagement with customers, advisers and colleagues. With the arrival of Sustainability Disclosure Requirements ("SDR") we provided anti-greenwashing training to our colleagues, with specific training for certain functions.
Embed responsible investment practices where relevant	Continued to evolve our responsible investment activities across the business. Quilter Cheviot increased its collaborative engagement activity focused on climate change and natural capital themes. The Affluent segment enhanced the systematisation of its ESG integration by onboarding a technical solution to capture manager and firm sustainability assessments.
Deliver reporting in line with regulatory change	Delivered the first Task Force on Climate-related Financial Disclosures ("TCFD") entity and product reporting for Quilter Investors Limited and Quilter Cheviot Limited. With the arrival of Sustainability Disclosure Requirements ("SDR") we ensured that products met the Naming & Marketing Rules, where relevant, and applied the anti-greenwashing rule across our investment activities.
Ensure our proposition caters to the responsible investment preferences of our customers	Continued to track the trend of customers' responsible investment preferences to identify the areas of interest to develop our proposition further.

Our priority for 2025

Producing and publishing Climate Action Plans for our investments while we continue to deliver our existing responsible investment activity across voting, engagement and ESG integration.

*The Assessment Reports present information reported directly by signatories. This information has not been audited by the PRI or any other party acting on its behalf.

Corporate sustainability

At Quilter, we recognise the importance of playing our part in the global effort to create a more sustainable world and our impact on the environment.

As a wealth management business, the environmental impact of our operations is centred around the carbon emissions from our offices, travel, and the goods we procure.

The focus of our Corporate Sustainability team in 2024 has been on improving our data capabilities to track and monitor our impact on climate change and the climate-risks faced by the business.

Quilter's sustainability and climate reporting

The disclosures in the corporate sustainability and responsible investment sections are made in accordance with the Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022 and the Streamlined Energy and Carbon Reporting requirements. These sections constitute Quilter plc's non-financial and sustainability information statement.

To allow us to provide a more comprehensive insight into climate risks and opportunities across the Group, we have also published a separate Quilter plc TCFD Report dedicated to climate matters at Quilter which can be found on the TCFD section of our website.

In 2024 our Affluent Managed Solutions and High Net Worth business segments published Entity and Product reports in accordance with the FCA Environmental, Social and Governance ("ESG") Sourcebook. These reports provide more specific detail on the management of climate risks and opportunities as they relate to our investment management activities at the individual entity and product level.

Our TCFD Reports are consistent with the Governance, Strategy, and Risk Management pillars of the TCFD Recommendations and Recommended Disclosures of the TCFD Report. Whilst we have made good progress towards becoming fully consistent with the Metrics and Targets pillar of the TCFD Recommended Disclosures, we are not yet able to disclose the full Scope 3 (category 15) emissions for the entirety of the assets we manage on behalf of our customers due to limited data availability within certain asset classes.

This year we have significantly increased the coverage of our financed emissions disclosure and our Climate Value at Risk ("CVaR") scenario analysis to include assets managed by our Affluent segment and a wider range of asset classes within our High Net Worth segment. There are holdings within our universe for which we are unable to provide climate data. This is usually where there is no International Securities Number ("ISIN") as the holding is not listed. This will include cash, financial instruments, unlisted companies and physical property and infrastructure, leading to gaps in the data required to produce accurate Scope 3 financed emissions and CVaR analysis.

Our 2024 TCFD Report can be found here: **plc.quilter.com/tcfd**

For the Metrics and Targets disclosure, we also calculate the Scope 1, Scope 2, and applicable Scope 3 emissions categories resulting from our operations in line with the Greenhouse Gas ("GHG") Protocol and disclose these metrics on page 28. This year we have also refined our methodology to improve the accuracy of our operational emissions disclosure.

In producing our TCFD Reports, we have also considered the following guidance and applied where relevant:

- the TCFD Final Report and the TCFD Annex;
- the TCFD all sector guidance as well as the additional guidance for asset managers;
- the TCFD Technical Supplement on the Use of Scenario Analysis;
- the TCFD Guidance on Risk Management Integration and Disclosure;
- the TCFD Guidance on Metrics, Targets and Transition Plans;
- the Financial Conduct Authority's review of TCFD-aligned disclosures by premium listed companies; and
- the Financial Reporting Council's thematic review of TCFD and climate disclosures.

Our priorities for 2025

Delivering the first iteration of our Group Climate Transition Plan and exploring future sustainability targets aligned with the Paris Agreement.

Developing and implementing a supplier engagement programme aimed at understanding the climate-related risks and highest emitters across our supply chain.

Continuing to deliver energy efficiencies across our offices and incorporate sustainability considerations into our corporate standards.

Governance

Our governance structure and the role of the Board and its Board Committees in relation to corporate sustainability and climate-related risks are set out in the Governance Report which begins on page 44.

Responsible investment and corporate sustainability, including climate-related risks and opportunities, are integrated across our management structure. Information about our Executives and team responsible for this area are detailed below. Our Group TCFD Report outlines more detailed information about the Executive Committees and other colleagues that play a key role in the management and oversight of climate-related risks and opportunities.

Executive Leaders

Andrew McGlone
Chief Executive Officer of Quilter Cheviot and Quilter Cheviot Financial Planning
At the Group level, Andy is the executive sponsor for Quilter's Corporate Sustainability Strategy, ensuring an appropriate strategy is in place and driving delivery across the Group. He also oversees delivery of the Responsible Investment Strategy for the High Net Worth segment and owns the Level 2 Risk category. Andrew is a member of the Group Executive Committee and the TCFD Steering Committee and presents updates on Corporate Sustainability and Responsible Investment strategies, including our climate strategy and material developments in climate issues, to the Board and Board Committees on a regular basis.

Mark Satchel
Chief Financial Officer
Mark is responsible for the oversight of the management of financial risks arising from climate change, ensuring risks are appropriately identified and managed, including incorporation within the Group's Own Risk and Solvency Assessment ("ORSA").

Corporate Sustainability team

Our Corporate Sustainability team is responsible for our operational climate strategy which includes colleague engagement, calculating our operational emissions, collaborating with our property team to deliver sustainable upgrades to our offices, and engaging with our suppliers to better understand climate-related risk exposure and encourage change. The team provide quarterly progress updates to the Group Executive Committee and update the Board annually.

Climate-Related Risk Management

Our corporate sustainability reporting and operational climate-related risk management takes place at the Group level. This is due to the sharing of offices and operational resources across the Group. Information surrounding our wider risk management and reporting framework including our risk categories and corresponding risk appetite statements are explained on pages 37 to 41. Our Affluent and High Net Worth segments maintain individual processes for identifying and managing climate-related risks and opportunities within the investment portfolios they manage on behalf of our customers. We explain these processes in detail in the relevant TCFD Entity reports as they are unique to each business segment:

▶ For more please read our Affluent Managed Solutions TCFD Entity Report available at **plc.quilter.com/tcfd**

▶ For more please read our Quilter Cheviot TCFD Entity Report available at **quiltercheviot.com/tcfd**

Climate within our Risk Management Framework
Material climate-related risks are primarily tracked within the "Responsible Investment and Corporate Sustainability" Level 2 risk category, which forms part of our Level 1 Business Strategy and Performance risk. As climate-related risks are cross-cutting in nature, they may also feature within our other Level 2 categories, such as Regulatory Compliance, Investment Performance, Operational Resilience and Capital, Liquidity and Solvency Management.

Due to the uncertainty surrounding the short-term impacts of climate change, we consider this to be an emerging risk for Quilter, rather than a principal risk. The climate change emerging risk captures the transitional and physical impacts of climate change. Currently, emerging risks are reported to the Board on a quarterly basis via our Chief Risk Officer Report. We plan to review the processes surrounding emerging risks in 2025.

We employ both top-down and bottom-up risk identification processes across our Risk Management Framework. Through our bottom-up approach, climate-related risks identified by relevant business areas are captured in their respective Risk Control Self Assessments ("RCSAs") which are reviewed and updated bi-annually. Our Responsible Investment teams currently complete RCSAs and in 2025, our Corporate Sustainability function will complete a separate RCSA to capture climate-related risks resulting from our operations.

Top risks are identified by members of the Group Executive Committee and are monitored through regular engagement with the second line Risk function. In 2024, a climate-related reporting and disclosure risk was identified as a top risk for the business.

Standalone climate risk workshop
In 2024, we held cross-functional workshops to identify climate-related risks and opportunities, carry out materiality assessments, and determine how we manage and monitor risks going forward. Representatives from Responsible Investment, Corporate Sustainability, Finance and Risk teams attended the workshops. A subjective materiality assessment was conducted, using our operational risk matrix to determine likelihood, timeframe, potential for harm and magnitude of impact with our findings being presented to the Executive Risk Management Committee in the first quarter of 2025. Going forward, this process will take place on an annual basis to reassess our climate-related risks and opportunities and update the relevant stakeholders and committees on any developments.

Scenario Analysis

Operational climate scenario analysis

We undertake operational risk scenario analysis to measure the potential impact of the risks that we face, including climate-related risks, to our resilience and financial plans. This is a structured process by which a forward-looking assessment is made of our exposure to plausible but severe operational risk events. The scenario identification and testing process utilises the expert judgement of management and is designed to build on and complement the assessment of risks and opportunities. Examples of the scenarios we tested in 2024 are shown in the panel below.

The financial risks from climate change would lead to outcomes which could also be driven by other causes outside of climate change. We take a holistic approach to scenario analysis to consider the potential harms from a range of root causes and risks. In most cases, climate change is not the key driver of risks, but the scenario may implicitly cover climate risks.

Resilience of our business strategy

The output of scenario analysis is used to determine the level of capital and liquidity required to address the material harms to our customers and to Quilter's operating entities from ongoing activities. The result of the analysis demonstrates that Quilter's operating entities have sufficient capital and liquidity to withstand all the scenarios tested. The scenario analysis therefore indicates that Quilter's business strategy and financial plans are resilient to climate-related financial risks.

The analysis conducted is limited by a number of factors including data limitations and is not intended to be used as future predictions as, due to our robust control framework, the scenarios have a low likelihood of occurrence. We consider scenario analysis to be a useful input to decision making, coupled with other management information and it is used to help ensure business and operational resilience.

Examples of climate-related scenarios tested

These explicitly or implicitly cover the financial risks from climate change, as follows:

Climate-related disclosure: This scenario assesses the risk of our sustainable fund ranges inadvertently investing in assets which are excluded from fund mandates, leading to customer redress and related costs. This scenario explicitly covers the risk of breaching fund mandates for our investment solutions within sustainable investment mandates.

Operational resilience: This scenario assesses the potential impact of a disruption to service provided to customers due to an issue impacting our IT infrastructure. This scenario implicitly covers the risk of operational disruption due to lack of resilience to physical climate risks.

Third party risk: This scenario assesses the potential impact of failure of an outsourced service provider. This scenario implicitly covers the risk of failure of a third party due to lack of resilience to physical or transitional climate risks.

Advice risk: This scenario assesses the potential risk of advice provided by financial advisers being unsuitable. This scenario implicitly covers the risk of advice not adequately considering customers' preferences in relation to sustainable investments, leading to customer redress and related costs.

Investment portfolio scenario analysis

In addition to the operational analysis, we also conduct quantitative climate scenario analysis for the majority of investment portfolios that we manage on behalf of our clients. To do this we use a Climate Value at Risk ("CVaR") metric to assess the potential impacts on portfolio values under different climate scenarios. This aims to estimate the potential financial loss or gain from the underlying investments as a result of climate change. Our analysis examines the impacts across three key risk areas:

- climate policy (new regulations at national and international level impacting carbon activities);
- technology opportunities (increased demand for energy-efficient, lower-carbon products and services that disrupt existing markets); and
- physical risks (such as temperature increase, sea level rise, and associated business interruption and damage across operations and supply chains) on portfolio value.

To do this, we use climate modelling in the form of scenarios created by the Network for Greening the Financial System ("NGFS"). Each scenario makes different assumptions about how climate policy, physical climate events and the development of climate-related technology will impact the economy and therefore the value of our holdings. CVaR is presented as the percentage change in our holdings' value, for each risk type (policy, technology, physical impacts) in aggregate.

The three scenarios selected (see panel below) address the uncertainty inherent to any modelling, as they cover a range of variation in both the physical impacts of climate change and societal responses to these impacts. We have retained a 1.5°C aligned scenario as the most optimistic outcome, despite the acknowledged challenges to achieving this given recent geopolitical back-pedalling and the higher than anticipated emissions baseline. The Below 2°C scenario is included as an additional 'orderly' transition scenario, reflecting heightened risks of delay or inaction in the near term. We have removed the '1.5°C Disorderly' scenario we included last year, which was demised by NGFS. The Nationally Determined Contributions ("NDC") scenario was included for a few reasons: (1) the significance of the Paris Agreement as the only binding global agreement committing nations to decarbonise; and (2) the forthcoming round of new NDC commitments due in early 2025 (against which this will form a good benchmark, for whether these new commitments influence the next iteration of this climate model in a positive or negative fashion).

Within our High Net Worth segment, this analysis is carried out across our centrally monitored holdings which accounts for 93.2% of Quilter Cheviot's AuM. For our Affluent segment, all portfolios are covered by this analysis. Our findings are included in our Group TCFD Report on an aggregated basis for all covered portfolios and disaggregated in the TCFD product reports for specific portfolios.

Examples of investment portfolio scenarios tested

Net Zero 2050: An orderly transition scenario that assumes climate policies are introduced early and become gradually more stringent, limiting the global temperature increase to 1.5°C by 2100.

Below 2.0°C: An orderly transition scenario that limits the increase to 2°C by 2100.

Nationally Determined Contributions ("NDC") A 'hot house world' scenario that assumes that climate policies are implemented in some jurisdictions, but global efforts are insufficient to halt significant global warming and the global temperature increases to 3°C by 2100.

Climate-related risks

Type of risk	Risk description	Potential impacts	Mitigating actions, controls, and monitoring	Time horizon
Policy and legal (Transitional)	Emerging regulatory requirements – risk of changes in climate-related policies or regulation which have an adverse impact on Quilter's proposition or operations. This includes risk of non-compliance with regulatory requirements.	Unbudgeted costs to implement systems and comply with new regulatory requirements. Potential costs of inadvertent non-compliance due to volume of global regulation.	Regulatory horizon scanning and engagement through regulatory consultation. Engagement with industry bodies.	S M
Market (Transitional and Physical)	Portfolio climate risk – risk of investment market underperformance caused by a disorderly transition or physical climate related events.	Potential for reduced market return for clients, resulting in reductions in the value of assets under management and revenues.	Investment in diversified multi-asset portfolios. Consideration of climate risks and opportunities in investment research and due diligence. Climate metrics used to monitor climate-risk exposure.	S M L
Market (Transitional)	Consumer sentiment/demand – risk that we fail to align our product offering with customers' responsible or sustainable investment preferences and general market demand for responsible and sustainable investment related mandates.	Reduction in demand for Quilter's products and services resulting in reduced revenues.	Monitoring of customer and adviser preferences as part of development of product strategy. Integration of ESG factors into our investment processes. Integration of responsible investment preferences into our financial advice suitability processes.	S
Reputational (Transitional)	Misrepresentation risk – risk that clients, advisers, and other stakeholders act on the basis of misleading or incorrect information relating to the environmental or sustainability attributes of our investment products and our business operations.	Reduced demand for Quilter's products and services due to damage to Quilter's brand. Potential cost of redress where clients have taken action based on misleading or incorrect information.	Management review and approval of published information. Data validation for the calculation of climate metrics. Greenwashing training for all staff, as well as targeted training for specific functions.	S M
Reputational (Transitional)	Climate strategy risk – risk that Quilter's Climate Action Plan, covering both Quilter's operational emissions and the investment solutions provided to clients, is not perceived to be sufficient.	Negative publicity leading to loss of existing or potential clients. Reduction in market share resulting in loss of revenues over the long term. Increased operational costs due to failure to transition to new technologies.	Climate Transition Plan and Climate Action Plans for investments. Annual reporting on progress against Climate Action Plans. Progress against operational emissions target contributes to executive remuneration.	S M
Physical (Acute and Chronic)	Physical risk crystallisation – increased severity or frequency of extreme weather events, or chronic changes such as rising mean temperatures and sea levels, effecting our buildings, employees, or our third-party suppliers.	Unbudgeted costs to recover or maintain services to customers. Costs associated with damage to infrastructure and technology.	Physical climate risk assessment carried out across our property portfolio. Business continuity planning allowing for physical risks. Insurance provisions reflect climate-related matters. Supplier engagement to manage exposure to climate disruption.	L

Time Period Key: S Short term 0-3 years M Medium term 3-10 years L Long term 10+ years

Climate related opportunities

Type	Description	Potential financial implications	Actions to capitalise
Products and Services	As we transition to a low-carbon climate resilient economy and younger generations enter the investment market, we expect an increase in demand for responsible and sustainable investment solutions.	This requires investment in resources and systems to deliver our responsible investment strategy and offer products aligned with customers' responsible or sustainable investment preferences. In the medium- to long-term we may experience an increased market share and therefore revenue growth as we attract a wider range of customers and meet the increased demand for responsible and sustainable investment solutions.	Continue to develop and deliver our responsible investment strategy and Climate Action Plans. Monitor consumer demand to ensure our responsible and sustainable product offering meets the needs of the market.
Resource Efficiency	The transition has led to increased innovation and availability of energy efficient products and facilities for use in our buildings, such as energy efficient lighting and HVAC systems.	Over the long-term operational costs may reduce due to energy cost savings as a result of the use of more energy efficient systems.	Explore the feasibility and impact of energy saving opportunities raised in our Energy Savings and Opportunities Scheme ("ESOS") report and implement those with the most significant cost/benefit ratios. Consider resource efficient options when replacing or upgrading building assets.
Markets	The transition presents investment opportunities and growth opportunities as companies enter new markets for sustainable products/services and generate additional revenue streams.	Potential for higher investment performance for clients in the long term through investment in new technologies and growing markets. Higher investment performance for clients would drive increased revenues to Quilter.	Continue to invest in assets that financially benefit from the transition to a low carbon, climate resilient economy. Continue to engage with the companies and funds we invest in to monitor how they intend to capitalise on climate-related opportunities.

Corporate sustainability *continued*

Quilter's operational emissions target

We consider emerging climate-related regulatory requirements in all of the jurisdictions in which we operate. Our operations and business activities are focused primarily in the UK, where the Government has set a legally binding target to achieve net zero emissions by 2050. We regularly review proposals to change climate-related requirements, or introduce new ones, to ensure that we remain compliant, and we set appropriate targets.

Having considered the UK legal requirement to be a net zero business by 2050, we have set an interim operational emissions target to reduce our Scope 1 and Scope 2 (location-based) emissions by 80% from a 2020 baseline by 2030.

In setting our location-based target, we considered the UK Government's ambition to decarbonise the UK Power Grid and have therefore factored this into our calculations. Should the Government not achieve this, our ability to meet our location-based target may be impacted. We will continue to review this target on an annual basis and, as part of our 2025 Climate Transition Plan, we will consider setting additional targets aligned to the Paris Agreement where appropriate.

Progress against our target

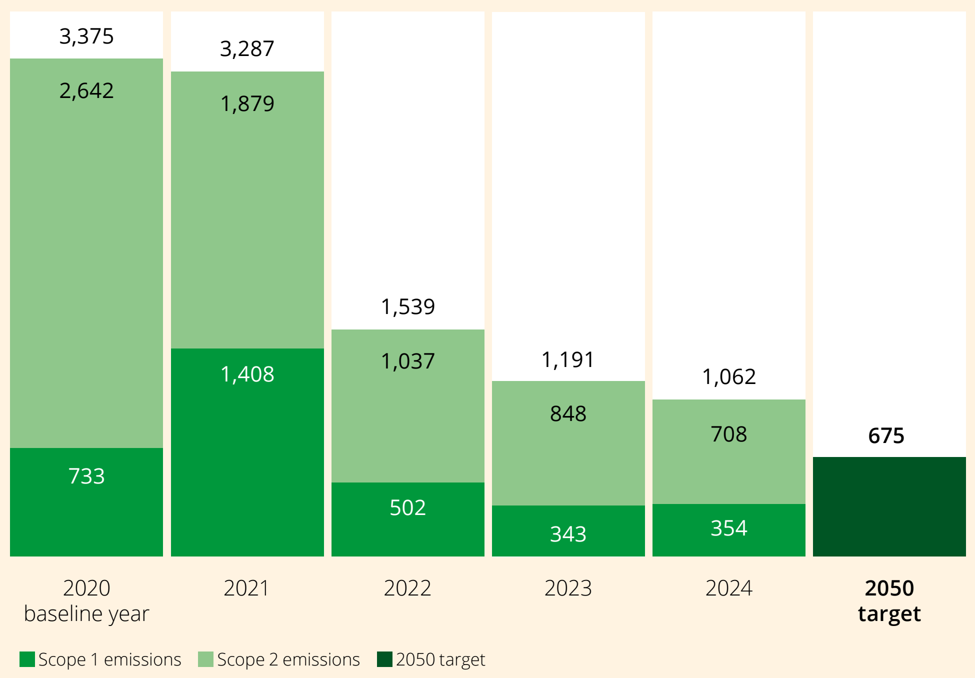
Since 2020, we have achieved a significant decrease in our operational emissions. Our 2024 Scope 1 and 2 emissions were 69% lower than the 2020 baseline, demonstrating good progress towards our 80% reduction target by 2030. The primary driver of this was the delivery of our Workplace Strategy which considers our office footprint in relation to changing workspace demands.

Going forwards, we anticipate a continuation of incremental reductions each year as we implement energy saving opportunities across our offices and source renewable energy contracts where we control the office energy procurement. Details of the energy saving opportunities we are currently pursuing and considering are outlined on page 29.

We consider our Scope 1 and Scope 2 emissions as a combined total to be a more representative Key Performance Indicator ("KPI") than Scope 1 or Scope 2 alone. This is because the vast majority of our Scope 1 emissions result from our natural gas consumption and Scope 2 comprises purchased heat and electricity, which means any significant reductions in Scope 1, by moving away from gas heating, would likely be offset by a slight increase in our Scope 2 emissions. Therefore, to properly assess our performance in reducing our direct energy consumption emissions, Scope 1 and Scope 2 emissions should be considered together.

We have seen an increase in our total Scope 3 emissions, largely due to our increased spend on purchased goods and services and an increase in the amount of estimated proxy data we have had to use in our calculations. As part of our Climate Transition Plan, that we will be developing in 2025, we will be engaging with our suppliers and exploring the use of KPIs and targets with the aim of reducing our Scope 3 emissions.

Our Scope 1 and 2 emissions (measured in tCO_2e)



Quilter's operational greenhouse gas emissions

Our operational greenhouse gas emissions (tCO_2e) and energy consumption data (kWh)

Greenhouse gas emissions as at 31 December		2024	2023	Baseline
Scope 1 emissions	UK	384	338	–
	Offshore	7	5	–
	Global total[1]	**354**	**343**	**733**
Scope 2 emissions (location-based)	UK	662	788	–
	Offshore	46	60	–
	Global total[1]	**708**	**848**	**2,642**
Scope 2 emissions (market-based)	UK	558	783	–
	Offshore	72	84	–
	Global total[1]	**629**	**867**	**1,995**
Total Scope 1 & 2 emissions (location-based)	UK	1,010	1,126	–
	Offshore	52	65	–
	Global total[1]	**1,062**	**1,191**	**3,375**
Scope 3 emissions (excluding investments)	UK	28,358	24,742	–
	Offshore	18	23	–
	Global total[1]	**28,376**	**24,765**	**79,679**
Total operational emissions	UK	29,368	25,868	–
	Offshore	70	88	–
	Global total[1]	**29,438**	**25,956**	**83,054**
Operational Carbon intensity				
tCO_2e per Full Time Equivalent (FTE)	UK	10.1	8.9	–
	Offshore	1.0	1.4	–
	Global total	9.9	8.7	–
Energy consumption				
Energy consumed (kWh)	UK	6,950,491	7,542,659	–
	Offshore	238,297	236,961	–
	Global total	7,188,788	7,779,621	–

[1] UK and offshore figures may not sum to the global total due to rounding.

Restatements

In 2024 we carried out an in-depth review of our policies and processes for calculating our operational emissions. We refined and enhanced the methodologies we use to ensure we are delivering complete, consistent, and comparable emissions reporting in accordance with the GHG Protocol. As a result, we have materially restated the majority of our previous year's emissions, including our baseline year, to ensure comparable reporting. The majority of the changes have arisen from one of the following:

- Improved reliability and accuracy of raw data sources.
- Application of consistent estimation methodologies.
- Implementation of data quality controls and hierarchies.

Breakdown of our operational Scope 3 Emissions (excluding investments)

Greenhouse gas emissions as at 31 December	2024	2023	Baseline
1. Purchased Goods and Services	24,516	20,808	75,878
3. Fuel and energy related emissions	275	320	809
5. Waste	4	6	10
6. Business travel	1,570	1,516	330
7. Employee commuting (including working from home)	1,877	1,882	2,357
8. Upstream Leased Assets	134	234	297

As a service-based business Scope 3 Categories 9-14 (downstream value chain emissions) do not apply to Quilter. The majority of our Scope 3 emissions are as a result of the goods and services we procure as a business. In 2025, we will begin our supplier engagement programme, with a view to understanding the emissions and climate risks posed by our suppliers.

Please see our Group TCFD Report available at **plc.quilter.com/tcfd** for a breakdown of our Category 15 (financed emissions) across our Affluent and High Net Worth business segments.

Our reporting boundary

Quilter plc reports emissions on a consolidated group basis, incorporating all subsidiaries, and has set reporting boundaries based on financial control. This includes all offices occupied by Quilter or any of its subsidiaries for the period in which we are financially responsible, Quilter and subsidiary employees for the period covered by their employment contract, Quilter owned and leased assets where we are contractually or financially responsible for maintaining the asset, and colleague business travel for which Quilter is financially responsible. Office space subleased to other parties and advisers that operate as appointed representatives of Quilter but are not part of the Quilter plc Group are outside of our reporting boundary.

Methodology

Our emissions data is calculated in accordance with the GHG Protocol guidance. We aim to source as much actual data as possible, however, where data is not available, we have estimation methodologies in place to ensure complete and consistent reporting. For more information on how we calculate our operational emissions see our emissions methodology document appended to our Group TCFD Report.

The baseline year for our Scope 1 & 2 emissions is 2020 and our Scope 3 baseline year is 2021, as this is when we began capturing Scope 3 emissions data.

Energy savings and decarbonisation across our offices

Workplace projects and change strategy

Climate impact has been a key consideration of our workplace strategy and change projects in recent years and can be seen both in the rationalisation of space (reducing overall usage) along with improving efficiency within offices.

In 2024:

- The Glasgow office refurbishment, completed in Q3, involved a full modernisation of the mechanical heating, ventilation and air-condition ("HVAC") and electrical systems (including LED lighting) in the office, providing an improved energy profile, as well as an improved working environment.
- We have commenced the refurbishment of three floors in our Southampton office and the fit out of a new office in Birmingham (consolidating two offices into one). These projects are progressing in line with the SKA Gold accreditation criteria. The SKA rating is an accreditation scheme established to help businesses prioritise sustainability in a quantifiable way.
- We have incorporated climate and emissions considerations in our Facilities and Programme Management Standard which governs all office upgrade and refurbishment works, furniture procurement, and planned maintenance. The following requirements have been written into the Standard:
  - All major works will be aligned to relevant and appropriate Environmental Assessments, for example, SKA Gold.
  - For office closures all furniture removed from the site should be re-utilised or recycled.
  - Where furniture is replaced, old furniture should be recycled or donated where possible.
  - All new furniture must comply with the appropriate ESG certification standard.

Looking forward:

- Our current Workplace Strategy, focused on optimising our workspaces in line with colleagues' needs, will conclude in 2025. We have capitalised on climate opportunities by rightsizing our office space which has led to a significant reduction in our carbon emissions and cost saving.
- Our 2025 workspace and real estate strategy will build on the momentum achieved in 2024 and we will continue to embed sustainability into these key activities.
- We are working closely with our IT Infrastructure and Operations colleagues to explore the possibility of incorporating sustainability considerations into our IT Procurement Standard. As part of the refurbishment works at our Southampton office, we have introduced single large monitors on desks to remove the need for a separate docking station, thus reducing energy consumption and we are currently exploring options to reduce on premise computer power in data centres and shift to better utilise cloud computing.

Energy Savings and Opportunities Scheme

In 2024, we engaged with a third party to conduct energy audits at our Southampton and Newcastle upon Tyne offices as part of the Government's Energy Savings and Opportunities Scheme ("ESOS"), Through our ESOS report we have identified a series of opportunities to increase energy efficiencies across these offices. Our Southampton office is the largest in our estate and the office in which we have the most control with regards to building refurbishments and upgrades. The opportunities we are considering at our Southampton office, and the projected energy savings, are in the table outlined below:

Opportunities at Quilter House	Our progress	Projected annual energy saving[1]
Replace the existing gas boilers used to heat our Southampton office with more energy efficient gas boilers or air source heat pumps to reduce our gas consumption and related carbon emissions	As we have recently refurbished the existing boilers, we are considering this as a long-term future opportunity that we will look to capitalise on when our current boilers reach end of their useful life.	246,000 – 356,000 kWh
Upgrade the Building Management System which controls the heating, ventilation, and air-conditioning	This is an ongoing project as part of the refurbishment works taking place at our Southampton office.	182,000 kWh
Replace the existing lighting with LED lighting on the remaining floor that has not yet been refurbished	This is also currently underway as part of the refurbishment works at our Southampton office.	18,000 kWh
Install variable speed drives on our heating, ventilation, air-conditioning, and heat pumps that control the flow of energy to the source and improve energy efficiency	We are currently exploring the feasibility with our facilities management partner, and we will decide whether to take this forward in 2025.	8,600 kWh
Install solar photovoltaic devices to act as a source of renewable energy produced directly by Quilter and reduce the energy we consume from the local grid	We are currently exploring the feasibility with our facilities management partner, and we will decide whether to take this forward in 2025.	16,000 kWh
Initiate a colleague awareness campaign to encourage colleagues to reduce energy consumption and form sustainable habits	This is an ongoing project that we intend to further develop as part of our climate transition planning in 2025.	63,000 kWh

[1] The projected annual energy savings are estimates calculated by our third-party ESOS Auditor and have not been verified by Quilter.

Being a responsible business

Our policies

Customer policies

Our Product Governance Policy sets minimum standards for manufacturing and distributing financial products to meet customer needs, ensuring compliance with regulatory frameworks, including the Markets in Financial Instruments Directive, the underlying regulation on markets in financial instruments, and the Insurance Distribution Directive. It includes an annual attestation process managed by the Risk Function. The policy mandates fair and appropriate charging structures for target market and requires marketing materials to help customers make informed financial decisions. All communications must consider our customers' information needs and comply with applicable regulations, including the FCA's Consumer Duty requirements.

Working with suppliers

Our Third-Party Risk Management Policy outlines the requirements for procurement, outsourcing and supplier management. Our Supplier Code of Conduct applies to all suppliers and their sub-contractors, setting out minimum standards we expect our suppliers to adhere to when doing business with Quilter.

These standards cover areas such as legal and compliance, ethical behaviour, conflicts of interest, anti-bribery and corruption, brands, intellectual property, data protection, labour standards, living wage, discrimination, health and safety, and environmental management. We also expect our suppliers to promote these standards in their own supply chain where practical.

Data privacy and IT security

The collection and use of customers' and advisers' personal data is governed by our Privacy Policy and supporting standards and overseen by a Group Data Protection Officer ("GDPO") with the support of formal committees.

The Board oversees Quilter's technology strategy, including our approach to information and data security. At an executive management level, the Group Chief Operating Officer is responsible for the Technology strategy and is supported by the Group Chief Information Officer and their team, with input also from the GDPO and Data Guardians embedded in our businesses.

All colleagues are required to complete mandatory training on data privacy and IT security.

Tax

We are committed to full compliance with our tax obligations, paying the right amount of tax at the right time. We have zero tolerance for tax evasion and we do not promote tax avoidance or aggressive tax planning arrangements to our customers or to other parties. Our Tax Risk Policy sets out high-level requirements to ensure that tax calculations and filings comply with all applicable tax law and are prepared on a timely basis.

Financial crime, anti-bribery and corruption

As a financial services company, we recognise the potential risk of being a target for financial crime, including money laundering, terrorist financing, tax evasion and fraud. We also acknowledge the potential risk of bribery and corruption which could result in financial loss, regulatory fines and/or censure and damage to reputation.

We have zero tolerance for financial crime, bribery or corruption and have a framework in place including the following policies:

1) Anti-money Laundering and Counter Terrorist Financing Policy;
2) Anti-bribery and Corruption Policy;
3) Fraud Prevention Policy; and
4) Sanctions Policy.

Policies are reviewed annually to ensure that they remain current and compliant with relevant legislation.

All colleagues are required to complete mandatory training on these topics to ensure that they understand their role in preventing financial crime, fraud, tax evasion and bribery and corruption, as well as reporting suspicious activity.

Our Anti-bribery and Corruption Policy sets out an appropriate definition of bribery, in accordance with the UK's Bribery Act 2010. Quilter conducts its business fairly and lawfully and will not tolerate:

- The giving or receiving of improper monetary or other inducements in commercial relations;
- Any other inappropriate practice which might be perceived to influence improperly a person's conduct in their professional or public duty.

We provide guidance to colleagues on how they should manage gifts and entertainment, including how this should be recorded. Our Risk Function performs routine compliance monitoring on adherence with the policy.

Quilter have a central financial crime function led by the Money Laundering Reporting Officer. Reporting of any irregularities is overseen and managed through the Financial Crime function. The arrangement ensures accountability and effective oversight of financial crime risk on an ongoing basis. A Financial Crime Investigations team conduct investigations into any material financial crime incidents.

Non-financial and sustainability information statement

The responsible investment and corporate sustainability sections from pages 21 to 30 constitutes Quilter's non-financial and sustainability information statement which complies with sections 414CA and 414CB of the Companies Act 2006.

The table below sets out where to find more information on specific matters relevant to these requirements within this section and elsewhere in our Annual Report. The information listed is incorporated by cross-reference as follows:

Reporting requirement

	Page number(s)
Anti-bribery and corruption	30
Business model	8
Climate-related financial disclosures (covering s414CB(2A)(a)-(h))	22 to 29
Colleagues	13 and 16 to 20
Environmental matters	21 to 29
Human rights	20
Non-financial KPIs	11
Principal Risks	39 to 40
Social matters	14

Financial review

Mark Satchel
Chief Financial Officer

Review of financial performance

Overview

The Group delivered strong growth in 2024, with record adjusted profit before tax of £196 million, an increase of 17% on the prior year (2023: £167 million). This was driven by higher average AuMA supported by strong net inflows and positive markets, together with higher interest rates benefitting investment returns on shareholder cash, and continued delivery of our Simplification programme. The Group's reported closing AuMA was £119.4 billion, a 12% increase on the opening position (2023: £106.7 billion).

In the core business, net inflows of £5.2 billion increased by 525% (2023: £0.8 billion) in 2024. This reflected an improvement in the macro environment and investor sentiment, as well as the effectiveness of building out our distribution capabilities and enhancing our proposition.

Gross flows of £16.0 billion (2023: £11.1 billion), reflects continued strong flows in the Quilter channel and a significant increase in IFA channel flows onto the Platform, due to increased new business levels and improved market share from IFA firms. Productivity, representing Quilter channel gross sales per Quilter Adviser, increased by 14% to £3.2 million (2023: £2.8 million).

Alternative performance measures ("APMs")

We assess our financial performance using a variety of measures including APMs, as explained further on pages 186 to 187. In the headings and tables presented, these measures are indicated with an asterisk: *.

Key financial highlights

Quilter highlights	2024	2023
Assets and flows – core business		
AuMA* (£bn)	**116.3**	103.4
Gross flows* (£bn)	**16.0**	11.1
Net inflows* (£bn)	**5.2**	0.8
Net inflows/opening AuMA*	**5%**	1%
Productivity: Quilter channel gross sales per Quilter Adviser* (£m)[1]	**3.2**	2.8
Asset retention*	**90%**	89%
Assets and flows – reported		
AuMA* (£bn)	**119.4**	106.7
Gross flows* (£bn)	**16.0**	11.2
Net inflows* (£bn)	**4.8**	0.1
Net inflows/opening AuMA*	**4%**	0%
Profit and loss		
IFRS (loss)/profit before tax attributable to shareholder returns (£m)	**(60)**	12
IFRS (loss)/profit after tax (£m)	**(34)**	42
Adjusted profit before tax* (£m)	**196**	167
Operating margin*	**29%**	27%
Revenue margin* (bps)	**44**	47
Return on equity*	**10.0%**	8.5%
Adjusted diluted earnings per share* (pence)	**10.6**	9.4
Recommended total dividend per share (pence)	**5.9**	5.2
Basic earnings per share (pence)	**(2.5)**	3.1
Non-financial		
Total Restricted Financial Planners ("RFPs") in both segments[2]	**1,440**	1,489
Discretionary Investment Managers in High Net Worth segment[2]	**176**	174

[1] Quilter channel gross sales per Quilter Adviser is a measure of the value created by our Quilter distribution channel.
[2] Closing headcount as at 31 December.

Financial review *continued*

In the **Affluent** segment, we experienced strong contributions from both the Quilter and IFA channels:

- Quilter channel: Gross flows of £4.1 billion were 14% higher than the prior year (2023: £3.6 billion), whilst net inflows of £2.3 billion were 43% ahead (2023: £1.6 billion). As part of our continued strategic objective of aligning our Advice business, back book transfers of c.£800 million of assets under advice by Quilter Financial Planning were transferred onto our Platform from external platforms. Net inflows as a percentage of opening AuMA for the Quilter channel were 13% (2023: 10%).

- IFA channel: Gross flows of £8.8 billion onto the Quilter Platform increased by 68% (2023: £5.3 billion), demonstrating our continued strategic initiatives in building out our distribution and improving our market share of new business. The Platform continues to maintain the leading share of gross flows against our retail advised platform peers, based on the latest Fundscape data (Q4 2024). Net inflows were £3.0 billion (2023: £0.2 billion net outflow) representing a significant improvement on the prior year, as we continued to win flows from competitor platforms. Net inflows as a percentage of opening AuMA for the IFA channel onto the Platform were 5% (2023: nil).

- Funds via third-party platforms reported net outflows of £400 million, compared to £316 million in the previous year.

Asset retention of 89% for the Affluent segment remains stable compared to the prior year (2023: 89%).

Within the **High Net Worth** segment, gross flows of £3.1 billion were 42% higher than the prior year (2023: £2.2 billion), whilst net inflows of £0.6 billion were also up (2023: £0.1 billion net outflow). Whilst both the Quilter channel, and the IFA and direct channel, recorded net inflows for the year, the latter experienced a loss of a large value low margin account during the first half of the year. Asset retention of 91% for the High Net Worth segment remained in line with the previous year (2023: 91%).

The Group's core business AuMA of £116.3 billion is 12% ahead of the opening position (2023: £103.4 billion) reflecting positive market movements of £7.7 billion and net inflows of £5.2 billion. The Affluent segment AuMA increased by 14% to £88.5 billion (2023: £77.5 billion) of which £29.5 billion is managed by Quilter, versus the opening position of £25.5 billion. The High Net Worth segment AuM was £29.5 billion, up 9% from the opening position of £27.0 billion, with all assets managed by Quilter.

In total, £58.5 billion, representing 50% of core business AuMA, is managed by Quilter across the Group (2023: £52.2 billion, 50%).

The Group's revenue margin of 44 bps was 3 bps lower than the prior year (2023: 47 bps).

In the Affluent segment, the administered revenue margin was 25 bps, 2 bps lower than the prior year (2023: 27 bps). This is primarily the result of reduced Platform administration fees charged to clients in the second half of 2023 and all of 2024 following the Platform repricing undertaken during 2023, and the impact from our tiered pricing structure. The managed revenue margin decreased by 5 bps to 36 bps (2023: 41 bps) following the reprice of the Cirilium Active range in 2023 and the introduction of AuM scale discounts. Within our Managed Solutions, as previously guided, the proportion of total client assets invested in the Cirilium Active range, our highest revenue bps contributor, remained in net outflow during the year. Within our MPS range, WealthSelect remains one of the largest MPS offerings in the industry and continues to grow with AuMA of £18.4 billion at the end of 2024 (2023: £13.7 billion), reflecting the shift towards managed portfolios on platforms.

The revenue margin in the High Net Worth segment decreased by 1 bp to 70 bps (2023: 71 bps).

Adjusted profit before tax increased by 17% to £196 million (2023: £167 million). Net management fees of £502 million increased 5% (2023: £477 million) primarily due to an increase in reported average AuMA year-on-year of 11% to £113.2 billion (2023: £102.1 billion) partially offset by the planned reductions in net management fee margins that were implemented during 2023 and asset mix shifts.

Interest revenue generated from client funds included within net management fees were £31 million (2023: £23 million) reflecting the increased interest rates year-on-year and the changes made to the Platform charging structures in 2023. Other revenue of £97 million, which mainly comprises our share of income from providing advice, was up 13% on prior year (2023: £86 million) reflecting higher average levels of assets under advice. Investment revenue, predominantly interest income generated on shareholder cash and capital resources, of £71 million increased by £9 million (2023: £62 million) due to higher average interest rates in 2024 compared to the prior year.

Operating expenses of £474 million increased by 3% on the prior year (2023: £458 million) as a result of inflationary increases and planned business investment, partially offset by Simplification cost savings. The Group operating margin improved by 2 percentage points to 29% (2023: 27%).

The Group's IFRS loss after tax was £34 million compared to a £42 million IFRS profit after tax for 2023. This reflects the variances in policyholder tax outcomes due to market gains in the year, the customer remediation exercise provision and the cost of the Skilled Person Review. This is partially offset by an improvement in the adjusted profit result.

Adjusted diluted earnings per share increased 13% to 10.6 pence (2023: 9.4 pence).

Financial review *continued*

Total net revenue*

Total net revenue 2024 (£m)	Affluent	High Net Worth	Head Office	Quilter plc
Net management fee*[1]	**304**	**198**	**–**	**502**
Other revenue*	**84**	**21**	**(8)**	**97**
Investment revenue*	**36**	**7**	**28**	**71**
Total net revenue*	**424**	**226**	**20**	**670**

Total net revenue 2023 (£m)	Affluent	High Net Worth	Head Office	Quilter plc
Net management fee*[1]	292	185	–	477
Other revenue*	70	20	(4)	86
Investment revenue*	31	6	25	62
Total net revenue*	393	211	21	625

[1] Net management fee includes the interest earned on client holdings in Quilter Cheviot and Quilter Investment Platform.

Total net revenue for the Affluent segment was £424 million, an increase of 8% from the prior year (2023: £393 million). Net management fees were £304 million, £12 million ahead of the prior year (2023: £292 million). Within net management fees, £19 million (2023: £10 million) relates to interest sharing arrangements on cash balances held on the Platform. This was offset by changes to the mix of assets and planned changes to the margins generated in 2023, predominantly the Cirilium Active reprice and the new Platform pricing policy.

Other revenue within the Affluent segment, mainly consisting of our share of income from providing advice within Quilter Financial Planning, was £84 million, 20% more than the prior year (2023: £70 million). This includes higher recurring charges from higher average levels of assets under advice. Investment revenue of £36 million (2023: £31 million) represents interest earned on shareholder capital held to meet the regulatory capital requirements of the business.

Total net revenue of £226 million in the High Net Worth segment was 7% higher in the year (2023: £211 million). Net management fees were £13 million ahead of the prior year at £198 million (2023: £185 million) largely due to higher average AuM, partially offset by changes to fee structures introduced in 2023. Net management fees include interest margin earned on client cash balances of £12 million (2023: £13 million). Investment revenue, representing revenue earned on regulatory capital to support the business, of £7 million was £1 million higher (2023: £6 million) due to higher average interest rates. Other revenue of £21 million, predominantly reflecting revenue generated in Quilter Cheviot Financial Planning, was marginally higher than the prior year (2023: £20 million).

Operating expenses*

Operating expenses increased by 3% to £474 million (2023: £458 million). This increase reflects our planned investment in the business and inflationary increases, whilst focusing on our continued sustainable cost savings through Simplification activities.

Operating expenses (£m)	2024 Operating expenses	2024 As a percentage of revenues	2023 Operating expenses	2023 As a percentage of revenues
Support staff costs	**110**		115	
Operations	**20**		21	
Technology	**31**		32	
Property	**28**		30	
Other base costs[1]	**33**		29	
Sub-total base costs	**222**	**33%**	227	36%
Revenue-generating staff base costs	**101**	**15%**	96	15%
Variable staff compensation	**82**	**12%**	74	12%
Other variable costs[2]	**51**	**8%**	45	7%
Sub-total variable costs	**234**	**35%**	215	34%
Regulatory/Insurance costs	**18**	**3%**	16	3%
Operating expenses*	**474**	**71%**	458	73%

[1] Other base costs includes depreciation and amortisation, audit fees, shareholder costs, listed Group costs and governance.
[2] Other variable costs includes FNZ costs, development spend and corporate functions variable costs.

We announced at our 2023 half-year results, a further £50 million of annualised run rate savings from Phase Two of the Simplification programme with this anticipated to be delivered on a run-rate basis by the end of 2025. At 31 December 2024, the programme had delivered £35 million of these savings, on a run-rate basis, largely through the continued rationalisation of the Group's technology and property estate, IT and operations efficiencies from our investment in Advice technology, and a reduction in support costs as we continue to simplify our governance and internal administration processes. These benefits were partially offset by the impact of inflation on our cost base during the year. As a result, base costs as a percentage of revenues reduced 3 percentage points to 33% (2023: 36%).

Revenue-generating staff base costs increased by 5% to £101 million (2023: £96 million) and remains at a similar proportion of revenues as we continue to invest in our people and proposition across our business segments to drive growth.

Variable staff compensation of £82 million (2023: £74 million) increased by 11%, driven by an increased share price impacting the cost of deferred awards, National Insurance changes and improved business performance. Other variable costs of £51 million (2023: £45 million) were above that of the previous year, mainly driven by the increase in the average AuMA experienced over the year and increased business investment including M&A activity.

Regulatory and insurance costs increased by 13% to £18 million (2023: £16 million) reflecting increased Regulatory fees.

Financial review *continued*

Taxation

The effective tax rate ("ETR") on adjusted profit before tax was 24% (2023: 23%). The Group's ETR is broadly in line with the UK headline corporation tax rate of 25%. The Group's ETR is dependent on a number of factors, including tax rates on profits in jurisdictions outside the UK and the value of non-deductible expenses or non-taxable income.

The Group's IFRS income tax expense was a charge of £69 million for the year ended 31 December 2024, compared to a charge of £46 million for the prior year. The income tax expense or credit can vary significantly year-on-year as a result of market volatility and the impact that this has on policyholder tax. The recognition of the income received from policyholders to fund the policyholder tax liability (which is included within the Group's income) has historically been volatile due to timing differences between the recognition of policy deductions and credits and the corresponding policyholder tax expense, resulting in the need for significant adjustments to the adjusted profit to remove these distortions. The Group has made changes to its unit pricing policy during 2024 relating to policyholder tax charges which will reduce future volatility in these timing differences. These changes are expected to reduce the value of adjustments made to future periods adjusted profit, set out in note 7(b)(vii) in the consolidated financial statements.

Reconciliation of adjusted profit before tax* to IFRS result

Adjusted profit before tax represents the Group's IFRS result, adjusted for specific items that management considers to be outside of the Group's normal operations or one-off in nature, as detailed in note 7(a) in the consolidated financial statements. The exclusion of certain adjusting items may result in adjusted profit before tax being materially higher or lower than the IFRS profit or loss after tax.

Adjusted profit before tax does not provide a complete picture of the Group's financial performance, which is disclosed in the IFRS consolidated statement of comprehensive income but is instead intended to provide additional comparability and understanding of the financial results.

Reconciliation of adjusted profit before tax to IFRS (loss)/profit after tax (£m)	2024	2023
Affluent	148	124
High Net Worth	48	41
Head Office	–	2
Adjusted profit before tax*	**196**	167
Adjusting items:		
Impact of acquisition and disposal-related accounting	(40)	(39)
Business transformation costs	(26)	(28)
Skilled Person Review	(10)	–
Customer remediation exercise	(76)	–
Other customer remediation	3	(6)
Exchange rate movement (ZAR/GBP)	1	(2)
Policyholder tax adjustments	(90)	(62)
Other adjusting items	–	1
Finance costs	(18)	(19)
Total adjusting items before tax	**(256)**	(155)
(Loss)/profit before tax attributable to shareholder returns	**(60)**	12
Tax attributable to policyholder returns	95	76
Income tax expense	(69)	(46)
IFRS (loss)/profit after tax	**(34)**	42

The impact of acquisition and disposal-related accounting costs of £40 million (2023: £39 million) includes amortisation of acquired intangible assets and acquired adviser schemes.

Business transformation costs of £26 million were incurred in 2024 (2023: £28 million). During 2024, the Group spent £24 million on delivering Simplification initiatives (2023: £25 million). The implementation costs to deliver the remaining £15 million of annualised run-rate savings for the programme are estimated to be £40 million. Investment in business costs of £2 million (2023: £1 million) were incurred as the Group continues to enable and support advisers and clients and improve productivity through better use of technology.

Skilled Person Review costs of £10 million (2023: £nil) include the estimated external cost and direct cost of internal resources to support and perform the Skilled Person Review of historical data and practices across the Quilter Financial Planning network of Appointed Representative firms. This cost is excluded from adjusted profit as management considers it to be outside of the Group's normal operations and one-off in nature.

Customer remediation exercise costs of £76 million (2023: £nil) include the estimated redress payable to customers, comprising a refund of ongoing advice charges and interest payable for customers impacted, and administrative costs, which represents the costs to perform a potential customer remediation exercise across the Quilter Financial Planning network of Appointed Representative firms (see note 30 of the consolidated financial statements). This cost is excluded from adjusted profit as management considers it to be outside of the Group's normal operations and one-off in nature.

Financial review *continued*

For 2023, the other customer remediation expense of £6 million reflected £4 million of legal, consulting and other costs and a £2 million provision increase related to non-British Steel Pension Scheme redress payments. This was the result of the Group-managed past business review of defined benefit to defined contribution ("DB to DC") pension transfer advice suitability by an independent expert. For 2024, the provision for redress decreased by £3 million as a result of the redress calculations performed for customers being lower than forecast in 2023 due to the changes in assumptions used to perform the calculations and market movements of the pension scheme values during 2024. Further details of the provision are provided in note 30 in the consolidated financial statements.

In 2024, income of £1 million was recognised (2023: £2 million expense) due to foreign exchange movements on cash held in South African Rand in preparation for payments of dividends to shareholders. Cash was converted to South African Rand upon announcement of the dividend payments to provide an economic hedge for the Group. The foreign exchange movements are fully offset by an equal amount taken directly to retained earnings.

Policyholder tax adjustments to adjusted profit were a credit of £90 million for 2024 (2023: £62 million credit). Adjustments to policyholder tax are made to remove distortions arising from market volatility that can, in turn, lead to volatility in the policyholder tax adjustments between years. The recognition of the income received from policyholders to fund the policyholder tax liability (which is included within the Group's income) can vary in timing to the recognition of the corresponding tax expense, creating volatility in the Group's IFRS profit or loss before tax. During 2024, the Group made changes to its unit pricing policy relating to policyholder tax charges which will reduce the value of these timing differences in future years. These changes, together with current year market movements, have resulted in the unwind of most of the opening timing difference.

Review of financial position

Capital and liquidity

Solvency II

The Group's solvency surplus is £851 million at 31 December 2024 (31 December 2023: £972 million), representing a solvency ratio of 219% (31 December 2023: 271%). The solvency information for the year to 31 December 2024 has been prepared based on the PRA rules and policy material that replaced Solvency II assimilated law on 31 December 2024 ("UK Solvency II"). Comparative figures for regulatory capital for 2023 are presented on a Solvency II basis. The solvency information for the year to 31 December 2024 contained in this results disclosure has not been audited.

The Group's solvency capital position is stated after allowing for the impact of the foreseeable dividend payment of £57 million (31 December 2023: £50 million).

Group Solvency II capital (£m)	At 31 December 2024[1]	At 31 December 2023[2]
Own funds	**1,566**	1,540
Solvency capital requirement ("SCR")	**715**	568
Solvency II surplus	**851**	972
Solvency II coverage ratio	**219%**	271%

[1] Filing of annual regulatory reporting forms due by 27 May 2025.
[2] As reported in the Group Solvency and Financial Condition Report for the year ended 31 December 2023.

The Group solvency surplus decreased by £121 million from the 31 December 2023 position primarily due to the customer remediation exercise provision and costs relating to acquisitions, business transformation and financing, partly offset by the net profit recognised in the year.

The Group's own funds include the Quilter plc issued subordinated debt security which qualifies as capital under the UK Solvency II rules. The composition of own funds by tier is presented in the table below.

Group own funds (£m)	At 31 December 2024	At 31 December 2023
Tier 1[1]	**1,366**	1,336
Tier 2[2]	**200**	204
Total Group Solvency II own funds	**1,566**	1,540

[1] All Tier 1 capital is unrestricted for tiering purposes.
[2] Comprises a UK Solvency II compliant subordinated debt security in the form of a Tier 2 bond, which was issued at £200 million in January 2023.

The Group SCR is covered by Tier 1 capital, which represents 191% of the Group SCR of £715 million. Tier 2 capital represents 23% of the Group solvency surplus.

Final Dividend

The Quilter Board recommended a Final Dividend of 4.2 pence per share at a total cost of £57 million. Subject to shareholder approval at the 2025 Annual General Meeting, the recommended Final Dividend will be paid on Tuesday 27 May 2025 to shareholders on the UK and South African share registers on Friday 11 April 2025 (the "Record Date"). For shareholders on our South African share register, a Final Dividend of 99.18040 South African cents per share will be paid, using an exchange rate of 23.61438.

Financial review *continued*

Holding company cash

The holding company cash statement includes cash flows generated by the three main holding companies within the business: Quilter plc, Quilter Holdings Limited and Quilter UK Holding Limited. The flows associated with these companies will differ markedly from those disclosed in the statutory statement of cash flows, which comprises flows from the entire Quilter plc Group including policyholder movements.

Holding company cash (£m)	2024	2023
Opening cash at holding companies at 1 January	**349**	392
Share repurchase and Odd-lot Offer	–	(14)
Single Strategy business sale – price adjustment provision	–	(4)
Debt issuance costs	–	(2)
Dividends paid	(73)	(65)
Net capital movements	**(73)**	(85)
Head Office costs and Business transformation funding	(34)	(43)
Net interest received	18	13
Finance costs	(17)	(18)
Net operational movements	**(33)**	(48)
Cash remittances from subsidiaries	325	176
Capital contributions, loan repayments and investments	(102)	(86)
Other net movements	(4)	–
Internal capital and strategic investments	**219**	90
Closing cash at holding companies at the end of the year	**462**	349

Net capital movements

Net capital movements in 2024, totalled an outflow of £73 million (2023: £85 million) relating to dividend payments to shareholders in the year.

Net operational movements

Net operational movements were an outflow of £33 million in 2024 (2023: £48 million). This includes £34 million (2023: £43 million) of corporate and business transformation costs, finance costs of £17 million (2023: £18 million) relating to coupon payments on the Tier 2 bond and non-utilisation fees for the revolving credit facility, and £18 million (2023: £13 million) of net interest income on money market funds, intragroup loans and cash holdings.

Internal capital and strategic investments

The net inflow of £219 million (2023: £90 million) is principally due to £325 million (2023: £176 million) of cash remittances from the trading businesses, which includes a remittance of £80 million as a result of a change in the Solvency II calculation methodology in 2023. This is partially offset by £102 million (2023: £86 million) of capital contributions to support business operational activities and further investment in the underlying business, including strategic acquisitions.

Mark Satchel
Chief Financial Officer

Risk review

Introduction

The external economic environment benefitted Quilter's business model in 2024, supporting growth in net flows. Nonetheless, continued geopolitical tensions and tax changes implemented in the UK budget, create uncertainty for the year ahead. Effective risk management remains key for generating value safely.

Quilter remains focused on its strategic priorities and in support of their safe delivery, the effective management of risk, in line with risk appetite.

Quilter's risk appetite statements, key indicators and thresholds were reviewed during 2024 with changes made to reflect the evolution of the business.

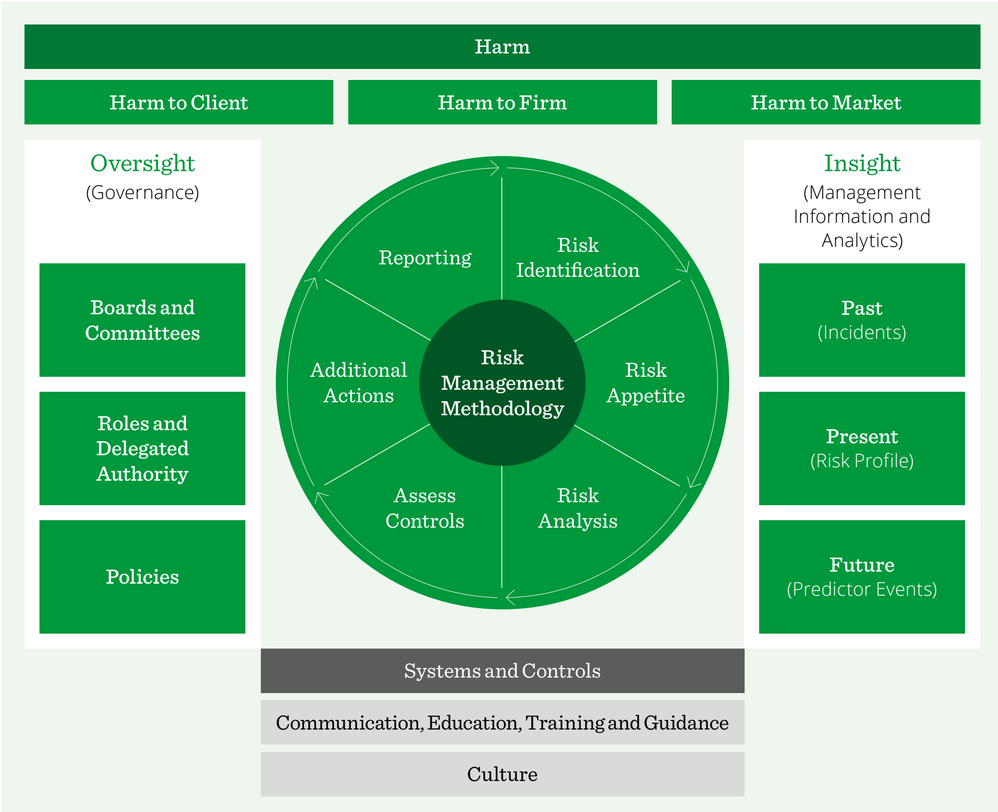
Quilter links risk management to performance and development, as well as to the Group's remuneration and reward schemes. An open and transparent working environment which encourages employees to embrace risk management and speak up where needed, is critical to the achievement of the Group's objectives.

The work performed in 2024 to embed our target culture, including the value to "do the right thing", supports good risk management behaviour across the business.

The delivery of ongoing advice services and the Skilled Person Review has also been an area of focus in 2024. You can read more about this work in the Chief Executive Officer's statement on pages 3 and 4.

Risk management framework

Quilter's Risk Management Framework is designed to provide a qualitative and quantitative approach to the understanding and management of risks. The framework supports the evaluation and management of business opportunities, uncertainties, and threats in a structured and disciplined manner.



Oversight

Quilter's governance structure is designed to facilitate risk-based discussions and decisions and to support the effective management of risks across the business. Senior Manager Function roles have defined responsibilities for risk management. Quilter's policies define the minimum required standards for the management of risks.

Insight

Quilter uses key risk indicators and risk data to understand trends in risk exposures and to identify risks which could move outside of appetite, to support timely management action. Stress and scenario testing is performed to assess potential plausible but severe events, in order to assess Quilter's resilience and to test contingency plans.

Risk management methodology

Risk identification

The Quilter plc Board have carried out a robust assessment of the principal and emerging risks facing Quilter, including those that would threaten its business model, future performance, solvency, and liquidity, as well as the risks that could lead to potential harm to customers. Risk identification is carried out throughout the business, through regular reviews, and when changes to operating model, or new products and services are introduced, or a significant internal or external event is experienced.

Risk appetite

Our risk appetite statements define the amount of risk that the Board is willing to take in pursuit of Quilter's strategic priorities. High level risk appetite statements are set against Quilter's Level 1 risks (see table on the right) and are supported by more granular appetite statements and measures linked to the Level 2 risks. Quilter's position against risk appetite is measured on a regular basis through the monitoring of key indicators and management information reported to the Board. The risk appetite statements, key indicators and thresholds were reviewed and refreshed by the Board during 2024. The Board expects management to maintain controls to ensure that risk exposures remain within appetite, or where indicators show Quilter is outside of risk appetite, to put in place actions to reduce risk exposure to acceptable levels.

Risk analysis

All material risks are assessed to consider their likelihood of occurrence and potential impact on Quilter's business. This includes the assessment and quantification of potential harms to customers, the firm or the market. This analysis informs Quilter's capital and liquidity requirements through the Internal Capital Adequacy and Risk Assessment ("ICARA") and Own Risk and Solvency Assessment ("ORSA"). We perform a range of stress tests and scenarios, covering a broad spectrum of potential events, including market stresses and operational risk events.

Assess controls

Effective controls are essential for either supporting prevention of risks or mitigating their effects once a risk has crystallised. We assess the effectiveness of our controls through Risk and Control Self Assessments which are facilitated by our risk management system and challenged by the second line.

Additional actions

Where there are differences between the residual level of risk (after controls) and our risk appetite and it is not possible to further mitigate the risk, we take appropriate action to either accept, transfer, or avoid the risk, or will reassess the risk appetite if appropriate. Remedial action tracking is facilitated and monitored through our risk management system and is regularly monitored and reported.

Reporting

Quilter's various management risk committees consider risk matters relevant to their business area and escalate as required to the Quilter Group Executive Risk Management Committee ("ERMC"), with escalation, as appropriate, to the Quilter plc Board Risk Committee and to the Quilter plc Board. The ERMC is the most senior executive committee responsible for reviewing and monitoring the risk profile of the Group. This includes coverage of all Level 1 and Level 2 risks and any other material risks, to which Quilter is exposed. The ERMC reviews and recommends the proposed risk appetite to the Board Risk Committee. The Board is responsible for approving the Enterprise Risk Management Framework, and for setting risk appetite. It receives regular information on the Group risk profile and has ultimate responsibility for risk appetite and capital plans.

Risk appetite statements

Business strategy and performance	We aim to ensure the business pursues sustainable and responsible growth and profitability in line with strategic priorities to enhance shareholder value.
Business operation	We aim to maintain an appropriately controlled and resilient operating environment, both internally and through our critical outsourced service providers, which is proportionate to the nature, scale and complexity of our business to ensure good customer outcomes.
Technology and security	We aim to manage the availability, integrity, functionality and security of our critical business processes, supporting systems and data, both internally and where managed by third parties. We acknowledge that moderately disruptive business or technology/security events will occur but aim to minimise their impact within pre-agreed thresholds designed to protect our customers.
Customer and product proposition	We aim to avoid foreseeable harm to clients, reputational issues and financial loss through ensuring that products and services are appropriately designed and maintained. We ensure that our advice proposition and the way that products and services are distributed is aligned to their target market, suitable to customer needs and deliver good customer outcomes.
Regulatory, tax and legal	We aim to maintain appropriate relationships with our regulators, comply with all relevant rules and legislation, and adopt a proportionate approach to the interpretation of rules and guidance that reflects the intent of the rules and protects against foreseeable harm to clients, the firm and the wider market.
People	We aim to attract and retain sufficient competent and diverse resource which is aligned to the business strategy. We aim to foster a positive and open culture where staff feel supported and able to speak up.

Principal risks and uncertainties

During 2024, the Quilter plc Board Risk Committee has overseen the organisation's risk profile, focusing on the Level 1 risk categories, which describe the principal areas of risk exposure for Quilter. The table below sets out Quilter's principal risks and uncertainties, including Executive Committee member ownership and key mitigants being implemented by management. The risk trend noted is the overall residual risk trend (after the application of risk controls) throughout 2024.

Risk trend key
- → Stable
- ↘ Decreasing
- ↗ Increasing

Business strategy and performance	Quilter's principal revenue streams are related to the value of assets under management and, as such, Quilter is exposed to the condition of global economic markets. Geopolitical risk remains elevated due to ongoing conflicts in Ukraine and the Middle East. These risks have the potential to impact the global economy through increases in inflation, impacting economic growth and equity markets. Throughout 2024, external economic conditions benefitted Quilter's business model, reflected in improved flows over the year. The changes implemented by the new Labour Government in the October 2024 Budget to taxation, spending, borrowing, and fiscal rules are being monitored for their effect on Quilter's forward strategy. Quilter has continued its transformation journey during 2024, through strategic initiatives relating to business efficiency, cost reduction and proposition enhancement. Quilter's focus is to maintain the pace of strategic delivery and agility in order to continue to provide a compelling proposition in a rapidly changing industry.	**Primary risk owner:** Chief Financial Officer	**Mitigation in 2024** – Continued successful cost reduction and maintenance of operating margin within target. – Continuation of Wealth and Advice transformation programmes. – Implementation of the Quilter Partners initiative and onboarding of initial partner firms. – Relaunch of the Financial Adviser Academy. **Planned and ongoing activity** – Activities to support adviser and Investment Manager retention. – Ongoing management and delivery of business transformation programmes. – Integration of NuWealth.	**Risk trend** →
Business operation	Operational complexity and the efficacy of controls and processes related to the day-to-day running of the business pose an inherent risk to Quilter. This includes those processes which have been outsourced to third parties and where oversight is critical for Quilter to gain assurance over activities delegated outside of its direct control. Quilter's operations provide services to customers and, as such, need to be effective and resilient to ensure that good customer outcomes are delivered and maintained. Quilter has continued to progress the enhancement of its operational environment and improving resilience across the business to ensure compliance with our operational resilience obligations.	**Primary risk owner:** Chief Operating Officer	**Mitigation in 2024** – Ongoing business simplification activity. – Enhancements to root cause analysis reporting, supporting improvement activity. – Enhancements to customer servicing workflow tools. **Planned and ongoing activity** – Operational transformation programme to further align and streamline operational processes across the Affluent segment. – Stress-testing activities and further development of playbooks for significant resilience events. – Maintenance and review of operational resilience arrangements, including our Important Business Services, to ensure continued alignment with regulatory requirements.	**Risk trend** →
Technology and security	A stable, reliable, and up-to-date technology environment underpins the delivery of Quilter's services to customers and advisers and ensures that Quilter has technical resilience proportionate to its risk appetite. Disruption to the stability and availability of Quilter's technology, or that of its third parties, could result in damaging service outages and a potential breach of impact tolerances for Quilter's Important Business Services. The risk of an information security incident is a constant and evolving risk which has the potential to impact Quilter's reputation, regulatory standing, and the services it provides to customers.	**Primary risk owner:** Chief Operating Officer	**Mitigation in 2024** – After migrating the International business to Utmost in late 2023, Quilter decommissioned related IT assets in early 2024, reducing the organisation's risk profile. – A threat-led security testing approach was implemented which simulates real-world cyber attacks. Key parts of the Security Operations Centre were brought in-house for better control and deeper understanding of Quilter's IT infrastructure and business model. **Planned and ongoing activity** – Continuous evolution of controls to prevent and detect incidents. This ongoing effort, driven by a threat-led capability, enables Quilter to keep ahead of emerging threats and maintain robust security measures.	**Risk trend** →

Risk review *continued*

Customer and product proposition	Quilter's purpose is underpinned by having a suite of product propositions which drive good customer outcomes and processes in place to ensure that foreseeable harm is identified and addressed. Oversight and reporting of customer outcomes has evolved and been enhanced in 2024, following implementation of the Consumer Duty in 2023. Delivery of quality advice and a high level of adviser conduct and competency, is essential. A lack of robust oversight by Quilter could lead to delayed identification of unsuitable advice or products resulting in poor outcomes for customers. As such, Quilter continually looks to improve its control environment in relation to the oversight of advice and remains focused on ensuring that products and services are designed and maintained in line with the Consumer Duty.	**Primary risk owner:** Chief Distribution Officer	**Mitigation in 2024** – Evolution and enhancement of the oversight and reporting of customer outcomes. – Introduction of a customer roadmap to drive improvements in customer experience. – Vulnerable customer training rolled out to all staff. – A number of propositional developments including implementation of CashHub on Platform and continued alignment of investment proposition across multi-asset funds. **Planned and ongoing activity** – Continue to strengthen financial advice processes and supporting controls. – Continued evolution of Quilter's products with a focus on retirement and protection propositions.	**Risk trend**
Regulatory, tax and legal	Quilter is subject to conduct and prudential regulation in the UK, provided by the FCA and PRA, and by local regulators in the other jurisdictions in which it operates. This includes the Consumer Duty, which sets a higher standard of consumer protection in financial services. Quilter is also subject to the privacy regulations enforced by the Information Commissioner's Office and international equivalents. Quilter faces risks associated with compliance with these regulations, and changes to regulation or regulatory focus in the markets in which Quilter operates and other statutory requirements. Failure to manage regulatory, tax or legal compliance effectively could result in censure, fines or prohibitions which could impact business performance and reputation.	**Primary risk owner:** Chief Risk Officer	**Mitigation in 2024** – Activity underway following delivery of the first Consumer Duty Board report and the mitigation of risk associated with the Ongoing Advice Review. **Planned and ongoing activity** – Further process and control enhancements in association with the Skilled Person Review. – Ongoing regulatory engagement and regulatory horizon scanning. – Development of implementation plan for the upcoming changes to the UK Corporate Governance Code.	**Risk trend**
People	Quilter relies on its talent to deliver service to customers and to progress strategic initiatives. Quilter's talent pool is key to the ongoing progress of the Company by having a diverse range of staff and views that will provide the senior management of the future. We seek to proactively identify talent gaps to support the future capabilities required to implement Quilter's strategy. Ensuring that staff and management stand behind Quilter's values which underpin the culture of the firm is fundamental to a proactive, risk aware firm which values its people and the need to uphold its regulatory obligations. Negative management culture and a lack of accountability can lead to inertia and a deterioration in control which puts both customers and the firm at risk.	**Risk owner:** HR Director	**Mitigation in 2024** – Dependency and resource mapping to support strategic initiatives to identify and retain key capabilities. – Development of Talent Strategy to support longer-term strategic ambition/initiatives. – Culture and value transformation, including refreshed purpose and values. – Segment-specific and Quilter-wide communication to support greater employee engagement. **Planned and ongoing activity** – Ongoing talent management and succession programme. – Ongoing regular employee engagement surveys. – Ongoing all-employee conferences.	**Risk trend**

Emerging risks

Within Quilter, we monitor risks which are less certain in terms of timescales and impacts. This assessment is carried out regularly and the emerging risk profile is subject to regular review by management committees and the Board. The identification of these risks contributes to our stress and scenario testing, feeding into our strategic planning process. The table below sets out the most significant emerging risks to Quilter.

Geopolitical landscape Conflicts and political instability impact market risk, client sentiment and strategic direction	Following elections in many parts of the world in 2024, governments will need to respond swiftly to mounting economic, social, security, environmental and technological challenges. Their ability to do so and the nature of the response is likely to have an impact on customers' circumstances and may therefore affect attitudes toward financial investments. Geopolitical risks are considered to remain elevated and increasing with the ongoing Russia/Ukraine war and renewed conflict in the Middle East, creating the potential for further macroeconomic destabilisation.
Cyber threats Malicious attempts to access, damage or disrupt networks	We have observed increased cyber activity in conflict zones and around global elections. Adversaries continue to use advancements in technology to increase the likelihood of success in attacks and this has also lowered the barrier to entry for conducting criminal cyber activity. The rapid growth of AI is likely to continue to increase the nature and sophistication of attacks; and we continue to monitor the evolution of quantum computing and its potential impact on cyber security.
Disruptive competition New technologies and changes in the competitive landscape increases margin pressure	The potential entrance of "big tech" firms into financial service delivery, coupled with the white labelling of platforms and alignment of private equity firms could see competitors acquire skills and technology, accelerating their digital capabilities. This, alongside advancements in digital/hybrid advice, could see new players in the already highly competitive market having the potential to erode Quilter's market share and increase fee pressure across the value chain. The evolution of digital assets as an increasingly prominent asset class, and the implications of associated infrastructure development present a more distant potential risk to Quilter's business model and operations.
Generational shifts Ageing population and intergenerational wealth transfer is likely to change customer expectations and demands	A significant proportion of UK household wealth is held by the over 45s. The likelihood of intergenerational inequality increases as this population engages in inheritance planning and institutions (employers, the State and financial services providers) transfer pensions risk to individuals. Attitudes towards wealth management are shifting, with younger generations being attracted by digital propositions and by funds with greater positive social and environmental impacts. These trends present both opportunities and threats to Quilter in the form of changing consumer demands and expectations.
Advice evolution Technology advancements in advice market impacting margin risk	There are a number of factors contributing to an evolving advice market. These include: both a shortage and ageing demographic of financial advisers, an increased demand for digital propositions, and regulatory activity designed to bridge the advice gap, including the Advice Guidance Boundary Review. These developments present opportunities and threats which Quilter will need to respond to.
Climate change Transition and physical risks	The UK Government has committed that the UK will reach net-zero by 2050. The speed of this transition to a greener economy impacts certain sectors and financial stability. For Quilter's customers, this is likely to impact the desirability of investment in sectors such as coal, oil, gas, and manufacturing. Physical climate risks continue to crystalise and are expected to become more extreme and more frequent in future, threatening the stability of the UK's infrastructure, including energy supplies. This poses challenges to both Quilter's and its critical third parties' operations which must be considered as part of operational resilience planning.

Viability statement and going concern

Risk management and internal control

Quilter is committed to operating within a strong system of internal control that enables business to be transacted and risk taken without exposing the Group to unacceptable potential losses or reputational damage.

The Directors are responsible for ensuring that management maintains an effective system of risk management and internal control and for assessing its effectiveness. Such a system is designed to identify, evaluate and manage, rather than eliminate, the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Quilter Group Governance Manual supports the maintenance of a sound system of internal control by setting out the Group's approach to governance and the policies, standards and processes by which it operates, ensuring that all relevant statutory, regulatory and governance matters affecting Quilter are taken into account. The Board Audit Committee and the Board Risk Committee have a joint responsibility for reviewing and monitoring the effectiveness of Quilter's internal control framework.

The Risk Management Framework is overseen by the Board Risk Committee and aims to align strategy, capital, processes, people, technology and knowledge in order to evaluate and manage business opportunities and threats in a structured and disciplined manner. The Group's principal risks and uncertainties are set out on pages 39 to 40.

Further information on the oversight of risk and internal control at Board level can be found on pages 72 to 76.

Quilter's principles of internal control (covering financial, operational and compliance areas) are to maintain:

- clearly defined delegated authorities;
- clearly defined lines of responsibility;
- robust recording and reporting of transactions to support the financial statements and other reports;
- reporting controls procedures and systems which are regularly reviewed;
- protection of assets;
- compliance with laws and regulations; and
- financial crime prevention and detection.

Viability statement

In accordance with provision 31 of the UK Corporate Governance Code 2018, the Directors have assessed the prospects of the Group for a period longer than the 12 months required in the Going Concern Statement.

Quilter's Risk Appetite Framework supports the delivery of Quilter's strategy and Business Plan with risk appetite playing a central role in informing decision making across the Group.

Every year, the Board considers the longer-term viability of the Group by reviewing the three-year Business Plan, the Own Risk and Solvency Assessment ("ORSA") and the Internal Capital Adequacy and Risk Assessment ("ICARA") for the Group. The three-year planning period is considered appropriate because it aligns with the timeframe focused on for the annual strategic review exercise conducted within the business and reviewed by the Board. The Business Plan makes certain key assumptions in respect of the competitive markets and the economic and political environments in which the Group operates, the level of support provided to companies within the Group and the impact of key strategic initiatives. This year, the Business Plan assumptions have been set with due consideration of the prevailing economic and geopolitical climate, and the risks and challenges this presents to the Group. In particular, the Business Plan includes a range of downside and upside sensitivities which consider variances in equity and bond values and net flows which would impact the Group's forecast AuMA, revenue and profitability.

The first year of the Business Plan has the greatest certainty and is used to set detailed budgets across the Group. Although three years is regarded as an appropriate period for the assessment of the Group's viability, the Board also regularly considers other strategic matters that may affect the longer-term prospects of the Group. This includes the Board's assessment of the principal risks and uncertainties facing the Group in the longer term, including climate change, and emerging risks, such as evolving cyber threats and disruptive competition and technology. The Board's longer-term view is that the Group will continue to grow as a wealth manager, serving clients throughout their lives encompassing their accumulation and decumulation phases.

The Board's assessment included reviews of capital and liquidity and an assessment of the principal risks over the three-year planning period. The majority of the Group's revenue is correlated to the Group's AuMA, which can move materially when there is significant volatility in global financial markets. In addition, the Board's assessment also considered the potential financial and regulatory implications of the Skilled Person Review which include the potential payment of remediation and associated administrative costs. Further information on the Skilled Person Review is contained in note 30 to the Group's financial statements.

The ORSA and ICARA processes include an assessment of a range of stresses and scenarios. These are performed in order to assess capital and liquidity requirements and to test the impact of severe stresses on the Group. Certain stresses are tested at severity levels which would be expected to occur once in every 50 years and once in every 200 years. These stresses are tested in order to confirm whether the Group and underlying operating entities have sufficient financial resources to meet their financial risk appetites.

Quilter has a documented recovery plan which sets out the management actions and recovery options available to manage the impacts of severe stresses.

Viability statement and going concern *continued*

In all the severe but plausible adverse stresses tested, the Group had sufficient capital and liquidity after allowing for management actions. This demonstrates the Group's resilience to adverse conditions. The management actions which were assumed included the suspension of dividend payments in the most extreme stresses, deferral of strategic initiatives and actions to reduce costs, including reductions in variable compensation and discretionary spending, and staff recruitment freezes, similar to the tactical cost savings made during 2020.

Reverse stress tests have been performed to identify idiosyncratic and market events which would make the current Business Plan unviable. The results of these tests indicate that the stress events which could make the current Business Plan unviable are extreme events which would be expected to occur less frequently than once in every 200 years. Therefore, the Group can reasonably expect to have sufficient capital and liquidity to be able to meet its liabilities over the planning period.

The Board regularly monitors performance against a range of predefined key performance indicators and early warning thresholds, which will identify if developments fall outside of the Group's risk appetite or expectations, allowing timely management action to be taken.

The Strategic Report, on pages 1 to 43, sets out the Group's financial performance, business environment, outlook and financial management strategies. Details of the Group's principal risks and Risk Management Framework are set out on pages 37 to 41.

Conclusion on viability

Having given due consideration to the Group's current capital and trading position, principal risks and the three-year Business Plan, as well as the impact of the current economic climate, the Board has a reasonable expectation that the Company and the Group can continue in operation and meet their liabilities as they fall due over the period to 31 December 2027.

Going concern

The Directors have considered the resilience of the Group, taking into account its current financial position, the principal risks facing the business and the effectiveness of the mitigating strategies which are or will be applied. As a result, the Directors believe that the Group is well placed to manage its business risks in the context of the current economic outlook and has sufficient financial resources to continue in business for a period of at least 12 months from the date of approval of these consolidated financial statements, and continue to adopt the going concern basis in preparing the consolidated financial statements.

This Strategic Report was approved by the Board on 5 March 2025.

Ruth Markland

Ruth Markland
Chair
On behalf of the Board

Governance Report

Chair's governance overview

Ruth Markland
Chair

Dear shareholder

As Chair of the Board, I am pleased to introduce the Governance Report for 2024. During the year, the Board has maintained its focus on overseeing and providing guidance and challenge to management on the implementation of the Group's strategic priorities for the benefit of its stakeholders. On pages 50 to 56 of this Governance Report, I have detailed the principal decisions taken by the Board in 2024 in support of the Group's strategy. The Board has dedicated time in 2024 to the Ongoing Advice Review, which you can read more about on pages 3 and 4. A key area of focus for the Board during the year was overseeing the refresh of Quilter's purpose and values, which were designed to reinforce the Group's target culture and were approved by the Board in June 2024. You can read more about this on pages 16 and 17.

As part of the Board's deliberations and decision making, it ensures there is due consideration of the interests of, and resulting impacts on, Quilter's stakeholders. In order to do this effectively, the Board is kept informed of the views of our stakeholders through reporting from management and direct engagement at Board level. The Board hears regularly from our designated Workforce Engagement Director on the insights they have gained from their engagement with our colleagues across the Group and the Board has spent considerable time considering how we can best serve our customers. Further information on our engagement with stakeholders can be found on pages 13 to 15 of the Strategic Report.

The Board has acted on the recommendation of the Board Corporate Governance and Nominations Committee in overseeing changes to the Board's composition and been briefed on succession planning. That Committee has rigorously managed the detailed work to ensure orderly succession planning, including the appointment of two new Non-executive Directors during the year. You can read more about the work of this Committee on Board composition, including details of the changes to the Board in 2024, succession planning and diversity on pages 57 to 62.

An effective Board is integral to a well governed company and I am pleased to confirm that the 2024 Board effectiveness review found that the Board and all Board Committees have continued to operate effectively. An overview of the review process, findings and actions can be found on page 63 of the Board Corporate Governance and Nominations Committee's Report.

The Board oversaw further simplification of the governance structure within our Affluent segment during the year, building on the changes to our Board corporate governance model in 2023. Further information can be found on page 52.

Following review by its specialist Committees, the Board has been briefed on the work undertaken to assess the impact of the 2024 UK Corporate Governance Code, and you can read more about the progress on page 68.

Finally, I would like to express my gratitude to my fellow Directors and all Quilter colleagues for their dedication and efforts in delivering the achievements we have made in 2024, and to our stakeholders for the support they have shown to Quilter.

Ruth Markland
Chair

Compliance with the UK Corporate Governance Code 2018

UK Corporate Governance Code 2018 (the "Code")

Quilter is subject to the Code and complied with all relevant provisions during the year, except for a brief period when the composition of the Board Remuneration Committee did not fully meet provision 32 while the Board membership was refreshed.

As at 31 December 2024, Quilter fully complied with the Code. Details of our corporate governance framework are available on page 45 and our website at **plc.quilter.com**. The Code is publicly available at **www.frc.org.uk**.

The new 2024 UK Corporate Governance Code ("2024 Code") was published in January 2024 and has been reviewed by the Board. The 2024 Code applied to Quilter from 1 January 2025 (with the exception of provision 29 (risk management and internal control), which will apply from 1 January 2026). We are currently implementing the 2024 Code as appropriate and will report in detail next year.

Disclosure Guidance and Transparency Rules ("DTRs")

By virtue of the information included in this Governance section of the Annual Report including our Directors' Report (pages 105 to 108) we comply with the corporate governance statement requirements of the FCA's DTRs.

Johannesburg Stock Exchange (the "JSE")

Quilter has a secondary listing on the JSE and is permitted by the JSE Listing requirements to follow the corporate governance practices of our primary listing market, London. Quilter is, however, mindful of the provisions of the King IV Governance principles and the expectations of our South African shareholders.

UK Corporate Governance Code 2018	More information
Board leadership and company purpose	
Long-term value and sustainability	1 to 43
Culture	16 to 17 and 56
Shareholder engagement	15
Other stakeholder engagement	13 to 15
Oversight of Board level conflicts of interest	60
Division of responsibilities	
Role of the Chair	46
Division of responsibilities on the Board	45 and 46
Assessment of Non-executive Director role	45 and 58 to 59
Assessment of independence on the Board	58
Composition, succession and evaluation	
Board effectiveness	63
Board and Executive succession planning	58 to 60
Audit, risk and internal control	
Integrity of financial statements	64 to 71
Fair, balanced and understandable	66
Internal controls and risk management	68 and 73 to 76
Assessment of external independent auditors	71
Principal and emerging risks (Risk review)	39 to 41
Viability statement and going concern	42 to 43
Remuneration	
Policy, practices and alignment with purpose, values and long-term strategy	78 to 91
Independent judgement and discretion	77 to 80

Operating within a robust governance framework

The Board

The Board is the decision-making body for all matters of such importance as to be of significance to Quilter as a whole because of their strategic, financial or reputational implications or consequences.

A summary of the matters that are reserved for the Board's decision can be found at plc.quilter.com and includes:

- Board appointments;
- Quilter's strategy;
- Financial statements;
- Capital expenditure;
- Any major acquisitions, mergers or disposals; and
- The appointment and removal of the Company Secretary.

Board Audit Committee

- Reviews the Group's accounting policies and the contents of financial statements.
- Monitors disclosure controls and procedures.
- Considers the adequacy, scope of work and resourcing of the external and internal audit functions.
- Oversees the relationship with our external auditors.
- Monitors the effectiveness of internal financial controls.

Board Corporate Governance and Nominations Committee

- Reviews the composition of the Board and recommends the appointment of new Directors.
- Considers succession plans for the Chair and other Board positions.
- Considers succession plans for key executive leadership positions and ensures a robust recruitment framework.
- Monitors corporate governance standards and practices in place.
- Oversees the annual Board performance review.

Board Remuneration Committee

- Sets the overarching principles and parameters of remuneration policy across Quilter.
- Considers and approves remuneration arrangements for Executive Directors, senior executives and the Company Chair.
- Considers the impact of risk matters on remuneration.
- Approves individual remuneration awards.
- Agrees changes to senior executive incentive plans.

Board Risk Committee

- Oversees risk strategy.
- Recommends the total level of risk Quilter is prepared to take (risk appetite).
- Monitors the Group's risk profile.
- Assesses the top and emerging risks.
- Monitors and reviews the internal control framework.
- Oversees the effectiveness of the Risk and Compliance function.

Chief Executive Officer

The Quilter Board has delegated the day-to-day running of the Group to the Chief Executive Officer. The Chief Executive Officer and Chief Financial Officer (Executive Directors) make and implement operational decisions to manage the Quilter business. To support the Chief Executive Officer in discharging his responsibilities, he is supported by the Group Executive Committee.

Group Executive Committee

The Group Executive Committee members report to the Chief Executive Officer for their respective areas of responsibility and delivery of the Business Plan and Operating Plan. Where appropriate, members of the Group Executive Committee choose to discharge their responsibilities via management committees.

Key Management Committees

The key management committees oversee specific areas of responsibility such as the Group's risk management, operations, customers and colleagues.

Board of Directors

The Quilter Board comprises the Chair, the Senior Independent Director, Chief Executive Officer, Chief Financial Officer and independent Non-executive Directors.

The Chair is accountable to shareholders for leading the Board and ensuring the Board receives timely accurate information to take good decisions for the benefit of all stakeholders. The Chair was independent on appointment.

The Senior Independent Director supports the Chair on all governance issues and provides a communication channel between the Chair and Non-executive Directors.

The Non-executive Directors support and constructively challenge the executive team within a spirit of partnership and mutual respect. All the Non-executive Directors are considered to be independent.

All Directors are subject to re-election annually by shareholders at the Company's Annual General Meeting. The skills and experience and how our Directors contribute to the long-term sustainable success of the Company are set out in their biographies on the following pages. Information on changes to the Board during 2024 can be found on pages 58 to 59.

Ruth Markland
Chair

Appointed: June 2018

Committee memberships:
- Board Corporate Governance and Nominations Committee C
- Board Remuneration Committee

Skills and experience: Ruth, a former solicitor and previously Managing Partner of Freshfields Bruckhaus Deringer's Asia business, has a wealth of FTSE 100 board experience. She spent over ten years on the boards of Standard Chartered plc and The Sage Group plc, where she served as Senior Independent Director and Chair of the remuneration committees. Ruth was also an independent Non-executive Director of Deloitte LLP for five years until May 2020 and a member of the supervisory board of Arcadis NV until April 2021. Ruth became Chair of the Quilter Board in May 2022. Her extensive experience in senior board roles and deep understanding of governance equip her to effectively lead the Board.

External appointments: None.

Neeta Atkar MBE
Senior Independent Director

Appointed: August 2022

Committee memberships:
- Board Audit Committee
- Board Corporate Governance and Nominations Committee
- Board Remuneration Committee C
- Board Risk Committee C

Skills and experience: Neeta has extensive experience in the financial services industry, having worked initially at the Bank of England and subsequently the Financial Services Authority before taking on various senior risk roles in organisations including Lloyds Banking Group and, latterly, TSB Bank as Chief Risk Officer. Neeta has broad experience of chairing risk committees, gained previously at Yorkshire Building Society and currently at Nomura Europe Holdings plc and the British Business Bank plc. She also has extensive experience serving on remuneration committees, having been a member of the Nomura Europe Holdings plc remuneration committee since 2018 where she also chairs their German subsidiary remuneration committee. This experience, together with her deep understanding of customers, risk, regulation and remuneration, enables Neeta to make significant contributions to the Board. In October 2022, Neeta was appointed as the Board Consumer Duty Champion and in September 2024 she became Senior Independent Director.

External appointments: Non-executive Director of Nomura Europe Holdings plc and Senior Independent Director of British Business Bank plc.

Board of Directors *continued*

Steven Levin
Chief Executive Officer

Appointed: November 2022

Skills and experience: Steven has deep industry knowledge, having worked in various asset management, investments, platform and distribution roles in his career. He joined the Group in 1998, the Executive Committee in 2011 and the Board in November 2022 when he was appointed as Chief Executive Officer. Steven has played a leading role in delivering several high-profile strategic initiatives for the Group, including the implementation of Quilter's investment platform and the development of Quilter's proposition. Steven's broad industry and leadership experience allows him to effectively drive strategic delivery.

External appointment: Member of the Investment Association Advisory Council.

Mark Satchel
Chief Financial Officer

Appointed: March 2019

Skills and experience: Mark brings deep finance, corporate and business experience to the Board. He joined Old Mutual in the UK in January 2000 and held several leadership positions within the finance function and businesses, during which time he played key roles in the acquisitions of Quilter Financial Planning and Quilter Cheviot. This experience has been invaluable in ensuring that Quilter effectively executes its strategy, including leading successful business disposals. Mark joined the Quilter Board as Chief Financial Officer in March 2019, having served as Corporate Finance Director from August 2017 to March 2019. Mark is qualified as a Chartered Accountant in South Africa and worked for KPMG in both South Africa and Canada prior to moving to the UK.

External appointment: Trustee of The Grey Foundation in the UK.

Chris Hill
Independent Non-executive Director

Appointed: March 2024

Committee memberships:
- Board Audit Committee
- Board Remuneration Committee

Skills and experience: Chris has considerable financial expertise and knowledge of the wealth management industry. He has extensive experience across a range of sectors including serving as Chief Executive Officer at Hargreaves Lansdown plc, Chief Financial Officer at IG Group Holdings plc, a FTSE 250 online trading platform, and Chief Financial Officer at Travelex, the global currency and payments business. Chris held several leadership roles at GE Capital after completing his accountancy qualifications with Arthur Andersen. His experience of large-scale business operations and driving business performance enables Chris to add further depth to Board discussions and help Quilter deliver its strategic goals. In September 2024, Chris was appointed as Quilter's Workforce Engagement Director.

External appointments: Trustee of the Just Finance Foundation, member of the FCA Practitioner Panel and an adviser to Boston Consulting Group.

Moira Kilcoyne
Independent Non-executive Director

Appointed: December 2016

Committee membership:
- Board Risk Committee

Skills and experience: Moira has extensive technology and cyber security leadership experience, having spent much of her executive career working in senior technology roles at Morgan Stanley and Merrill Lynch, latterly executing global change management and transformative IT implementation as Co-Chief Information Officer for Global Technology and Data at Morgan Stanley. Moira previously served as a Non-executive Director of Citrix Systems Inc and Elliot Opportunity II. Her experience, gained as both an executive and a non-executive, together with her understanding of business operations, operational resilience, data management and supplier oversight, equips her to oversee and challenge the design and delivery of Quilter's technology and operations strategies.

External appointments: Non-executive Director of Arch Capital Group Ltd and a member of the board of governors at FINRA.

Board of Directors *continued*

Alison Morris
Independent Non-executive Director

Appointed: September 2024

Committee memberships:
- Board Audit Committee
- Board Remuneration Committee
- Board Risk Committee

Skills and experience: Alison is a Chartered Accountant and brings a wealth of recent and relevant experience of the financial services sector. She has detailed and specialist knowledge of accounting and auditing practices having been a partner in PwC's financial services audit practice from 1994 until the end of 2019. During her tenure at PwC, Alison held several leadership roles, including being a member of the executive management team which led their audit practice. In her non-executive career, Alison has extensive experience of chairing audit committees and serving on risk committees of financial services organisations including Paragon Banking Group PLC, Sabre Insurance Group plc and, formerly, M&G Group Limited. Alison's deep financial expertise and audit experience in the financial services sector enables her to make a significant contribution to the Quilter Board.

External appointments: Senior Independent Director of Paragon Banking Group PLC and Non-executive Director of Sabre Insurance Group plc.

Chris Samuel
Independent Non-executive Director

Appointed: July 2021

Committee membership:
- Board Risk Committee

Skills and experience: As an experienced Chair and Non-executive Director, Chris' expertise in the financial services industry enables him to challenge, advise, and support Quilter's management team on a wide range of business, investment, distribution, finance, and operational matters. As Chief Executive of Ignis Asset Management, Chris led the successful transformation, and then sale, of the business. Chris also held other board-level executive positions at several asset management businesses including Gartmore Investment Management, Hill Samuel Asset Management and Cambridge Place Investment Management. Prior to that he worked at Prudential-Bache Securities and KPMG, where he qualified as a Chartered Accountant. Chris' previous non-executive experience includes roles as Chair of JP Morgan Japanese Investment Trust plc and as a Director of Alliance Trust plc, Sarasin & Partners LLP and UIL Limited.

External appointments: Chair of BlackRock Throgmorton Trust plc and Non-executive Director and Chair designate of Scottish Mortgage Investment Trust PLC.

George Reid
Independent Non-executive Director

Appointed: February 2017

Committee memberships:
- Board Audit Committee C
- Board Corporate Governance and Nominations Committee
- Board Risk Committee

Skills and experience: George has extensive financial expertise having spent over 20 years in the accounting profession, including lengthy tenures at PwC, and, latterly, Ernst & Young LLP as managing partner and Head of Financial Services for Scotland and UK regions. This experience provides George with a deep understanding of, and the ability to critically assess, key accounting, financial reporting and audit matters, and the control environment required for a wealth management business. George is a Fellow of the Institute of Chartered Accountants in England and Wales.

External appointment: Chair of FIL Life Insurance Limited.

Governance at a glance

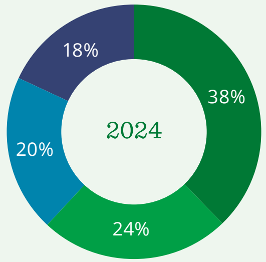
Board meeting attendance during 2024

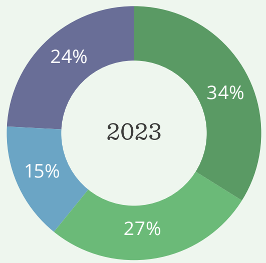
	Scheduled Board meetings	Ad hoc Board meetings
Chair		
Ruth Markland	7/7	4/4
Executive Directors		
Steven Levin	7/7	4/4
Mark Satchel	7/7	4/4
Independent Non-executive Directors		
Neeta Atkar[1]	7/7	4/4
Chris Hill[2]	5/5	4/4
Moira Kilcoyne	7/7	4/4
Alison Morris[3]	2/2	3/3
George Reid	7/7	4/4
Chris Samuel	7/7	4/4
Former Non-executive Directors		
Tim Breedon[4]	5/5	1/1
Tazim Essani[5]	3/3	–
Paul Matthews[5,6]	2/3	–

[1] Appointed as Senior Independent Director with effect from 12 September 2024.
[2] Appointed with effect from 7 March 2024.
[3] Appointed with effect from 9 September 2024.
[4] Stepped down with effect from 11 September 2024.
[5] Stepped down with effect from 23 May 2024.
[6] Paul was unable attend to attend one meeting due to a prior engagement. He reviewed the papers and comments were provided to the Chair in advance of the meeting.

In addition to the meetings reported above, sufficient time was provided, periodically, for the Chair to meet privately with the Senior Independent Director and the Non-executive Directors.

Board activity



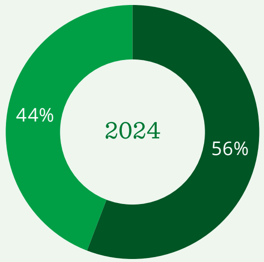


	2024	2023
Strategy and Delivery of Strategy	●	●
Business Performance Oversight	●	●
Stakeholder Management	●	●
Risk Management and Governance	●	●

Board composition*

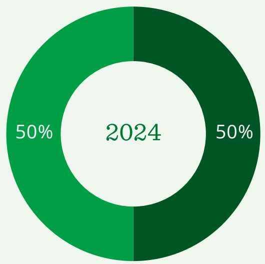
Gender identity

Number of Board Members (%)



- Female
- Male

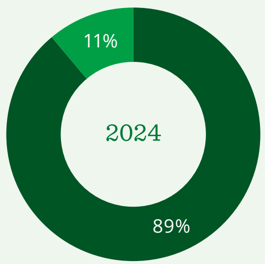
Number of senior positions[1] on the Board (%)



- Female
- Male

Ethnic background

Number of Board Members (%)



- White British or other White (including minority-white groups)
- Asian/Asian British

[1] Chair, Chief Executive Officer, Chief Financial Officer or Senior Independent Director.

Board skills and experience*

Length of tenure for Chair and Non-executive Directors

	2024	2023
0-3 years	3	3
3-6 years	1	3
6-9 years	3	2

Industry knowledge and experience

	2024
Accounting and Finance	4
International Financial Services	8
Investment and Asset Management	3
Legal, Governance and Risk	4
Operations and Technology	6
Wealth Distribution	5

Figures represent number of Board members with relevant experience.

Board briefings

The Board has attending briefings throughout the year. These included:

- Artificial Intelligence
- Consumer Duty
- Cyber Security

* As at 31 December 2024

Principal decisions of the Board in 2024

2024 was another evolutionary year for Quilter. The Board oversaw the continued delivery of the Group's strategic priorities and were pleased with the significant progress made under the leadership of our Chief Executive Officer, Steven Levin. We continue to stay focused on the execution of our strategy to enable Quilter to deliver long-term, sustainable success for our stakeholders. Set out in the following pages are some of the key areas of Board focus in 2024.

The Board relies on the detailed work performed by its Committees on a wide range of issues and is grateful for their robust oversight and challenge again this year.

Delivery of our strategy

Through updates from our Chief Executive Officer, Chief Financial Officer and other members of the Group Executive Committee, the Board was briefed regularly on progress to deliver our strategy. The Board considered and discussed the external economic environment, political and regulatory change including analysis of the impact, constraints and opportunities these events present for our business model, and our performance. The Board was pleased that the improvements made to our investment platform in prior years enabled the business to generate record core net inflows in 2024. At the Board Strategy Day held in May 2024, the Board reaffirmed its commitment to our three key strategic priorities. In this report you can read more about how we deliver our strategy and the key outcomes of the Board's deliberations during the year.

In January 2025, the Board discussed how the strategy is now evolving. You can read more about this in Steven's report on page 3.

1. Building Distribution

Given our belief in the importance of advice, the Board approved continuing investment in our financial planning business.

Nine firms are now part of our Quilter Partners model enabling advisers to access our investment propositions and platform, whilst retaining their entrepreneurial drive as an owner-operated business.

The Board has been briefed on adviser productivity and the progress made in the implementation of the new adviser Academy. Mindful of our commitment to advice, the Board agreed to hold a deep dive on the Academy in 2025.

The Board has welcomed the progress being made by the transformation of our wealth management business, where work to simplify the client journey and modernise client touch points is progressing. There is more to do to deliver the programme, but the Board believes that being directly authorised will support our customers.

The Board was apprised on the programme to modernise and automate the control environment in our financial planning business. This is a multi-year programme and will continue to be an important area of strategic focus in 2025.

2. Enhancing our Proposition

During the year, the Board oversaw enhancements in our customer products with increased take up in the CashHub, the acquisition of NuWealth and the continuing implementation of our flagship investment portfolios, WealthSelect, on other platforms.

The changes in 2023 to gain more business from the IFA channel were successful, with improved new business flows contributing to the rise in net flows in the year.

Advisers and customers seek robust investment returns that align to their risk profiles. The Board received quarterly updates from our Quilter Investors and Quilter Cheviot Chief Investment Officers on investment performance, with enhancements agreed to drive more consistent reporting of performance to the Board. The steps taken in prior years to enhance strategic and tactical asset allocation and investment risk reporting in Quilter Investors, and the detailed consideration by our subsidiary boards on the Assessment of Value process, has been welcomed by the Board. This enhanced reporting has enabled the Board to challenge management to provide assurance that the products available to our customers and clients are delivered in accordance with the investment mandate and are aligned to the principles of the FCA's Consumer Duty.

The Board has also been supportive of proposals made by management to undertake modest inorganic acquisitions. This has included approval to acquire a small number of advice firms.

3. Driving Efficiency

Led by our Chief Financial Officer, the business has continued to deliver year-on-year cost savings and the Board has received regular updates on progress.

We finalised the simplification of our board corporate governance framework in our Affluent business, with new regulatory permissions approved by the FCA to enable Quilter Investors to delegate the investment management of its fund range to the Quilter Platform. This allows Quilter Investors to focus on its responsibilities as an authorised fund manager.

During the year, there has been continuing work to modernise support for customers and manage costs through the introduction of new technology and enhancements in how we manage data. The Board is clear that there is more to do in this evolving area and is committed to spending more time in 2025 on the opportunities that Artificial Intelligence ("AI") may present, whilst being mindful of the necessary discipline and governance required in the use of AI to manage the business in a responsible way.

Principal decisions of the Board in 2024 *continued*

The work of your Board in 2024

	Report	Key areas of discussion and activity	Outcomes
Business Performance Oversight	Chief Executive Officer's report	Through these reports the Chief Executive Officer provided his perspective on the performance of the business, including the external market conditions, competitor activity, delivery against our KPIs, notable regulatory updates and other substantive matters. The Chief Executive Officer apprised the Board of progress against the 2024 Business Plan and the delivery of the 2024 Operating Plan.	– Monitored the delivery of the 2024 Business Plan and scrutinised the underpinning 2024 Operating Plan.
	Business Reviews	The Board received and discussed "deep dives" from senior leaders on business strategy and performance.	– Reviewed the progress made on Wealth Management transformation in our High Net Worth segment following approval from the FCA for a change in regulatory permissions enabling customers to do business with Quilter in a more simple and efficient manner. – Approved the strategic direction for our underlying businesses.
	Chief Financial Officer's report	**Financial performance** The Chief Financial Officer reported regularly on the delivery of the Group's financial performance against the Business Plan, prior year performance and other key performance indicators. **2025-2027 Business Plan** The Board dedicated time to the development and approval of the 2025-2027 Business Plan. This included reviewing and challenging the economic and market assumptions underpinning the Plan. **Dividend and capital management** A key focus for the Board is to ensure that Quilter has a disciplined capital allocation framework, whilst maintaining a robust balance sheet and liquidity position. The Board has been careful to strike the right balance between value creation and returns for shareholders while investing in our business' sustainability and long-term success.	– Approved the 2025-2027 Business Plan. – Approved the 2023 Annual Report and financial statements. – Approved the half year results announcement. – Approved the full year and half year dividend. – Approved the renewal of the Group's Revolving Credit Facility.

Principal decisions of the Board in 2024 *continued*

	Report	Key areas of discussion and activity	Outcomes
Business Performance Oversight	Chief Operating Officer's report	These updates informed the Board on the developments in our Technology and Operations areas to support our customers and advisers, including how we are managing and controlling data, overseeing our material outsourced partners and suppliers, and driving more efficiency in our operations. The Board was also briefed on the prompt action taken by management to assess the impacts of the global CrowdStrike IT incident in July 2024 on our business, as well as our key strategic partners and other suppliers. This included the steps taken to protect our customers and colleagues. The Board was briefed by external experts on new technology and cyber matters, including AI, and considered how these can be harnessed to support the delivery of our strategy.	– Approved the Group's Operational Resilience Assessment. – Discussed and challenged ongoing enhancements in our operations teams.
Strategy and Delivery of Strategy	Corporate Sustainability	The Board oversees the governance and framework for Quilter's Corporate Sustainability strategy. This incorporates responsible investment, corporate social responsibility, including the impact on our communities through the Quilter Foundation, and our approach to managing climate change. The Board has been briefed on the progress made in these three areas, including: – the performance of our sustainable and responsible funds; – updates on the management governance overseeing external reporting; – the impact made by the work of the Quilter Foundation, which is described further on page 14; – how the investment teams engage on behalf of clients with investment firms; and – the environmental impact of Quilter's own offices and the improvements made to them to be more environmentally friendly.	– Asked management to reset the Group's strategy on sustainability. – Endorsed the new management governance oversight of climate-related responsibilities and reporting. – Approved the Group TCFD Report and the Sustainability disclosures that form part of our Annual Report. – Approved the Group Stewardship Code. – Approved the Group's Modern Slavery Statement.
	Governance Simplification	As reported last year, a new Board corporate governance model was implemented in 2023 to give the Board a more direct line of sight to our Affluent segment. This new model has embedded well during 2024 and is delivering the benefits expected, including greater efficiency in our Board governance processes. During the year, the Board oversaw further structural change within the Affluent segment with new regulatory permissions approved by the FCA to enable Quilter Investors to delegate the investment management of its fund range to the Quilter Platform. This drives greater simplification of governance with Quilter Investors becoming a focused authorised fund manager from the beginning of 2025, in addition to strengthening the management of conflicts of interest within the Affluent segment.	– Approved in principle the change in the corporate governance operating model and in the regulated activities of material subsidiary companies.

Principal decisions of the Board in 2024 *continued*

	Report	Key areas of discussion and activity	Outcomes
Strategy and Delivery of Strategy	Investment performance reports	Our Chief Investment Officers reported quarterly to the Board, ensuring that it had clear sight of how Quilter Investors and Quilter Cheviot delivered investment returns in line with fund benchmarks and our customers' preferences on risk tolerance.	– Revised the investment performance reporting to enable the Board to more effectively challenge the performance and outcomes delivered for customers.
	Customer Reports and the Consumer Duty updates	These reports provided valuable insights into how Quilter is perceived, the quality of the outcomes achieved for our customers, and the opportunities to drive improvements that will create value for our customers to support good customer outcomes. **Customer insights** The Board received regular updates on the service Quilter provided to our customers. This included the performance of investments, which drive investment returns for clients. The Board was supported by the Board Risk Committee which applies significant scrutiny to customer issues and reporting. Whilst all Board members raise and challenge customer issues, the Board has asked Neeta Atkar to act as our Group Consumer Duty Champion, a role she has undertaken since 2022. **The Consumer Duty assessment** The Board was regularly updated on the process adopted to enable the Board to discuss and challenge the Group's first Consumer Duty assessment ahead of the 31 July 2024 deadline. Significant time was spent preparing for this assessment, with specific focus on areas of continuing enhancement, including support for vulnerable customers and improvements in the underlying metrics used to inform the judgements that management report to the Board. Management presented a report setting out the scope of activity, the results of its monitoring of customer outcomes and the actions required as a result of the monitoring. The report was scrutinised in detail by the Board Risk Committee and the boards of our regulated entities, and the Group Board reviewed the process and key findings set out in each report. Each board approved its assessment and implemented an action plan for future enhancements, with the Group Board endorsing the overall plan. The Board was briefed by external subject matter experts on the key issues regarding the Consumer Duty and best practice for implementation. All Board papers highlight, where relevant, the impacts of proposals on customers and other stakeholders for consideration by the Board.	– Ensured that the business strategy was aligned to our customer strategy. – Oversaw and approved the process of assessment for the Consumer Duty for the Group's UK regulated subsidiaries. – Endorsed the first Group Consumer Duty assessment including an action plan for continuous enhancement. – Asked management to enhance the metrics presented to the Board to enable better line of sight into customer journeys and the support provided to vulnerable customers.

Principal decisions of the Board in 2024 *continued*

	Report	Key areas of discussion and activity	Outcomes
Risk Management and Governance	Chief Risk Officer's report	The Board was updated regularly on the second line view of the key risks in our business and the effectiveness of management's efforts to mitigate those risks. The Chief Risk Officer, the Chief Executive Officer and other executives briefed the Board on new and emerging risks, key regulatory matters, operational resilience, data and IT security. **Risk appetite** Throughout the year, the Board heard from the first line, the Chair of the Board Risk Committee and the Chief Risk Officer on overall performance against risk appetite and key areas of focus. This included an assessment of Quilter's Group-wide top risks, including regulatory, climate and business risk. **Risk Management Framework** A refresh of the risk management framework was completed in the year, with continued embedding of the new approach expected to take place in 2025. An important part of the framework is how we protect our clients from financial crime which was a specific area for review in 2024 and will remain an area of focus in 2025.	– Approved an update to the Enterprise Management Risk Framework and changes to the risk appetite statements and Key Risk Indicators. – Approved the Group ICARA and Group ORSA on the recommendation of the Board Risk Committee. – Approved the new Financial Crime Risk Management Framework. – Discussed the approach to internal controls assessment in light of the new UK Corporate Governance Code recommendations due to be implemented for reporting periods commencing 1 January 2026.
	Reports from the Chairs of our Board Committees	To ensure that the Board is apprised on the detailed work conducted by the Board Committees, the Chair of each Board Committee briefed the Board on the Committee's key discussions and provided a written report to the Board after each Board Committee meeting, where the time between meetings allowed. The Board spent time on its own succession arrangements and those of management.	– On the recommendation of the Board Corporate Governance and Nominations Committee, approved the appointments of Chris Hill and Alison Morris to the Board as Independent Non-executive Directors. – Approved minor updates to the Board Diversity Policy. – Considered, discussed and approved the action plan following the internal Board Effectiveness Review. – Endorsed the approach to the review of internal control effectiveness and reporting in light of the 2024 UK Corporate Governance Code changes. – Approved updates to the Terms of Reference for its Board Committees following their annual reviews.
	Reports and escalations from the Chairs of our major subsidiary companies	Written reports were provided to the Board by the Chairs of our significant subsidiary boards, briefing it on the detailed work conducted by these boards and their committees.	– The Board monitored key areas of focus, risk and achievement for the Group's material subsidiaries.

Principal decisions of the Board in 2024 *continued*

	Report	Key areas of discussion and activity	Outcomes
Stakeholder management[1]	Culture and colleagues	The Human Resources Director reported to the Board on key culture and colleague insights to provide assurance that the Group's culture and values are well aligned to the achievement of its purpose and strategy and that we have engaged and committed people. These reports included the results of the Peakon Workforce Engagement Survey ("Peakon Survey"), including emerging themes and any actions being considered. During the year, the Board reviewed and challenged the Executive Succession plan, following review by the Board Corporate Governance and Nominations Committee. The Board also reviewed the performance of the Executive Directors and Executive Committee members. Following a review on the effectiveness of the mechanisms for engagement with colleagues, the Board discussed the routes for engagement and concluded that the approach adopted remains effective and that a Non-executive Director would continue to be appointed from the Board to serve as the Workforce Engagement Director. Board members reaffirmed their commitment to broader engagement with colleagues.	– Approved a new Culture Dashboard to enable the Board to receive insights into employee engagement, culture and wellbeing. – Approved Quilter's new purpose and values. – Approved the approach to talent engagement by the Board. – Considered and approved the approach to broader workforce engagement by the Board to ensure it remains effective and appropriate. – Endorsed management's Inclusion and Diversity Action Plan. – Confirmed that the means of engagement with colleagues remains appropriate and approved a revision to the Workforce Engagement Director Role Profile as set out in the Board Charter.
	Investor relations	**Shareholder Insights** The Chief Financial Officer provided key insights on Investor Relations matters including the views of our major institutional shareholders. Please see below for more information in our Governance in Action case study.	– Endorsed the approach of continuing to engage with major shareholders on the reasons why the Company believes that it should continue to seek the precautionary authority from shareholders to allow political donations or expenditure not exceeding £50,000 in the period for the Company and its subsidiaries.

Governance in Action: Shareholder engagement on political donations

At the 2024 AGM, the precautionary resolution authorising political donations and expenditure received 72.74% support. On the UK share register, this resolution received 97.36% support, while on the South African share register, support was significantly lower at 57.19%.

From our ongoing dialogue with shareholders, we recognise that in the South African governance context, any linkage between business and politics is sensitive.

Quilter has not made any political donations nor does it intend to in future, however, in line with other UK listed companies, continues to seek a standard UK resolution purely as a precautionary measure to avoid any inadvertent breaches of the Companies Act 2006.

The Companies Act 2006 prohibits the Company and its subsidiaries from making political donations or from incurring political expenditure in respect of a political party or other political organisation or an independent election candidate unless authorised by the Company's shareholders. There were no political donations made by Quilter and no political expenditure was incurred in the UK, South Africa or anywhere else in the world during 2024. Neither the Company, nor any of its subsidiaries, has any intention of making any political donations or incurring any political expenditure. However, since the Companies Act 2006 defines "political party", "political organisation", "political donation" and "political expenditure" widely, the Company wishes to ensure that neither it nor its subsidiaries inadvertently commits any breaches of the Companies Act 2006 through the undertaking of routine activities, which would not normally be interpreted as political donations and political expenditure.

We understand the importance of open and continuing dialogue and will continue to engage with our large South African shareholders.

[1] You can read more about stakeholder engagement on pages 13 to 15 of the Strategic Report.

Governance in Action Spotlights

Culture, Colleagues and Diversity, Equity and Inclusion

As outlined in our 2023 Annual Report, 2024 saw the introduction of a culture transformation programme designed to promote our new target culture and support our colleagues delivering our strategic priorities.

The Board believes that this programme of cultural change is important to support the delivery of our ambitious strategic growth agenda and achieve long-term sustainable success. The Board approved the behaviours expected of colleagues required for the culture change – ambition, accountability and learning – and a refresh of the purpose and values so that they more naturally resonate with colleagues.

Sponsored by the Board and led by the Chief Executive Officer, with support from the Group Executive Committee, senior leaders and managers have participated in the culture transformation programme, including attending training to support them to lead colleagues in the organisation.

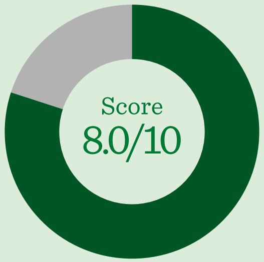
The Board has been briefed regularly on the progress being made to embed our new target culture and a culture dashboard has been developed and presented to the Board to enable it to track the key indicators and outcomes of the culture transformation activity. These reports and feedback channels provide comfort to the Board that the Group has an engaged and committed workforce. The Board will continue to scrutinise the progress made to embed the new target culture and purpose and values in 2025.

The Board has continued to review the detailed plans management have to support diversity and equality of opportunity across our workforce. In May 2024, the Board endorsed the 2024-2027 Inclusion and Diversity Action Plan. You can read more about the targets and ambitions we set ourselves on pages 18 and 19.

Measuring our culture transformation activity

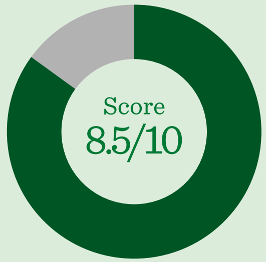
The Board uses a range of sources to monitor progress on culture.

Colleague engagement
Monitoring employee opinions using the all-colleague engagement survey, Peakon, which demonstrated a rise in colleague engagement in 2024 to 8.0, 0.2 above the Finance industry benchmark.



Source: Quilter Peakon survey September 2024.

Our purpose
Measuring the level of connection with Quilter's purpose – brighter financial futures for every generation. This has seen an increase in the engagement score in 2024 from 8.0 to 8.5.



Source: Quilter Peakon survey September 2024.

Director engagement
Directors provide feedback to the Board as part of their engagement with colleagues and advisers across the Group, including visits to our Southampton office and attendance at our adviser event, QLive.

Our Workforce Engagement Director
The Board receives reports from the Workforce Engagement Director who attends part of the Quilter Employee Forum meetings to hear the views from representative colleagues on important topics such as strategy, culture, and purpose and values.

Board Strategy Day

In May, the Board held its annual Board Strategy Day with the Group Executive Committee to review progress against Quilter's strategic objectives and set the future strategy for the Group.

The Board agreed the areas of development and reaffirmed the focus on our three strategic priorities: Building Distribution; Enhancing our Proposition; and Driving Efficiency. The Board also discussed the external regulatory environment and what this meant for Quilter and the strategic foundations for delivery.

The Board asked management to brief them later in the year on progress made to develop the technology, people and other resources needed to deliver the strategy safely in light of future regulatory change, including the Advice Guidance Boundary Review.

In July, the Board approved in principle the acquisition of NuWealth. This acquisition supports the acceleration of Quilter's digital and people capability and offers a new distribution capability to our advisers. The Board also approved modest investments in certain advice firms and further investment in our adviser Academy to continue to support the growth of our adviser network.

The Board remains focused on how we can be even more customer-centric and asked management to revert to the Board on the data and technology strategy to make our operations fit for the future to support our customers and advisers.

Board Corporate Governance and Nominations Committee Report

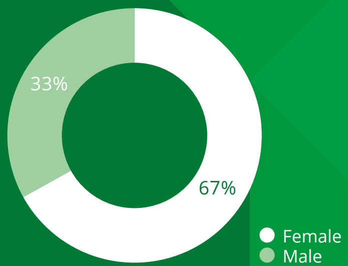
Ruth Markland
Chair

Committee membership and attendance

	Scheduled Meetings	Ad hoc Meetings
Ruth Markland (Chair)	3/3	4/4
Neeta Atkar[1]	3/3	3/4
George Reid	3/3	4/4
Former member		
Tim Breedon[2]	2/2	4/4

[1] Neeta was unable to attend one ad hoc meeting due to a prior engagement. She reviewed the papers and comments were provided to the Committee Chair in advance of the meeting.
[2] Stepped down with effect from 11 September 2024.

Committee gender diversity



Dear shareholder

I am pleased to present this report on the work of the Board Corporate Governance and Nominations Committee for the year ended 31 December 2024.

A primary responsibility of this Committee is ensuring that the members of our Board and executive management team have the necessary skills, experience and knowledge to effectively lead Quilter in the delivery of its strategy for the benefit of its stakeholders. This requires us to dedicate time to monitoring and overseeing any changes to the composition of our Board and Board Committees. In January 2024, we announced the departures of two Non-executive Directors, Tazim Essani and Paul Matthews, who both stepped down from the Board at the conclusion of our 2024 Annual General Meeting. Tim Breedon subsequently stepped down from the Board in September 2024. I would like to thank Tazim, Paul and Tim for their significant contributions and service to the Board during their tenures. We welcomed two new Non-executive Directors, Chris Hill and Alison Morris, to the Board in March 2024 and September 2024, respectively. I explain the skills that Chris and Alison bring to the Board and an overview of the process for appointing and inducting Alison later in this report on page 59. The skills and experience of our Directors collectively are set out on pages 46 to 48.

Effective succession planning is pivotal for the long-term success, stability and sustainability of the Group and provides assurance to stakeholders that the Board and Executive Committee will continue to include the required skills to allow it to maintain high standards in line with the interests of all stakeholders. Succession planning has therefore continued to be an important area of focus for the Committee and the Board in 2024. The Committee reviews Board succession on a routine basis and specifically considered the successor to Tim Breedon's Board roles this year, resulting in the appointment of Neeta Atkar as our Senior Independent Director and Chair of the Board Remuneration Committee. We have also received regular updates from management on the executive succession pipeline and led a Board Talent Engagement Programme to meet a range of colleagues across our firm, which provides greater context to our discussions on this topic.

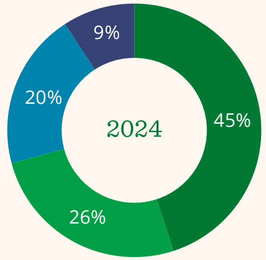
We remain committed to our Board Diversity Policy, and the need to have diverse representation has remained front of mind in our deliberations when considering Board appointments and succession planning. I am pleased to report that Quilter complies with all three Board diversity targets specified by the UK Listing Rules, as 44% of the Board members are women, two of the senior Board positions (being the Chair, Chief Executive Officer, Chief Financial Officer and Senior Independent Director) are held by women and at least one Board member is from a minority ethnic background. As required by the UK Corporate Governance Code 2018 (the "Code"), I confirm that, as at 31 December 2024, 42% of senior management (Executive Committee and the Company Secretary) and their direct reports were women (2023: 47%). More information on inclusion and diversity at Quilter can be found in this report on page 62 and in the Strategic Report on pages 18 and 19.

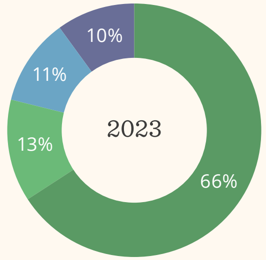
In line with the recommendations of the Code, we conducted an internally facilitated Board effectiveness review in 2024. An overview of the process and the key outputs are set out on page 63.

Finally, I would like to express my thanks to my fellow Committee members and management for their support during 2024.

Ruth Markland
Chair

Committee activity





Committee activity	2024	2023
Board and Board Committee Succession Planning	●	●
Corporate Governance	●	●
Executive Succession Planning and Talent	●	●
Board effectiveness review	●	●

At a glance

Committee responsibilities

- Reviews the composition of the Board and recommends the appointment of new Directors.
- Considers succession plans for the Chair and other Board positions.
- Considers succession plans for key executive leadership positions and ensures a robust recruitment framework.
- Monitors corporate governance standards and practices in place.
- Oversees the annual Board performance review.

Committee governance

The Board Corporate Governance and Nominations Committee currently comprises the Chair of the Board, the Senior Independent Director, who is also Chair of the Board Remuneration Committee and the Board Risk Committee, and the Chair of the Board Audit Committee.

Details of the skills and experience of the Committee members can be found in their biographies on pages 46 to 48.

Committee effectiveness review

As part of the 2024 Board effectiveness review, the Board has assessed that the Committee membership is appropriate in providing challenge and oversight and that the Committee is operating effectively.

Discharging our responsibilities

The Committee reviewed its activities over the previous 12 months against its Terms of Reference and confirmed that it had fully discharged its responsibilities in line with its remit. The Terms of Reference are available at **plc.quilter.com**.

Attendance

The Chief Executive Officer and Human Resources Director regularly attend Committee meetings, except when it would not be appropriate for them to do so.

Key areas of Committee focus

The table below highlights the work of the Committee during the year and the key outcomes.

	Reports	Summary of discussions and activity	Outcomes
Board and Board Committee Succession Planning	Board Composition and Succession Planning Updates	The Committee is responsible for the regular review of the composition of the Board and the Board Committees, with a view to maintaining the appropriate balance of skills, experience, independence and diversity to support the delivery of the Group's strategic priorities and ensure that the Board can effectively oversee and provide challenge to management. The accountabilities, competencies and expectations required of the holder of each role on the Board, including those required by the Code, have been documented in our Board Charter, which is reviewed annually. This includes the responsibilities of the Directors as a whole, including their responsibilities under section 172 of the Companies Act 2006, and the role profiles of the Chair, Senior Independent Director, Committee Chairs, Non-executive Directors and Executive Directors as well as the Workforce Engagement Director and Consumer Duty Champion. The Chair considered each Director's individual contribution to the Board together with feedback from the 2024 Board effectiveness review. The Chair provided feedback to the Non-executive Directors on their performance and Neeta Atkar, as Senior Independent Director, provided feedback to the Chair. It was confirmed that all Directors were discharging their roles effectively. The Chair took the findings of the individual Director performance review into consideration when recommending the re-election of the Directors at the AGM. The time commitment expected of the Non-executive Directors is set out in the Board Charter.	– Recommended to the Board the appointment of Neeta Atkar as Senior Independent Director and Chair of the Board Remuneration Committee. – Confirmed that all Non-executive Directors remain independent in accordance with the Code.

Key areas of Committee focus

	Reports	Summary of discussions and activity	Outcomes
Board and Board Committee Succession Planning (continued)	Board Composition and Succession Planning Updates (continued)	The Committee is also responsible for reviewing and making recommendations to the Board on succession planning for the Board and key leadership positions within Quilter. Four of the Non-executive Directors have served on the Board for six years or less. Heightened focus is applied in the assessment of independence where Non-executive Directors have served for more than six years. All the Directors are subject to annual re-election by shareholders and the specific reasons why each Director's contribution is, and continues to be, important to the Company's long-term sustainable success are set out in their biographies on pages 46 to 48. The Committee is satisfied that, throughout the year, all Non-executive Directors remained independent in accordance with the Code, and the Chair was independent on appointment to that role in May 2022. In line with best practice, the Committee has agreed emergency succession arrangements for all of the key Board positions, including the Chair, the Senior Independent Director and the Board Committee Chairs. Although strong candidates are available for each position on an emergency basis, it is still likely that some external recruitment would be sought for permanent successors. To support the Board succession planning process, the Committee regularly reviews a Board Skills Matrix which sets out the industry knowledge and experience of our Directors which is relevant to the delivery of our strategy. A summary of this Matrix is set out on page 49. In light of Tim Breedon's decision to retire from the Board, which was announced in July and effective in September 2024, the Committee considered the potential successors to Tim's roles of Senior Independent Director and Chair of the Board Remuneration Committee. Following discussion by the non-conflicted Committee members, the Committee recommended to the Board the appointment of Neeta Atkar to both of these roles with effect from 12 September 2024. In making their recommendation, the Committee discussed the depth of Neeta's experience in these roles in financial services companies.	
	Non-executive Director Appointment Proposals	On the recommendation of the Committee, the Board appointed Chris Hill as a Non-executive Director and member of the Board Audit Committee and Board Remuneration Committee with effect from 7 March 2024. Chris was subsequently appointed as Workforce Engagement Director with effect from 12 September 2024. Chris brings deep knowledge of the wealth management industry and experience as a financial services Chief Executive Officer and Chief Financial Officer, which equips him to fulfil these roles. You can read more about the search process and the induction arrangements for Chris Hill in our 2023 Annual Report. On 9 September 2024, we welcomed Alison Morris to the Board as a Non-executive Director and member of the Board Audit Committee and Board Risk Committee. Alison has subsequently been appointed as a member of the Board Remuneration Committee. The process to recruit Alison was led by the Chair with support from external search firm, Sapphire Partners, who have only been retained for Board searches and have no other connection with Quilter or any individual Director. In line with our Board Diversity Policy, Sapphire Partners is a signatory to the voluntary code of conduct for executive search firms which supports a diverse selection process. The Committee agreed a search brief which set out the criteria and characteristics for the search. The Committee reviewed the initial list of candidates with Sapphire Partners against these criteria and a diverse shortlist of candidates was interviewed by the Chair and other members of the Committee. The preferred candidate, Alison Morris, who has deep financial expertise and audit experience in the financial services sector, was assessed as meeting the key search criteria and subsequently met with other Board members and certain senior leaders. On the recommendation of the Committee, Alison's appointment was confirmed by the Board and announced on 18 April 2024. Alison was provided with a comprehensive, formal and tailored induction, which included briefings on Quilter's strategy, financial performance, risk profile, regulatory environment, and governance framework. The induction programme was delivered through a series of meetings with fellow Board members, senior management and key advisers to the Group.	– Recommended to the Board the appointments of Chris Hill and Alison Morris.

Key areas of Committee focus

	Reports	Summary of discussions and activity	Outcomes
Executive Succession Planning and Talent	Executive Succession Planning Updates	The Committee exercises close oversight of the senior management talent pipeline to satisfy itself that there is effective succession planning for key executive roles. It receives regular updates from the Chief Executive Officer and the Human Resources Director on progress made on our executive succession plans over appropriate time horizons and the actions identified to manage and mitigate succession risk. Our diversity targets are taken into consideration as part of our succession plans and you can read more about how Quilter supports the development of a diverse talent pipeline in the Strategic Report on page 17. The Committee has appointed a Sub-Committee to oversee the process for the appointment of a permanent successor to the Chief Risk Officer role. This Sub-Committee comprises the Chair of the Board, the Chair of the Board Audit Committee and the Chair of the Board Risk Committee, who chairs the Sub-Committee.	– Appointed a Sub-Committee to oversee the appointment of a new Chief Risk Officer.
	Talent and Colleague Engagement Updates	To support the effective oversight of executive succession planning, the Board conducts an annual Talent Engagement programme through which the Board members are able to engage with our colleagues and gain insight into talent across various levels of the Group. During the year, the Committee reviewed the success and learnings from the 2023 Talent Engagement programme which informed the focus and structure of the programme for 2024.	
Corporate Governance	Director Conflicts of Interest and Time Commitment	In accordance with the Companies Act 2006 and the Company's Articles of Association, the Board may authorise conflicts of interest. Directors are required to declare any potential or actual conflicts of interest that could interfere with their ability to act in the best interests of Quilter. The Company Secretary maintains a Conflicts of Interest Register, which is reviewed by the Board and the Committee on an annual basis. Board members hold various external directorships and other outside business interests, and the Board is mindful of the benefits that this can bring. However, noting the recommendations of the Code, the Committee considers any potential impact on Quilter of any proposed new external appointment that a Director wishes to assume and, where appropriate, approves that external appointment on behalf of the Board. In doing so, the Committee considers the facts and circumstances around the appointment, the role and nature of the business and potential time commitment for the Director. All new external appointments for Directors pre-approved by the Committee are notified to the Board. During the year, the Committee carefully reviewed a request to approve a new external appointment for a Non-executive Director and concluded that the additional responsibilities would not impact their time commitment or cause any potential conflicts of interest for Quilter. Details of Directors' external appointments can be found in their biographies on pages 46 to 48. The Committee was also provided with an assessment of all Non-executive Directors' time commitment to provide assurance on their capacity to effectively discharge their duties to Quilter and confirmed to the Board that they were satisfied that these remain appropriate.	– Confirmed that all Non-executive Directors have sufficient time capacity to fulfil their duties to Quilter. – Pre-approved on behalf of the Board Chris Samuel's appointment to the board of Scottish Mortgage Investment Trust PLC.

Key areas of Committee focus

	Reports	Summary of discussions and activity	Outcomes
Corporate Governance (continued)	Corporate Governance Updates	Following the publication of the 2024 Code, the Committee reviewed an assessment of Quilter's preparedness for compliance and the steps to ensure that the reporting requirements can be successfully met during 2025 for publication in our 2025 Annual Report. The Committee also routinely reviews the Group's corporate governance framework documents to ensure that they remain fit for purpose.	– Recommended the assessment of preparedness against the 2024 Code to the Board.
	Subsidiary Governance Updates	The remit of the Committee includes the governance policies and processes that apply to Quilter's significant subsidiaries. During the year, the Committee has reviewed and endorsed proposals on board composition and the board committee structures for companies within the Affluent segment. The Committee oversaw the simplification of our board corporate governance framework in our Affluent business, with new regulatory permissions approved by the FCA to enable Quilter Investors to delegate the investment management of its fund range to the Quilter Platform. This allows Quilter Investors to focus in its responsibilities as an authorised fund manager. As part of the simplification, a number of Affluent subsidiary board committees were closed and other governance forums have assumed responsibility for scrutinising investment oversight, including conflicts of interest. They will report to the respective board or board committee on these matters, as appropriate.	– Endorsed the new composition of the Quilter Investors Limited board. – Approved changes to the board committee structure for the Affluent entities.

Key areas of Committee focus

Board Diversity Policy

The Committee monitors the impact of changes to the composition of our Board on our diversity statistics and is responsible, on behalf of the Board, for the implementation of the Board Diversity Policy (the "Policy"), which was last reviewed and updated in November 2024.

The Policy sets out our approach to inclusion and diversity for the Board, Board Committees and senior management and reflects our commitment to creating an organisational culture and environment where inclusion and diversity in its broadest sense is nurtured and celebrated. The Policy states that in considering the composition of our standing Board Committees, due regard is given to diversity. The Policy sets a number of objectives and incorporates the targets in the UK Listing Rules and the recommendations of the FTSE Women Leaders Review and the Parker Review. The Policy is available on our website at **plc.quilter.com**.

The results against the targets in the Policy for the year ended 31 December 2024 can be found below for the Board and on page 18 of the Strategic Report for senior management.

Board and Executive Management Diversity

UK Listing Rule 6.6.6(9)

FTSE Women Leaders Review

Parker Review

As at the chosen reference date, 31 December 2024, all three targets specified by UK Listing Rule 6.6.6(9) have been met:

- At least 40% of the individuals on the Board are women.
- At least one of the senior Board positions (being the Chair, Chief Executive Officer, Chief Financial Officer or Senior Independent Director) is held by a woman.
- At least one individual on the Board is from a minority ethnic background.

The disclosure required by provision 23 of the 2018 UK Corporate Governance Code in relation to the gender balance of senior management and their direct reports can be found on page 18.

The tables below have been prepared in accordance with UK Listing Rule 6.6.6(10) and are set out in the format contained in UK Listing Rule 6 Annex 1. The reference date is 31 December 2024 and no Board changes have occurred between that date and the date on which this report was approved.

Gender identity

	Number of Board Members	Percentage of the Board	Number of senior positions on the Board[1]	Number of Executive Management[2]	Percentage of Executive Management
Men	5	56%	2	6	60%
Women	4	44%	2	4	40%
Not specified/prefer not to say	–	–	–	-	–

Ethnic background

	Number of Board Members	Percentage of the Board	Number of senior positions on the Board[1]	Number of Executive Management[2]	Percentage of Executive Management
White British or other White (including minority-white groups)	8	89%	3	10	100%
Mixed/Multiple Ethnic Groups	–	–	–	–	–
Asian/Asian British	1	11%	1	–	–
Black/African/Caribbean/ Black British	–	–	–	–	–
Other ethnic group	–	–	–	–	–
Not specified/prefer not to say	–	–	–	–	–

[1] Chair, Chief Executive Officer, Chief Financial Officer and Senior Independent Director.
[2] The Executive Committee and the Company Secretary.

The data collated is based upon the guidance published by the FCA in Policy Statement 22/3. The Company Secretary collated data on behalf of the Chair and Non-executive Directors and executive management provide their data via Workday. All data is provided with consent and anonymity is protected.

Board effectiveness review

Background

A high-performing Board is critical to Quilter's success and we remain committed to the continuous improvement of the effectiveness of our Board and Board Committees. The Committee agreed that it would be appropriate to conduct an internally facilitated review in 2024, having last held an externally facilitated review in 2022.

Update on 2023 Board effectiveness review

The Board and its Committees reviewed progress against the agreed action plan from the 2023 effectiveness review and determined that the matters raised in that review had been materially addressed. It was agreed that the effectiveness of the new Board corporate governance structure would be kept under review in 2025, in light of further changes we made to the governance structure within our Affluent segment that became effective from 1 January 2025.

Process for the 2024 Board effectiveness review

At the request of the Board, the Senior Independent Director led the review in accordance with an approach agreed with the Board. In line with the Code recommendations, the review assessed the performance of the Board, its Committees, the Chair and individual Directors.

Stage 1	Stage 2	Stage 3	Stage 4
September 2024	October 2024	November 2024	December 2024 to date
Questionnaires were agreed by the Board on the recommendation of the Committee and published to all Directors. The questions addressed the same key areas as the 2023 review, including strategy, the Board's role and structure and governance, to enable the Board to see the progress made on recent pertinent issues.	The questionnaires were completed by the Directors on a confidential and non-attributable basis, with our newly appointed Director, Alison Morris, refraining from participating. The Senior Independent Director subsequently met individually with the Directors. The compilation and evaluation of the Directors' responses was carried out by the Company Secretary.	The report on the results of the review and a suggested action plan was discussed by the Committee. On the recommendation of the Committee, the Board discussed and approved the action plan.	Progress against the action plan is monitored by the Committee and the Board will be kept updated regularly in 2025. Each Board Committee has agreed the actions relevant to them arising from the review and also monitors their progress.

Outcomes and actions from the 2024 review

The review concluded that the Board and Board Committees continue to operate effectively, with a small number of themes for continuous improvement identified:

Themes identified	Actions agreed
Structure, Focus and Operation of the Board	– Once the new board governance structure has further embedded, including the additional changes within the Affluent segment that were effective from 1 January 2025, a further review of possible efficiencies will be undertaken to identify any areas for enhancement. – Time allocation on the Board agendas and the meeting cadence will be kept under review in 2025 to ensure maximum effectiveness at meetings.
Business Planning	– The Board will continue to ensure an appropriate level of challenge and rigour is applied to the Group's objectives and targets when setting and monitoring expectations and goals for management.
Internal Control	– The Board Audit Committee will oversee the implementation of the new Code reporting requirements around internal control (which will apply from Quilter's financial year beginning on 1 January 2026). – This will include monitoring and challenge by the Board and Board Committees of the evolution of reporting on internal control effectiveness.
Board and Executive Succession Planning	– The Board and Board Corporate Governance and Nominations Committee will continue to apply focus to Board and executive succession in line with our strategy, supported by the Chief Executive Officer and the Human Resources Director.
Board Training	– Opportunities to refresh Board training on key areas of opportunity and risk will be considered and implemented in 2025.

You can read more about the reviews of the individual Board Committees in the Board Committee Reports, which form part of this Governance Report. Information on the process for the assessment of the individual Directors, including the Chair, is set out on page 58.

Looking forward

In accordance with the Code recommendations, the Board has agreed to commission an externally facilitated review in 2025.

Board Audit Committee Report

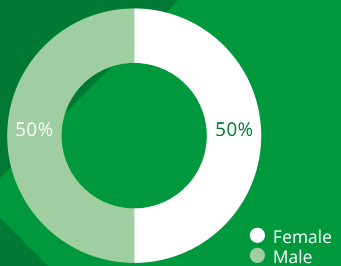
George Reid
Chair

Committee membership and attendance

	Scheduled Meetings	Ad hoc Meetings
George Reid (Chair)	9/9	1/1
Neeta Atkar	9/9	1/1
Chris Hill[1]	7/7	1/1
Alison Morris[2]	2/2	–
Former members		
Tazim Essani[3]	4/4	–

[1] Appointed with effect from 7 March 2024.
[2] Appointed with effect from 9 September 2024.
[3] Stepped down with effect from 23 May 2024.

Committee gender diversity



Dear shareholder

As Chair of the Board Audit Committee, I am pleased to provide this update on the Committee's activities since my last report. The Committee plays a key role in ensuring the integrity of the Group's financial reporting and internal controls, as well as overseeing the work and effectiveness of its internal and external auditors.

As part of its deliberations, the Committee has focused on the consistency and succinctness of our financial reporting, while continuing to ensure strong compliance with the accounting rules and that our disclosures are fair, balanced and understandable. This has involved careful consideration and challenge of the areas where management has exercised judgement and the assumptions and estimates underpinning these. In this regard, particular attention was paid to the provision made in respect of the Ongoing Advice Review, as noted on page 67. The Committee's remit includes the Group's climate-related financial disclosures and it has dedicated time this year to discussing with management their approach to the governance and assurance of the content of this reporting. The Committee has been briefed on management's engagement with the Financial Reporting Council's Corporate Reporting Review team during the year on the 2023 Annual Report and financial statements, which you can read more about on page 68.

A robust and effective control environment is a vital element in ensuring the accuracy of our disclosures for the benefit of all our stakeholders. The Committee has a joint responsibility with the Board Risk Committee for exercising oversight of the Group's system of internal control and has continually assessed the state of our financial reporting risks and controls throughout the year.

The Committee is leading the oversight at Board level of the work to ensure Quilter can in future make the recommended disclosures on material controls under the 2024 UK Corporate Governance Code, and this will continue to be an area of focus ahead of the publication of our 2026 Annual Report when these provisions will first apply to Quilter.

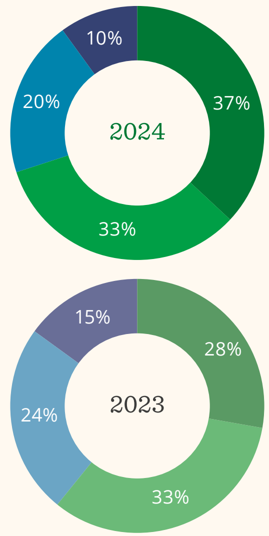
The Committee is responsible on behalf of the Board for overseeing the Group's whistleblowing arrangements and I serve as the Whistleblowing Champion for Quilter. We recognise the importance of fostering a culture that encourages our colleagues to raise any concerns they may have and how this benefits ethical and fair business conduct. The Committee has received regular updates and discussed with management the steps that have been taken to ensure that we maintain rigorous, effective and trusted whistleblowing arrangements that our colleagues understand and know how to access. Further information on our whistleblowing arrangements can be found on page 20 of the Strategic Report.

The independent assurance and professional scepticism provided by both the Group's internal and external auditors are important elements in the governance of internal controls and financial reporting. The Group's Internal Audit function continues to provide robust assurance on the effectiveness of the controls for the key risks to Quilter. This was confirmed by the results of the external quality assessment carried out during the year by Deloitte, which you can read more about later in this report. The Committee has had a regular dialogue with the Chief Internal Auditor on the work of the Internal Audit function and the steps it has taken to ensure it meets the applicable industry standards for auditors. Similarly, representatives of our external auditors, PwC, attend all meetings of the Committee and are regularly invited to share their views and insights and raise any challenges on financial reporting and internal controls. The internal review of PwC's performance carried out in the year confirmed that they continue to provide an effective and high-quality audit to the Group.

I would like to extend my thanks to Tazim Essani, who stepped down from the Committee following the 2024 Annual General Meeting, for her contribution to the Committee during her tenure. In 2024, we welcomed Chris Hill and Alison Morris as Committee members. Chris and Alison both bring recent and extensive experience of the financial services sector relevant to the Committee's role and remit, and you can read more about their skills and experience in their biographies on pages 46 to 48.

George Reid
Chair

Committee activity



Committee activity	2024	2023
Review of Financial Statements	●	●
Internal and External Audit	●	●
Internal Controls	●	●
Governance and Regulatory Compliance and Reporting	●	●

At a glance

Committee responsibilities

– Reviews the Group's accounting policies and the contents of financial statements.
– Monitors disclosure controls and procedures.
– Considers the adequacy, scope of work and resourcing of the external and internal audit functions.
– Oversees the relationship with our external auditors.
– Monitors the effectiveness of internal financial controls.

Committee governance

The Board Audit Committee currently comprises four independent Non-executive Directors. George Reid, Chris Hill and Alison Morris have recent and relevant financial experience and competence in accounting or auditing. The Committee as a whole has competence relevant to the business sectors that Quilter operates in.

Details of the skills and experience of the Committee members can be found in their biographies on pages 46 to 48.

Committee effectiveness review

As part of the 2024 Board effectiveness review, the Board has assessed that the Committee membership is appropriate in providing challenge and oversight and that the Committee is operating effectively.

Discharging our responsibilities

The Committee reviewed its activities over the previous 12 months against its Terms of Reference and confirmed that it had fully discharged its responsibilities in line with its remit. The Terms of Reference are available at **plc.quilter.com**.

Attendance

The Chief Financial Officer, the Chief Internal Auditor, the Chief Risk Officer and representatives of PwC, the external auditors, attend all meetings of the Committee. On occasion, other Non-executive Directors and the Chief Executive Officer attend Committee meetings for specific matters. The Committee holds regular private sessions with the Chief Internal Auditor and the representatives of PwC, without management present.

Key areas of Committee focus

The table below gives an overview of the Committee's work during the year, including its consideration of significant issues relating to the financial statements, and key outcomes.

	Reports	Summary of discussions and activity	Outcomes
Review of Financial Statements	Annual Report and financial statements and preliminary and interim results announcements	The Committee thoroughly reviewed and challenged the Group's Annual Report and financial statements and preliminary and interim results announcements for 2024. Our discussions have been supported by analysis from management on their processes for preparing and reviewing these disclosures, as well as the reports of the external auditors. The Group's financial statements are prepared in accordance with International Financial Reporting Standards as adopted in the UK ("IFRS") and follow the Group's adopted accounting policies. The Committee reviews the policies and oversees the use of certain alternative performance measures ("APMs") to aid the understanding of the Group's financial statements by Quilter's shareholders and other stakeholders. Care has been taken to ensure that where APMs are used, they are necessary, clearly highlighted and explained, and reconciled to statutory performance measures in line with the guidance from the FRC.	– Recommended the Annual Report and financial statements and preliminary and interim results announcements to the Board for approval.

Key areas of Committee focus

	Reports	Summary of discussions and activity	Outcomes
Review of Financial Statements (continued)	Annual Report and financial statements and preliminary and interim results announcements (continued)	A comprehensive review process was followed to support the Board in reaching its conclusion that the 2024 Annual Report and financial statements are fair, balanced and understandable and provide the necessary information for shareholders to assess the Group's position, performance, business model and strategy. The process which enabled the Board to reach this conclusion, on the advice of the Committee, included: – close management of the production of the 2024 Annual Report and financial statements by the Chief Financial Officer, with overall governance and coordination provided by a cross-functional team of senior management; – cross-functional support for the drafting of the 2024 Annual Report and financial statements which included input from Finance, Risk, Investor Relations, Corporate Secretariat, Human Resources and wider business leaders; – a robust review process of inputs into the 2024 Annual Report and financial statements by all contributors to ensure disclosures are balanced, accurate and verified, with further comprehensive reviews by senior management; – a review by the Company Secretary of all Board and Board Committee minutes to ensure all material matters considered at Board-level meetings have been appropriately disclosed in the 2024 Annual Report and financial statements; – a specific management paper detailing an assessment of the disclosures against the FRC's guidance on fair, balanced and understandable reporting; – a review of an advanced draft of the disclosures by the Board Audit Committee to provide feedback on areas that would benefit from further clarity ahead of the final review and approval; and – final reviews of the draft 2024 Annual Report and financial statements by the Board Audit Committee and the Board. Having evaluated all relevant information, the assurances by management and underlying processes used to prepare the financial information, the Committee was satisfied to confirm to the Board that, taken as a whole, the 2024 Annual Report and financial statements are fair, balanced and understandable. The process was also followed in respect of the Group's 2024 interim results.	

Key areas of Committee focus

	Reports	Summary of discussions and activity	Outcomes
Review of Financial Statements (continued)	Accounting Judgement Updates	The Committee received regular updates on the Group's key accounting judgements and estimates to enable the Committee to consider and discuss these with management and the external auditors in advance of the end of each reporting period. Critical accounting judgements and material accounting estimates deliberated by the Committee during review of the 2024 Annual Report and financial statements included the treatment of the following matters: – Provision for Ongoing Advice Review: The Committee reviewed the judgements and estimates involved in the provision for the Ongoing Advice Review, including the assumptions relating to a potential customer remediation exercise. The provision comprises estimates of potential customer redress, interest payable and administration costs. The Committee's work included reviewing and questioning management updates regarding the work of the Skilled Person, receiving updates regarding management's interactions with the regulator, and challenging the data and control environment relating to the provision calculations. The disclosures in the Group's financial statements were reviewed by the Committee to ensure compliance with IFRS and transparent presentation. – Goodwill and intangibles: The Committee considered the appropriateness of the key assumptions underpinning the Group's goodwill impairment testing, and the sensitivities modelled. In particular, the Committee considered whether the carrying amounts of goodwill and intangibles remained appropriate in the context of changes in the UK and global economy during 2024. The Committee reviewed the associated disclosures in both the interim and annual financial statements to ensure they met the requirements of IFRS and provided relevant information to the readers of the financial statements.	– Challenged the significant accounting judgements within the Group's financial statements.
	Going Concern Disclosures and Viability Statement	The Committee has considered the appropriateness of adopting the going concern basis of preparation for the Group's financial statements and the Group's assessment of viability for a period longer than 12 months. In doing so, the Committee considered a going concern assessment prepared by management which took into account: – the Group's three-year Business Plan, which includes consideration of the economic, regulatory, competitive and risk environment; and – the Group's latest Own Risk and Solvency Assessment and Internal Capital Adequacy and Risk Assessment reports, which cover the current and future risk profile and solvency positions based on a series of core assumptions, stress tests and scenario analysis. Having considered the proposed viability statement, the Committee was satisfied with its content and the time period it covers, which is aligned with the Group's three-year business planning cycle. The going concern and viability statement can be found in the Strategic Report on pages 42 and 43.	– Confirmed the appropriateness of the going concern basis of preparation for the 2024 financial statements, and the content and time period of the viability statement.

Key areas of Committee focus

	Reports	Summary of discussions and activity	Outcomes
Review of Financial Statements (continued)	Dividends	The Committee is responsible for reviewing and advising the Board on the affordability and suitability of any distributions, including the Interim and Final Dividends.	– Confirmed to the Board that the 2024 Interim and Final Dividends were appropriate and affordable.
	FRC Correspondence	The FRC wrote to us in July 2024 to inform us that they had carried out a review of our 2023 Annual Report and financial statements in accordance with Part 2 of their Corporate Reporting Review Operating Procedures. The FRC requested further information on an accounting judgement made in the aggregation of cash flows when carrying out impairment reviews for investments in subsidiaries within the Parent Company financial statements. This information was provided to the FRC's satisfaction, and we have enhanced the relevant disclosure in note 2 to the 2024 Parent Company financial statements on page 178. The FRC requested that it be noted that their review was based on the 2023 Annual Report and financial statements and did not benefit from detailed knowledge of our business or an understanding of the underlying transactions entered into. The FRC's correspondence provides no assurance that the 2023 Annual Report and financial statements are correct in all material respects; the FRC's role is not to verify the information provided to it but to consider compliance with reporting requirements.	– Received confirmation from the FRC that it had closed its enquiries. – Noted the enhanced disclosure in the 2024 Parent Company financial statements.
Internal Controls	Financial Control and Reporting Risk Updates	The Committee exercises close oversight of the operating effectiveness of the financial reporting control environment to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Group's financial statements. Management has provided the Committee with regular updates on the risk and control self-assessment for financial control and reporting risk, and the progress and results of their ongoing controls testing programme. During the year, the Committee has also considered the findings of a specific review into the end-to-end advice revenue and commission payments processes. Where areas for enhancement have been identified, either through management's testing, second or third-line assurance work, or PwC's internal control recommendations, the Committee has monitored the delivery of the actions agreed to address these areas to ensure that adequate progress is being made.	– Received assurance on the effectiveness of the financial reporting control environment.
	Whistleblowing Updates	Quilter is committed to maintaining an open and transparent culture in which colleagues feel free to raise concerns. The Committee received six-monthly updates from the Risk function on the operation and effectiveness of the Group's whistleblowing systems and controls. These included details of cases reported through the whistleblowing service, continuous improvement actions implemented to enhance the process, and planned activity to reinforce awareness of the service across the Group. In 2024, the Committee also reviewed and approved minor amendments to the Whistleblowing Policy.	– Approved the Whistleblowing Policy.

Key areas of Committee focus

	Reports	Summary of discussions and activity	Outcomes
Internal Controls (continued)	Client Asset Updates	Ensuring compliance with the client assets regulations applicable to certain regulated subsidiaries of Quilter in the UK and Ireland is essential for protecting the interests of Quilter's customers. The Committee monitors the state of the control environment for safeguarding client assets, including the performance of third-party suppliers who manage the client asset arrangements in certain parts of the business. It does this through regular reports from management, the second line Risk function and Internal Audit, which include details of any breaches of significance and remedial actions taken. The Committee also hears from the external auditors on the findings of their client assets audits and any control recommendations they have raised.	– Received assurance as to the ongoing performance of the controls in place for safeguarding client assets.
	2024 UK Corporate Governance Code Update	The Committee has considered the new recommendations under provision 29 of the 2024 UK Corporate Governance Code regarding material controls attestations, which will apply to Quilter from its 2026 Annual Report, and is overseeing the work to prepare us to meet these enhanced disclosure requirements. During 2024, the Committee considered management's initial approach for defining the population of material controls and assessing their effectiveness, which will leverage the Group's existing assurance processes, risk event monitoring and governance oversight mechanisms. This will remain an area of focus for the Committee in 2025.	– Requested that management report to the Committee regularly on preparedness in 2025.
Internal Audit	Internal Audit Functional Updates	Internal Audit supports the Board and executive management by providing independent and objective assurance and advisory activity designed to add value and improve operations. It helps Quilter to accomplish its objectives by bringing a systematic approach to evaluating and improving the effectiveness of risk management, control, and governance processes. The scope of Internal Audit's activities extends to all businesses owned, controlled, and governed by Quilter. The Committee is responsible for overseeing the remit, objectives and performance of the Internal Audit function and works closely with the Chief Internal Auditor on these matters. In 2024, the Committee received updates on Internal Audit's preparations for the implementation of the new Global Internal Audit Standards published by the Institute of Internal Auditors (the "IIA Standards"). This activity included reviewing and updating the Internal Audit Charter and Strategy, both of which were approved by the Committee during the year. The Committee is content that the essential conditions required under the IIA Standards to ensure Internal Audit is able to achieve its purpose and mandate are in place within Quilter. The success of the Internal Audit function in achieving its objectives is monitored by the Committee using a balanced scorecard, which is reviewed periodically to ensure it remains appropriate. The Committee held a joint meeting with the Board Risk Committee to review, challenge and approve the Risk and Internal Audit Plans for 2025. The Internal Audit Plan is designed to provide assurance on the effectiveness of the controls for the key risks to Quilter, including for climate-related risks. The Committee considered the planning approach which ensured that the coverage of the Internal Audit Plan is sufficiently risk focused and appropriately considers key matters including Quilter's strategic priorities, target culture and the requirements of the Consumer Duty. The Committee was satisfied that, based on the Chief Internal Auditor's assessment, the necessary resources, skillsets and budget are in place to deliver the 2025 Internal Audit Plan. The Plan includes appropriate contingency to ensure that the Internal Audit function can adjust and react to any unexpected demands. Any proposed changes to the agreed Internal Audit Plan are presented to the Committee for approval as they arise.	– Approved the Internal Audit Charter and Strategy. – Approved the 2025 Internal Audit Plan in collaboration with the Board Risk Committee.

Key areas of Committee focus

	Reports	Summary of discussions and activity	Outcomes
Internal Audit (continued)	Internal Audit Activity Updates	The Chief Internal Auditor presented quarterly reports to the Committee in 2024 on progress against the Internal Audit Plan and the outcomes of this assurance work. These reports shared Internal Audit's analysis of the effectiveness of the control environments and processes that had been subject to audit, as well as the management actions agreed to address any issues identified. The Chief Internal Auditor also reports on management's response to any issues raised by Internal Audit, including the extent to which management had self-identified any of these issues. On occasion, the Committee has invited senior executives to attend its meetings for the discussion on the audit findings within their area of responsibility. The pace and effectiveness of management remediation activity to address audit findings is an important indication of the maturity of the Group's control environment and risk culture and has therefore been monitored closely by the Committee throughout the year. The Chief Internal Auditor also presented bi-annual opinions on Quilter's governance, risk and control frameworks, providing a holistic view of the state of our control environment including where positive progress has been made and where further management action may be required to further enhance controls.	– Discussed the findings from the assurance work conducted by Internal Audit and the opinion of the Chief Internal Auditor on the Group's control environment. – Monitored management remediation activity to address audit findings.
	External Quality Assessment of Internal Audit	In line with the Committee's Terms of Reference, the Committee commissioned an external quality assessment ("EQA") of Internal Audit in 2024, which was performed by Deloitte. The EQA concluded that Internal Audit generally conforms and aligns with applicable auditing standards, which is the highest rating that can be achieved, and benchmarks well against comparable industry peers. It was observed that the function demonstrates commitment to quality, has strong management support, and provides value and robust assurance to the business. The EQA highlighted some helpful enhancement measures designed to support Internal Audit's continuous improvement, and the Committee will monitor the implementation of these in 2025.	– Endorsed the continuous enhancement measures identified by the EQA.
Regulatory Compliance and Reporting	Climate-related Financial Disclosures	The Committee oversees the principles, policies, and practices adopted in the preparation of the Group's climate-related disclosures and the standards for relevant Group entities. It has received regular updates on the production of our Task Force on Climate-related Financial Disclosures ("TCFD") reporting, including the processes and controls in place for ensuring compliance with the reporting regulations and the integrity of the metrics and underlying data. The Committee discussed with management and PwC the form of assurance that would be appropriate for the Group's TCFD Report, and satisfied itself that the TCFD Report meets the disclosure requirements for such reports. The Group's disclosures on climate-related matters are set out on pages 22 to 29 of the Strategic Report and in a separately published Group TCFD Report which is published on our website at **plc.quilter.com/tcfd**.	– Recommended the 2024 Group TCFD Report to the Board for approval.
	Solvency II Reporting	During the year, the Committee scrutinised, challenged and recommended the Group's 2023 Solvency II reporting to the Board for approval. To support its review, the Committee received detailed reports from the Finance and Actuarial teams on the robustness of the process for the production and review of the disclosures, and from PwC on their audit of the disclosures. Towards the end of 2024, the Committee reviewed and approved the methodology and assumption changes to be applied to the 2024 year-end UK Solvency II reporting.	– Recommended the Group's 2023 Solvency II reporting to the Board for approval. – Approved the methodology and assumptions for the Group's UK Solvency II reporting for 2024.

Key areas of Committee focus

External Audit

Oversight and assessment of audit quality
The Committee is responsible for overseeing the Group's relationship with its external auditors and the effectiveness of the audit process. The work of the Committee in supporting a robust and high-quality external audit has included:

- ensuring the external audit plan was appropriate and receiving assurance on PwC's continued independence;
- reviewing regular and detailed reports from PwC throughout 2024 which covered all aspects of their audit work, as well as regulatory and industry updates to keep the Committee abreast of accounting, auditing and reporting developments;
- reviewing PwC's internal control recommendations and assessing management's response to these findings; and
- separate meetings between the Chair of the Committee and the lead external audit partner in advance if each Committee meeting to ensure that the discussions at Committee meetings are appropriately focused and challenge the conclusions reached by management as well as the audit work performed thereon.

The Committee considers the level of professional scepticism and challenge applied by PwC to management assumptions when reviewing reports on their audit work and regularly seeks PwC's independent perspective on critical accounting judgements and estimates during Committee meetings. PwC have contributed strongly to discussions on the Group's financial statements, financial reporting processes and key accounting judgements, as well as providing challenge with regards to the oversight of controls within our third-party suppliers.

The Committee continues to use Audit Quality Indicators ("AQIs") as a tool to inform its assessment of the effectiveness of the external audit process. The AQIs are a series of metrics about the audit process which provide the Committee with more in-depth information about factors that influence the quality of the external audit. The AQIs used this year were consistent with those used in the prior year, as they remained the most relevant measures important to an effective audit for Quilter. PwC has regularly updated the Committee on its performance against these measures.

In line with its Terms of Reference, the Committee annually reviews the effectiveness of the external auditors. The review in 2024 was conducted using a questionnaire completed by key stakeholders across the Group that had regular interactions with PwC during their audit. Participants were asked to provide their views on PwC's performance in the 2023 audit cycle across a range of criteria including independence, objectivity, industry knowledge, sufficiency of resources and service quality. A summary of the responses was provided to the Committee. Overall, the results confirmed that PwC continues to perform satisfactorily and delivered an effective service for the Group, with a small number of areas identified to further enhance the audit process. PwC scored highly for independence, integrity and objectivity which provides further assurance over audit quality.

During the year, the Committee received a summary of the FRC's 2023/24 Audit Quality Inspection and Supervision Report, highlighting the key inspection findings for PwC and their response to these findings.

Non-audit fees
The Committee monitors the provision of non-audit services by PwC to ensure that their independence and objectivity is maintained. In addition to the reports provided by PwC on their independence, the Committee has received reports from management providing details of the non-audit services provided by PwC and the consultancy support provided by other leading audit firms. The policy adopted by the Committee on non-audit services requires that non-audit services provided by the external auditors will not exceed 25% of the fees charged for audit and audit-related services. The Group's total fees for non-audit services in 2024 remained within the 25% limit set out in the policy at 13%.

Tenure and lead partner rotation
PwC have served as the Group's statutory auditors since the 2020 year-end reporting period, following a formal tender process conducted in 2019. In line with the mandatory requirements on audit partner rotation, Mark Pugh will be replaced by Sandra Dowling as the lead external audit partner following completion of the 2024 audit, having been in this role since PwC's appointment. Sandra has met with the Chair of the Committee, the Chair of the Board and the Chief Financial Officer, and will benefit from a full handover from Mark Pugh.

The Company has complied with the Statutory Audit Services for Large Companies Market Investigation (Mandatory Use of Competitive Tender Processes and Audit Committee Responsibilities) Order 2014 for the financial year ended 31 December 2024. The Committee remains satisfied with PwC's performance, independence and objectivity and therefore has no current intention of tendering for alternative statutory auditors before the end of the current required period of 10 years. Accordingly, a competitive tender process is expected to be conducted in 2029 for the 2030 year-end reporting period. This approach is considered to be in the best interests of shareholders given the effective service delivered by PwC and the benefits of continuity given their understanding of our business, alongside the fresh challenge that will be provided by the new lead external audit partner referred to above. However, the Committee will keep this under review, as appropriate. PwC will be recommended for re-appointment by shareholders at Quilter's AGM in May 2025.

External auditors' remuneration

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Fees payable to the Group auditors and their associates for the audit of Parent Company and Group consolidated financial statements	1.6	1.5
Fees payable to the Group auditors and their associates for other services:		
– Audit of the financial statements of the Group subsidiaries	2.5	1.9
– Audit-related assurance services	1.1	1.1
Fees for other assurance services	0.7	0.5
Total Group auditors' remuneration	**5.9**	**5.0**

Board Risk Committee Report

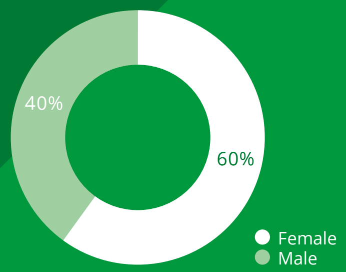
Neeta Atkar MBE
Chair

Committee membership and attendance

	Scheduled Meetings	Ad hoc Meetings
Neeta Atkar (Chair)	5/5	1/1
Moira Kilcoyne	5/5	1/1
Alison Morris[1]	1/2	1/1
George Reid	5/5	1/1
Chris Samuel	5/5	1/1
Former members		
Paul Matthews[2]	2/2	–

[1] Appointed with effect from 9 September 2024. Alison was unable to attend one meeting due to a prior engagement. She reviewed the papers and comments were provided to the Committee Chair in advance of the meeting.
[2] Stepped down with effect from 23 May 2024.

Committee gender diversity



Dear shareholder

I am pleased to present the Board Risk Committee Report which outlines the activities that the Committee has undertaken during 2024.

The Committee plays a vital role in supporting and advising the Board on Quilter's risk profile, providing robust challenge to management on the risks associated with the delivery of our strategy, whilst ensuring that Quilter remains within the agreed risk appetite. We monitor and assess the internal and external risks that Quilter faces, and provide guidance to and challenge management to ensure that the top risks facing the business are managed and mitigated. In 2024, our focus has been on the continued evolution of the business, including the investment in operations and technology to better support our customers.

Despite external headwinds from continued economic and geopolitical tensions, and the changes in government in the UK and US, we saw a return of investor confidence during the year, resulting in significantly improved flow levels into our business. The Committee reviewed the methodology of the models used to determine our capital and solvency requirements, and challenged the key assumptions and stress and scenario testing conducted to provide insight on potential adverse impacts to the business and the management actions available. Through prudent management, Quilter continues to maintain strong and conservative capital and liquidity positions.

Strong risk management remains critical to achieving good outcomes for all our stakeholders. Our Risk Management Framework enables Quilter to manage risk through the monitoring of key indicators and management information, underpinned by clear metrics which ensures management can take action in a timely manner, thus ensuring that the business operates within risk appetite. We made further enhancements to the Risk Management Framework in the year, including in relation to the analysis and reporting of top risks to the Committee. Further information regarding our Risk Management Framework can be found in the Risk review on page 37.

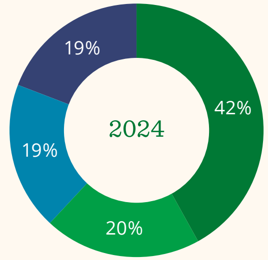
During 2024 the Committee spent significant time evaluating preparatory work and assurance activity in advance of the first Consumer Duty Board Assessments for our key regulated subsidiaries. We provided challenge to management to ensure that the Consumer Duty was appropriately embedded across the organisation and that our advisers were supported while they adapted to their own regulatory obligations. We reviewed management actions taken to deliver good customer outcomes and prevent foreseeable harm and will continue to monitor the actions identified to improve further, the outcomes for customers.

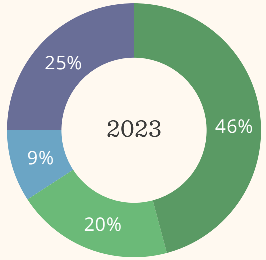
As previously reported, Paul Matthews stepped down from the Committee during 2024. We are grateful to Paul for his contribution as a Committee member. In September 2024, we welcomed Alison Morris to the Committee. Alison brings recent and relevant experience of financial services and serves on risk committees within the sector.

As we look forward to 2025, the Committee will focus on continuing to discharge its responsibilities with an emphasis on challenging and holding management to account as they deliver the Board's strategic priorities, whilst remaining within our agreed risk appetite. Our areas of focus will include challenging Quilter's operational resilience capabilities and new technologies including AI, continuing to oversee the delivery of strategic technology-related programmes, and supporting management as they continue to strengthen the financial crime control framework.

Neeta Atkar MBE
Chair

Committee activity





Committee activity	2024	2023
Top Risk Oversight	●	●
Risk Governance and Remuneration	●	●
Regulatory Change	●	●
Risk Appetite, Profile and Capital & Liquidity	●	●

At a glance

Committee responsibilities

- Oversees risk strategy.
- Recommends the total level of risk Quilter is prepared to take (risk appetite).
- Monitors the Group's risk profile.
- Assesses the top and emerging risks.
- Monitors and reviews the internal control framework.
- Oversees the effectiveness of the Risk and Compliance function.

Committee governance

The Board Risk Committee currently comprises five independent Non-executive Directors. Details of the skills and experience of the Committee members can be found in their biographies on pages 46 to 48.

Committee effectiveness review

As part of the 2024 Board effectiveness review, the Board has assessed that the Committee membership is appropriate in providing challenge and oversight and that the Committee is operating effectively.

Discharging our responsibilities

The Committee reviewed its activities over the previous 12 months against its Terms of Reference and confirmed that it had fully discharged its responsibilities in line with its remit. The Terms of Reference are available at **plc.quilter.com**.

Attendance

The Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, Chief Risk Officer and Chief Internal Auditor regularly attend Committee meetings. The Group Chair and, on occasion, other Non-executive Directors attend Committee meetings for specific matters.

Key areas of Committee focus

The Committee discharged its responsibilities in 2024 through monitoring and reviewing internal and external risks that the business faces. The table below highlights where the Committee spent its time during the year and the key outcomes.

	Report	Summary of discussions and activity	Outcomes
Top Risk Oversight	Chief Risk Officer's Report	**Review of top risks** The Committee discussed quarterly updates from the Chief Risk Officer on their assessment of the top risks facing Quilter. You can read about the Group's assessment of our top risks and how these are identified, managed and mitigated in the Risk review on pages 37 to 41. **Review of emerging risks** The Committee considered updates on the emerging risks to Quilter, which are less certain in terms of timescales and potential impacts from the external environment. The Committee reviewed management's assessment of these risks and challenged the proposed mitigating actions. Details of the near, medium- and longer-term emerging risks identified for Quilter can be found in the Risk review on page 41. **Risk Management Framework and internal controls** The Committee reviewed and approved changes to the Risk Management Framework and certain policies underpinning the Framework. The Committee's focus was to ensure that the Framework supports good customer outcomes and prevents customer harm. **Regulatory engagement** The Chief Risk Officer provided analysis and commentary on the interactions with our regulators, including regulatory change that impacts our customers and our business. **Risk events** The Chief Risk Officer briefed the Committee, as required, on the root cause analysis of risk events together with the proposed control enhancements to minimise the risk of re-occurrence.	– Challenged and evaluated that the top risks have been correctly identified and that management actions to mitigate the risks are appropriate. – Agreed that emerging risks had been appropriately identified and are monitored and managed accordingly. – Recommended Risk Management Framework changes to the Board for approval. – Challenged management to ensure that controls are sufficiently enhanced to protect our customers from harm.

Key areas of Committee focus

	Report	Summary of discussions and activity	Outcomes
Top Risk Oversight (continued)	Money Laundering Reporting Officer ("MLRO") Annual Report	The Committee reviewed the annual update from the Group's MLRO which gives a pan-Quilter view of the anti-money laundering and counter terrorist financing operating environment and associated risks.	– Noted the MLRO Annual Report.
	Risk and Compliance Function Plans	The Committee reviewed the Risk and Compliance function plans and received regular updates on progress throughout the year. This included monitoring resourcing and the overall delivery of agreed activity. Adjustments to the plans were approved by the Committee where necessary.	– Approved the Risk and Compliance function plans for 2025.
	Strategic Programme Delivery	The Committee received updates on key strategic programmes including enhancements to technology to support customers and advisers.	– Challenged management on the quality and timeliness of delivery of strategic initiatives.
	Third Party Risk Management	The Committee was updated on the progress to improve the management of Quilter's third party strategic partners and the areas where further enhancements are required.	– Noted progress to enhance supplier reporting, service delivery and risk management.
	Data Protection Officer's Report	The Data Protection Officer provided his assessment of data privacy risk. This assessment detailed the adequacy of data protection policies, procedures and governance arrangements to mitigate data protection risks and comply with data protection legislation.	– Noted the assessment of data privacy risk.
Risk Appetite, Profile, Capital and Liquidity	Risk Appetite Review	The Committee considered some modest changes to the Group's risk appetite statements and key indicators.	– Recommended changes to risk appetite statements and key indicators to the Board for approval.
	Capital and Liquidity Risk	The liquidity and solvency of the regulated entities within the Group were reviewed by the Committee. The Committee challenged the proposed changes to capital and liquidity risk appetite thresholds to ensure that they remained appropriate.	– Recommended updated capital and liquidity thresholds to the Board for approval. – Noted that Quilter remains strongly capitalised and has operated within capital and liquidity risk appetites during the year.

Key areas of Committee focus

	Report	Summary of discussions and activity	Outcomes
Risk Appetite, Profile and Capital & Liquidity (continued)	Own Risk and Solvency Assessment ("ORSA") and Internal Capital Adequacy and Risk Assessment ("ICARA") Reports	The Committee reviewed and challenged the Group's ORSA and ICARA processes throughout the year. This included detailed stress and scenario testing which supports the assessment of financial resilience indicators, such as liquidity and solvency ratios for the Group and key subsidiaries, as well as analysis and challenge of reverse stress testing. **Corporate sustainability and ESG risk** During 2024, as part of the preparation of the ICARA and ORSA, the Committee reviewed a scenario around the financial risk of sustainability and ESG in our propositions, including climate change. This scenario analysis focused on the risk of greenwashing.	– Recommended the Group ICARA and ORSA Reports to the Board for approval.
	Financial Crime Framework	Management presented changes to the financial crime risk appetite statement and the key indicators used to measure performance against risk appetite. The Committee discussed the controls in place to ensure Quilter remains within risk appetite, and the potential impacts to Quilter and its stakeholders should any thresholds be triggered.	– Recommended the financial crime risk appetite statement and the key indicators to the Board for approval. – Approved revisions to the Financial Crime policies.
Risk Governance and Remuneration	Risk-adjusted remuneration	The Committee, in conjunction with the Board Remuneration Committee and with input from the Chief Risk Officer, considered the relevant financial and operational risk factors to be taken into account in annual remuneration decisions.	– Considered the 2024 risk adjustment methodology.
	Material Risk Takers Framework	The Committee considered changes to the Material Risk Takers Framework as part of its annual review and the colleagues deemed to be Material Risk Takers for Quilter.	– Approved the Material Risk Takers Framework and the Material Risk Taker population.
	Group Policy Framework	The Committee endorsed the proposed simplification of the Risk Policy suite, which forms part of the Risk Management Framework, and agreed that the policies be structured on a principles basis with certain mandatory requirements included.	– Endorsed management's proposal to simplify the Risk Policy suite.
	Conflicts of Interest	Following the changes to the Group governance structure in 2023, the Committee reviewed the approach to the identification and management of potential conflicts of interest in the Affluent business. The Committee reviewed the processes that support Quilter's management of conflicts of interest together with the controls and risk assessment performed.	– Noted the outcome of the control and risk assessments performed and satisfied itself that the identification and management of conflicts of interest was appropriate.
	Group Governance Manual	The Group Governance Manual sets out at a high-level Quilter's governance framework and is refreshed on an annual basis.	– Recommended changes to the Group Governance Manual to the Board for approval.

Key areas of Committee focus

	Report	Summary of discussions and activity	Outcomes
Regulatory Change	Consumer Duty	The Committee regularly evaluated preparatory work and assurance activity in advance of the first Consumer Duty Board Assessments for the Group and our UK regulated subsidiaries. We challenged management to ensure that the Consumer Duty was appropriately embedded across the organisation, and reviewed management actions taken to deliver good customer outcomes.	– The Committee oversaw the assessment process for the Group with the regulated subsidiary boards approving their Consumer Duty assessments. – The Committee endorsed the actions identified by management to improve customer outcomes and continue to monitor progress against the agreed action plans.
	Operational resilience	The Committee reviewed how the Group had developed its approach to operational resilience to ensure that it is appropriately prepared in advance of the revised regulatory requirements that are due to come into effect from 31 March 2025.	– Recommended the annual self-assessment of operational resilience, including details of our important business services and impact tolerances, to the Board for approval.

Internal controls

Throughout the year ended 31 December 2024 and to date, the Group has operated a system of internal control that provides reasonable assurance of effective operations covering all controls, including financial and operational controls and compliance with laws and regulations. Processes are in place for identifying, evaluating and managing the principal risks facing the Group in accordance with the "Guidance on Risk Management, Internal Control and Related Financial and Business Reporting" published by the Financial Reporting Council.

The Board Audit Committee and the Board Risk Committee regularly review internal controls through reports from management and the Risk and Internal Audit functions. The Board Audit Committee monitors the controls over financial reporting and the independence and effectiveness of the internal and external auditors, which you can read more about on pages 65 to 71. In February 2025, the Board Risk Committee received management's assessment of the effectiveness of internal controls as of 31 December 2024 to date, and concluded that, based on this assessment, they were effective. The Board subsequently considered and endorsed this assessment.

The publication of the 2024 UK Corporate Governance Code introduced changes to provision 29 relating to the annual Board review of the effectiveness of the Company's risk management and internal control framework, which apply from 1 January 2026. Management have progressed their analysis of the current controls and are reviewing areas where further enhancement may be required. The Board Audit Committee is overseeing the work to review and scrutinise the evidencing of Quilter's internal controls framework.

Board Remuneration Committee Report

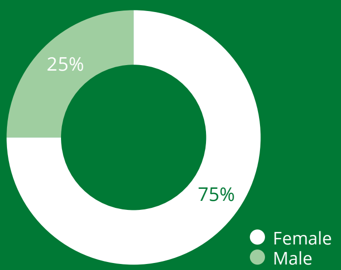
Neeta Atkar MBE
Chair

Committee membership and attendance

	Scheduled Meetings	Ad hoc Meetings
Neeta Atkar (Chair)[1]	1/1	1/1
Chris Hill[2]	3/3	1/1
Ruth Markland	5/5	1/1
Alison Morris[3]	1/1	1/1
Former members		
Tim Breedon (Chair)[4]	4/4	
Tazim Essani[5]	3/3	
Paul Matthews[5]	3/3	

[1] Appointed as Chair with effect from 12 September 2024.
[2] Appointed with effect from 7 March 2024.
[3] Appointed with effect from 12 September 2024.
[4] Stepped down with effect from 11 September 2024.
[5] Stepped down with effect from 23 May 2024.

Committee gender diversity



Dear shareholder

On behalf of the Board Remuneration Committee (the "Committee"), I am pleased to present the Remuneration Report (the "Report") for the year ended 31 December 2024 and would like to thank my predecessor, Tim Breedon, for his contribution to the Committee during the year. The Report sets out what the Directors of the Company were paid in respect of 2024, how the Committee met its responsibilities and its decision making.

I am also pleased to present our new Directors' Remuneration Policy (the "Policy"), which, following a review, is put to shareholders for approval at least every three years. The Policy is detailed in the Report and will be put to a binding vote at the Company's next AGM on 22 May 2025. The objectives of the review were to ensure that our remuneration framework continues to encourage, reinforce and reward the growth of shareholder value and promotes the long-term sustainable success of the Company for the benefit of all stakeholders, whilst aligning to market practice, investor expectations and all applicable corporate governance and regulatory requirements.

The Committee undertook an extensive consultation exercise during the review, engaging with Quilter's major shareholders who collectively hold approximately 75% of the Company's shares. The Committee is grateful for the feedback it received, which broadly reflected that the current Policy was fit for purpose and working well, and, as such, only minor, evolutionary changes are proposed, full details of which are in the Report.

In terms of business performance, 2024 saw a material improvement in market conditions and investor sentiment compared to 2023, despite ongoing macroeconomic and geopolitical challenges. Flows across the industry were up significantly, with Quilter performing exceptionally well. The business achieved core net inflows of £5.2 billion, equal to 5% of opening assets, up from £0.8 billion and 1% in 2023. The business also maintained strong cost discipline and focus on efficiency targets. This all contributed to an Adjusted Profit outcome of £196 million, up 17% on 2023, and an operating margin of 29%, up from 27% in 2023.

The Committee considered carefully the impact of the Ongoing Advice Review ("OAR") and decided to exercise downward discretion to apply a risk adjustment to the Executive Directors' 2024 Short-term Incentive ("STI") outcomes. In considering the circumstances of the OAR and the provision in the Company's 2024 accounts for the estimated costs of a potential customer remediation exercise, the Committee determined that the Adjusted Profit element of the STI scorecard should be reduced to 50% of maximum in line with on-target. This had the effect of reducing the outturn of the profit element of the STI scorecard by 40% and as a result the STI outcome for Steven Levin by £135,500 and for Mark Satchel by £109,000. Further details are contained in the Report.

The Committee also noted that the Skilled Person Review of ongoing advice was yet to conclude and that it has the right to make further adjustments to remuneration outcomes in the future if, and to the extent, necessary. It will in due course consider the findings in the Skilled Person report and detail any further risk adjustments in next year's Report.

Against this backdrop, the Committee approved a 2024 STI outcome of £911,000 (77% of maximum) for Steven Levin and £701,000 (74% of maximum) for Mark Satchel. This included maximum achievement of the net flow target and the Committee was content that a maximum payout was justified by the Company's exceptional performance against this measure.

The Committee also approved an outcome of 61% of maximum for the 2022 Long-term Incentive ("LTI") award. The targets for this award were established at the end of 2021 and were viewed as particularly stretching against the ensuing market conditions. The Committee was satisfied that the vesting outcome was appropriate, did not require any discretionary adjustment and reflected the strong performance achieved over the performance period.

The Committee undertook an annual review of the Executive Directors' salaries against relevant market data, taking into account business and individual performance and the average increase for the wider workforce. The Committee approved an increase of 5% for Steven Levin and 3% for Mark Satchel from 1 April 2025.

Full details of the 2024 STI and 2022 LTI outcomes, as well as the awards and salaries for 2025, are set out in the Report. The Committee was satisfied that the Policy operated as intended during 2024.

The Company continues to focus on its inclusion and diversity agenda, including increasing the proportion of females and ethnically diverse colleagues in the senior management team. At the end of 2024, the proportion of females was 41% and the proportion that are ethnically diverse was 6%, slightly lower than the prior year and the 2024 targets. Whilst disappointing, this reflects very small changes in the underlying population. For 2024, we have reported a mean gender pay gap of 27%, and a mean gender bonus gap of 55%, both two points lower than 2023. On colleague engagement, Quilter ended the year with an engagement score of 8.0/10, which was historically high and significantly ahead of the target of 7.6/10.

I would like to reiterate my thanks to shareholders for their engagement on the Policy proposals and look forward to seeking approval at the 2025 AGM. I also welcome the opportunity to engage further with the wider investor community on the proposals or any other aspect of executive remuneration at Quilter.

Neeta Atkar MBE
Chair

At a glance

Committee responsibilities

- Sets the overarching principles and parameters of remuneration policy across Quilter.
- Considers and approves remuneration arrangements for Executive Directors, senior executives and the Company Chair.
- Considers the impact of risk matters on remuneration.
- Approves individual remuneration awards.
- Agrees changes to senior executive incentive plans.

Committee governance

The Committee currently comprises three independent Non-executive Directors and the Chair of the Board, who was independent on appointment.

Details of the skills and experience of the Committee members can be found in their biographies on pages 46 to 48.

Committee effectiveness review

As part of the 2024 Board effectiveness review, the Board has assessed that the Committee membership is appropriate in providing challenge and oversight and that the Committee is operating effectively.

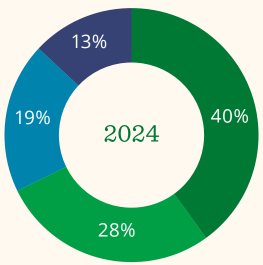
Discharging our responsibilities

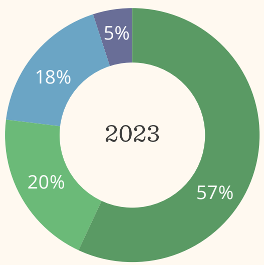
The Committee reviewed its activities over the previous 12 months against its Terms of Reference and confirmed that it had fully discharged its responsibilities in line with its remit. The Terms of Reference are available at **plc.quilter.com**.

Attendance

The Chief Executive Officer, Chief Financial Officer, Human Resources Director, Reward Director and the Committee's independent remuneration adviser regularly attend Committee meetings, except when it would not be appropriate for them to do so. Attendees do not take part in decisions relating to their own remuneration and potential conflicts are suitably mitigated.

Committee activity





Committee activity	2024	2023
Remuneration Schemes Including All Employee Schemes	●	●
Risk and Governance	●	●
Specific Remuneration Arrangements	●	●
Group Remuneration Policy	●	●

Key areas of Committee focus

Remuneration Policy review

The current Policy is considered to have operated as intended and been effective in incentivising and rewarding the Executive Directors for executing the Company's strategy in the interests of all stakeholders. Accordingly, the Committee, taking into account feedback from shareholders during consultation on the proposals, decided to make three evolutionary updates to the way the new Policy is proposed to be applied in 2025. For clarity, these are not changes to the actual Policy itself but to the way the Policy will be implemented in 2025.

- There is no change to the maximum STI and LTI opportunity and the relative weightings of base salary, STI and LTI remain unchanged.
- On the STI scorecard, it is proposed to remove the risk management metric and upweight the customer metric commensurately. This change is intended to reflect both the maturity of the risk management framework and continued ability for the Committee to reflect material risks in remuneration outcomes through uncapped ex-ante and ex-post risk adjustments, and the strategic focus for Quilter on the customer.
- On the LTI scorecard, it is proposed to remove the operating margin metric and redistribute 20% of its weighting to the earnings per share ("EPS") metric and 5% to the relative total shareholder return ("TSR") metric. Quilter's operating margin will continue to be measured until 2026 under the in-flight LTI awards, by which time it should be expected to have reached the Company's long-term external target. Removing this metric thereafter, noting it is not common in LTI plans, will simplify the scorecard and increase the weighting on EPS and TSR, which are established drivers of shareholder value and consistent with market practice.
- In addition, it is proposed to narrow the comparator group for TSR purposes from the FTSE 250 excluding investment trusts to also exclude companies in the basic resources (mining), oil and gas sectors. The Committee noted that those sectors are subject to different cyclical market dynamics and excluding them would provide a better correlation between Quilter and the rest of the index for determining relative TSR performance.

Key areas of Committee focus

Key performance highlights

- Adjusted Profit was £196 million for 2024, up 17% on £167 million in 2023, with an operating margin of 29%, up from 27% in 2023.
- By the end of 2024, the business had delivered £35 million of the £50 million Simplification Phase Two run-rate savings targeted by the end of 2025. Overall, the total savings realised under the programme since 2022 are £80 million.
- Core net inflows of £5.2 billion, equal to 5% of opening AuMA, represented exceptional performance and a significant increase on 2023 (£0.8 billion and 1%). Within the Affluent business, the Platform's share of IFA flows was market leading, with strong flows into the WealthSelect MPS range continuing as its assets under management surpassed £17 billion by the end of 2024, up from £13 billion a year earlier.
- Outside of core financial performance, the Company made good progress across its key strategic programmes that are foundational to future capabilities and growth. The business also continued its embedding of the Consumer Duty Principles following the Duty's implementation in 2023 and made a number of service and proposition enhancements to support better customer experience and outcomes.
- The OAR has been a complex and challenging matter for Quilter, as it has for many in the advice industry. The Executive Directors provided strong leadership throughout the review and remain focused on the end customer and doing the right thing. The Committee decided to apply a proportionate downward adjustment to the STI outcome in recognition of the material provision that has arisen in respect of the review and its impact on key stakeholders, as detailed earlier in the Report, whilst noting that the Skilled Person Review was ongoing and its findings would be considered in due course.

Short-term incentive outcome

The business achieved strong financial performance in 2024, with the Adjusted Profit outcome of £196 million equating to 83% of maximum for STI purposes, and core net inflows of 5% of opening AuMA equal to the maximum target for STI purposes. The Committee was satisfied that a maximum outcome for the net flows metric was justified and appropriately aligned with underlying performance.

As a result, the outcome for both Executive Directors for the financial element of the STI scorecard, which accounts for 60% of the total scorecard, was 90% of maximum before consideration of material risk matters. After the Committee's exercise of downward discretion in light of the impact of a material below-the-line provision in respect of the OAR, the outcome was reduced to 71% of maximum.

Performance against the risk management and customer metrics was also assessed to be strong. On key people targets, the Company exceeded its colleague engagement target but fell short of its diverse representation targets for colleagues in senior management positions. The aggregate outcome across the non-financial measures, which account for 40% of the total scorecard, was 87% of maximum for Steven Levin and 79% of maximum for Mark Satchel.

Overall, this resulted in STI outcomes of 77% of maximum for Steven Levin and 74% of maximum for Mark Satchel. Full details of the STI awards are set out on pages 93 to 96 of the Report.

Long-term incentive outcome

The 2022 LTI award for the three-year performance period that ended on 31 December 2024 was weighted 40% on cumulative EPS, 25% on TSR relative to the FTSE 250 excluding investment trusts, 25% on the operating margin achieved in 2024, 7.5% on the Company's 2024 score against the Principles for Responsible Investment ("PRI") Framework and 2.5% on the Company's 2024 Scope 1 and 2 emissions.

The business exceeded the threshold target across all five metrics. Of particular note, the total Scope 1 and 2 emissions in 2024 were ahead of the maximum target, generating a 100% outcome for that measure. The relative TSR outcome was also particularly positive having been below threshold for the past two awards, with the Company ranked just below the maximum target of the upper quartile of the comparator group. Overall, this resulted in an LTI outcome of 61% of maximum for both Executive Directors. The Committee considered whether this outcome was justified by underlying performance and whether any adjustments were required for the consideration of risk and/or windfall gains. It concluded that no discretionary adjustment was required to the formulaic outcome.

The awards will vest on 27 March 2025, with the net vested shares subject to a minimum two-year post-vesting holding period and subject to clawback during that period. Full details of the 2022 LTI outcome, the 2024 LTI award granted during the year and the 2025 LTI award the Committee intends to grant are set out on pages 97 to 98 of the Report.

Fixed remuneration

The Committee decided to increase the base salary of Steven Levin from £595,000 to £625,000 from 1 April 2025, an increase of 5%, and increase the base salary of Mark Satchel from £472,500 to £486,500, an increase of 3% in line with the average increase for all other employees.
The Committee considered the following factors in relation to the increase for Steven Levin:

- Steven Levin's salary was conservatively positioned at the time of appointment in November 2022 to recognise it was a step-up and he was unproven as the CEO of a plc;
- after two and a half years of consistently strong performance, the Committee believe it is the appropriate time to commence a period of meaningful adjustments to ensure his pay, which currently sits at the low end of market comparators, remains competitive;
- whilst moderately higher than the average increase for the wider workforce, it is not out of kilter with increases awarded to other high performers in the organisation; and
- the Committee intends to review carefully in future years the appropriate positioning of Steven Levin's salary and expects it will make further meaningful adjustments to reflect his strong leadership and market relativity.

A review of Non-executive Director fees, excluding the Company Chair, was also undertaken against prevailing market data to review the impact of changes made to the Group governance structure. Non-conflicted members of the Board agreed that no change was required to the current fees for the Board Chair, Senior Independent Director or chairing or membership of a Committee. However, a 14% increase to the Quilter plc and Affluent Boards base fees was approved from 1 January 2025 to recognise the additional regulatory responsibilities and time commitment for the Non-executive Directors.

Wider workforce

The pay and conditions for the wider employee base were reviewed by the Committee regularly throughout 2024. This included a deep dive on annual benchmarking and market relativity, the workplace pension scheme and performance of the default fund, the Quilter Save As You Earn scheme, the design and operation of incentive schemes across the Group, and changes to the performance management and reward framework designed to support a high-performance culture. The Committee also considered employee sentiment on reward and broader organisational matters from data from the Company's engagement survey and insights from the Workforce Engagement Director.

The Committee approved a salary increase budget for the workforce of 3% for 2025.

Inclusion, diversity and culture

As at 31 December 2024, the proportion of females in our senior management population was 41%, which exceeded the 2025 target in the Company's Inclusion and Diversity Action Plan but was a small reduction from the prior year and fell short of the Company's stretch target of 43% for 2024. Ethnically diverse representation in the same population was 6%, down from 9% a year earlier and also below the target of 9% for 2024. As the senior management cohort is relatively small, these proportions are sensitive to small changes in the incumbent population and we do not anticipate that progress towards the long-term targets set out in the Inclusion and Diversity Action Plan will necessarily be linear.

For 2024, we have reported a mean gender pay gap of 27%, two points lower than 2023, and median pay gap of 30%, flat to 2023. Our mean gender bonus gap was 55%, also two points lower than 2023, although the median bonus gap increased from 39% to 45%. As we have for a number of years, the Company also voluntarily reports its ethnicity pay gaps on the same basis as gender pay gap reporting. The mean and median ethnicity pay gaps for 2024 were 18% and 15%, up from 15% and 8% in 2023 respectively. The mean and median ethnicity bonus gaps were 47% and 38%, compared to 48% and 30% in the prior year. Our pay gaps reflect the imbalance of gender and ethnicity representation in senior and higher paid, revenue generating roles. This is an area the Company is addressing through the Inclusion and Diversity Action Plan. You can read more about this in the Our people section on pages 16 to 20.

2024 saw significant activity in respect of culture change, including the launch of a refreshed purpose and new values, as well as development of the performance management and reward framework to support a culture focused on delivery, service quality and high performance. This contributed to an increase in colleague engagement, which ended 2024 at 8.0/10, a record high for the Company and materially ahead of the STI target of 7.6/10. More details on Quilter's culture transformation and the initiatives delivered in 2024 are set out in the Our people section on pages 16 to 20.

Considerations for the year ahead

The new Policy is set out in the Report and contains no material changes from the current version, which was approved by shareholders at the 2022 AGM. There are some evolutionary updates proposed to the incentive metrics for 2025 to simplify the STI and LTI scorecards, whilst also taking into account shareholder feedback, and the Committee will continue to review the operation of the Policy going forward to ensure it reinforces delivery of the Company's strategic priorities.

The targets for the 2025 LTI award are set out on page 98 and the targets for the 2025 STI award will be disclosed retrospectively in next year's Report, in line with normal practice given the commercial sensitivity of annual targets.

At a glance – 2024 remuneration

Key Performance Indicators

Short-term Incentive

Adjusted profit
£196m
2023: £167m

Core net inflows
£5.2bn
2023: £0.8bn

Core net inflows as percentage of opening AuMA
5%
2023: 1%

Long-term Incentive

3-year cumulative adjusted EPS
27.9p
2023: 24.7p

Total shareholder return ranking
73rd percentile
2023: 34th percentile

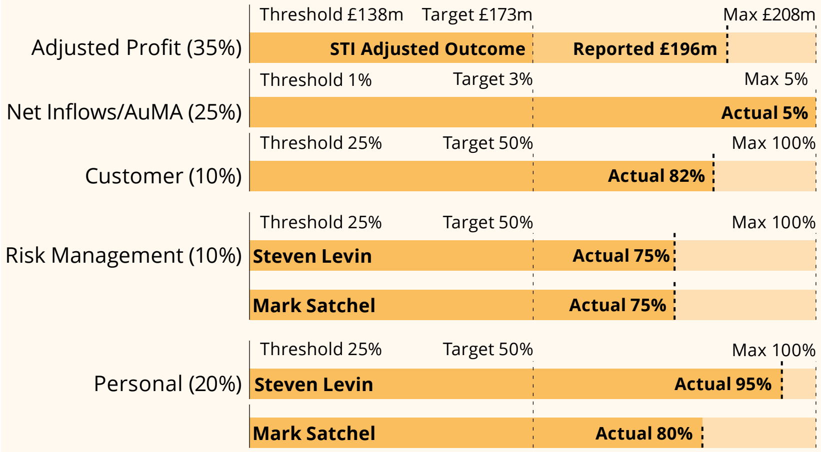
Operating margin
29%
2023: 27%

Principles for Responsible Investment score
15.2 stars
2023: 14 stars

Scope 1 and 2 emissions
1,062 tCO_2e
2023: 1,191 tCO_2e

Single figure

Short-term Incentive

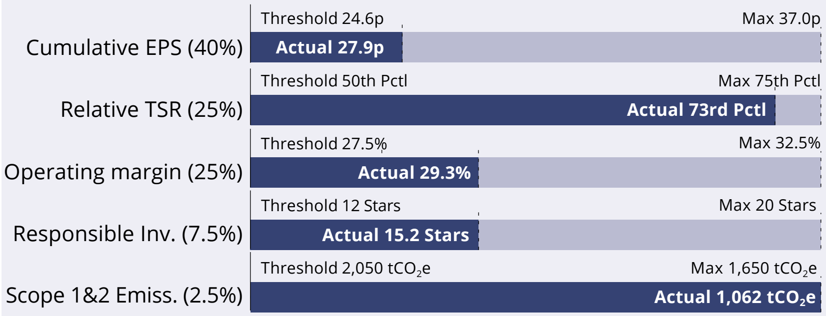


Steven Levin
£911,000*
77% of max (154% of salary)
2023: 65% of max (130% of salary)

Mark Satchel
£701,000*
74% of max (148% of salary)
2023: 64% of max (127% of salary)

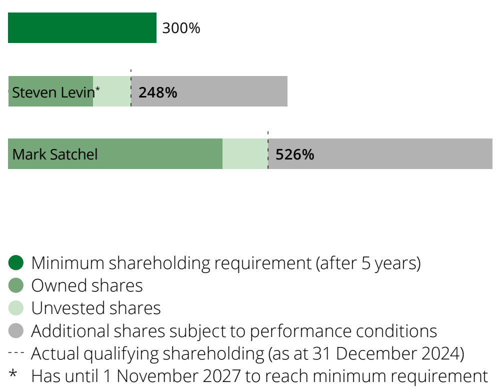
* Adjusted outcomes

Long-term Incentive



Vesting outcome
61.0% of maximum 2023: 66.1% of maximum

Shareholding



Wider workforce

Annual salary review (April 2024)
4%
2023: 5%

Company Pension contribution
10%
2023: 10%

Flexible benefits utilisation rate
58%
2023: 59%

SAYE new plan uptake
21%
2023: 43%

SAYE 2021 3-year Maturity (Gain)
10%
Average gain at exercise on option price of 131p

SAYE 2019 5-year Maturity (Gain)
15%
Average gain at exercise on option price of 125p

Directors' Remuneration Policy

The new Policy set out on the following pages is subject to shareholder approval at the Company's 2025 AGM. It is intended that the Policy will apply for three years from that date.

The Committee undertook a comprehensive review of the current Policy against market practice, investor guidelines, regulatory and financial reporting obligations, and alignment with strategy and culture. As part of its review the Committee sought input from its independent adviser and completed an extensive engagement exercise to understand the views of the Company's shareholders, which were taken into account in finalising the Policy proposals. The Committee concluded that the Policy has operated as intended over the past three-year cycle and remains fit-for-purpose. There are no fundamental changes proposed to the Policy terms but there are some minor, evolutionary updates proposed for how the Policy is applied to ensure that the incentive metrics reinforce the next phase of the strategy for the benefit of all stakeholders.

The Policy is intended to be clear, simple and aligned to the Company's strategy and culture. It aims to provide proportionate reward to the Executive Directors for the delivery of superior business performance, achieved within risk appetite.

Key
Alignment to strategic pillars
How we create value for our stakeholders:

Grow distribution
Enhance propositions
Be future fit

Metrics

Financial metrics | Non-financial metrics

At a glance – Implementation of the Policy in 2025

Short-term Incentive

2025 | 2026 | 2027 | 2028 | 2029 | 2030

Performance period
50% paid in cash
50% paid in QLT shares
1/3 vesting | 1/3 vesting | 1/3 vesting

35% Adjusted Profit
25% Net flows
20% Customer
20% Personal

- Maximum opportunity of 200% of base salary.
- 50% paid in cash in Q1 following the end of the performance year.
- 50% deferred via an award of conditional shares which vest annually in equal tranches over three years.
- Subject to malus and clawback provisions.

Uncapped malus and clawback

Long-term Incentive

2025 | 2026 | 2027 | 2028 | 2029 | 2030

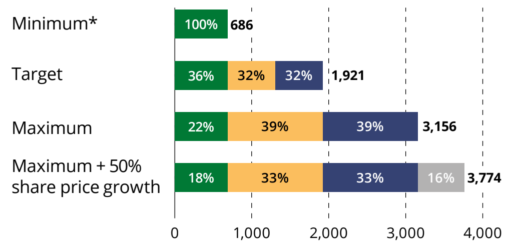
Performance period
Vesting
Release
100% paid in QLT options
Minimum holding period

60% Cumulative EPS
30% TSR relative to FTSE 250 excluding investment trusts and mining, oil and gas sectors
7.5% Principles for Responsible Investment
2.5% Scope 1 and 2 Emissions Reduction

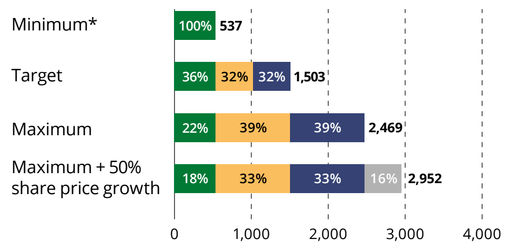
- Maximum opportunity of 200% of base salary.
- Nil-cost options subject to three-year vesting period.
- Options can be exercised at vesting, with acquired shares subject to minimum two-year holding period.
- Subject to malus and clawback provisions.

Uncapped malus and clawback

Steven Levin (£'000)



Mark Satchel (£'000)



Fixed pay | LTIP | STIP | 50% share price growth

Policy illustration
- Fixed Pay reflects expected base pay, benefits and pension funding over 2025.
- Target and maximum outcomes reflect STI and LTI outcomes at 50% and 100% of maximum.
- An additional scenario is included to illustrate the impact of 50% share price appreciation to the maximum LTI outcome on total remuneration.

Remuneration elements for Executive Directors

The following pages outline the key components of Executive Director remuneration arrangements, subject to shareholder approval.

Elements		Purpose and link to strategy	Operation and performance	Maximum opportunity
Fixed pay	Base Salary	To attract and retain Executive Directors with the calibre, personal skills and attributes to develop, lead and execute the Company's strategy.	Base salaries are normally paid in equal monthly instalments during the year and reviewed annually with increases usually effective 1 April. In reviewing base salaries, the Committee takes into account a number of factors, including: – business and individual performance; – the skills, experience and level of responsibilities of the Executive Director and their market value; – the scope, nature and size of the role; – levels of increases across the wider workforce; and – affordability, economic factors, external market data and internal relativity. The Committee also considers the direct and indirect impact of any base salary increases on total remuneration.	There are no prescribed maximum salary levels but any salary increases will normally be in line with percentage increases across the wider workforce. In specific circumstances, the Committee may award increases above this level, for example: – where the base salary for a new recruit or promoted Executive Director has been set at a lower level to allow the individual to progress into the role over time; – to reflect a material increase in the size or scope of an Executive Director's role or responsibilities; – where a change is deemed necessary to reflect changes in the regulatory environment; or – where the size, value or complexity of the Company warrants a higher salary positioning.
	Benefits	To aid the attraction and retention of top talent with a total package that is market competitive.	The benefits currently provided to Executive Directors are in line with other Quilter employees and include: – private medical insurance; – life assurance; and – income protection. The Committee's usual approach to benefit provisions for Executive Directors is to be consistent and operated in line with the benefits provided to all employees. Specific benefit provisions are subject to regular review in line with market practice and may change from time to time. Executive Directors are also eligible to participate in the UK all-employee share plans on the same terms as other employees, including the Company's Share Incentive Plan and Sharesave Plan. In line with other employees, Executive Directors can access discounted Company products and services and select additional voluntary benefits which they fund themselves, sometimes through salary sacrifice arrangements. Any reasonable business-related expenses (including tax thereon if determined to be a taxable benefit) can be reimbursed.	In line with other employees, there is no maximum monetary level for benefits as this is dependent on the individual's circumstances, market practice and the cost to the Company.
	Pension	To provide a market-competitive contribution towards retirement that helps to attract and retain top talent.	Executive Directors are eligible to receive employer contributions to the Company's pension plan (which is a defined contribution plan) or a cash allowance in lieu of pension contributions, or a combination. Contributions and/or a cash alternative are paid monthly.	The level of pension funding for Executive Directors is consistent with the wider workforce. This is currently 10% of base salary.

Directors' Remuneration Policy *continued*

Elements	Purpose and link to strategy	Operation and performance	Maximum opportunity
Short-term Incentive	To align remuneration with performance against financial and non-financial targets and personal goals, within the Group's risk appetite and taking into consideration the Company's culture and values, on an annual basis. A portion of any award is deferred and delivered in shares to aid retention, encourage long-term shareholding and reinforce the alignment of Executive Director and shareholder interests.	The STI plan uses a balanced scorecard of financial and non-financial performance measures, which are aligned with the key strategic priorities of the business and designed to deliver sustainable shareholder value. The metrics, weightings and targets are reviewed and set annually by the Committee taking into account business plans, market conditions and the Company's risk appetite. The performance measures and relative weighting are typically disclosed prospectively each year in the Report, with the targets typically disclosed retrospectively in the following year's Report given commercial sensitivity. The majority of any annual bonus is subject to financial performance, with no less than 50% of the scorecard weighted to financial metrics. Pay-out levels are determined by the Committee following the year-end based on performance against the targets and objectives. The pay-out level for threshold performance is set at 25% of maximum, on-target performance is set at 50% of maximum and maximum is set at 100%. STI awards for the Executive Directors are funded from the Company's overall bonus pool, which is approved each year by the Committee. When determining the performance, pool and individual award outcomes, the Committee, in conjunction with the Board Risk Committee, will consider a comprehensive report from the Chief Risk Officer in relation to the nature and incidence of material risk events and risk issues against the Company's risk appetite, as well as an overall assessment of risk culture and risk management effectiveness. The Committee will apply collective and/or individual risk-based adjustments to outcomes where necessary to ensure that all risk factors are appropriately reflected. At least 50% of any STI award is normally deferred in the form of conditional awards under the Quilter plc Share Reward Plan, which vests annually in equal annual instalments over a three-year period subject to the rules of the Share Reward Plan. Dividend equivalents accrue on deferred STI awards during the vesting period on an assumed reinvestment basis and are normally settled in the form of additional shares or, exceptionally, cash, at the relevant vesting dates. The vested shares are not subject to any post-vesting minimum holding period. If required by regulation, deferral levels, vesting periods and/or holding periods may be amended from time to time to ensure ongoing compliance with regulatory requirements. Malus and clawback provisions apply to both the up-front cash and deferred share portions of STI awards as described in further detail on page 87.	The maximum STI opportunity is 200% of base salary.

Directors' Remuneration Policy *continued*

Elements	Purpose and link to strategy	Operation and performance	Maximum opportunity
Long-term incentive	To incentivise and reward Executive Directors for achieving superior long-term business performance that creates shareholder value and maximises sustainable shareholder returns.	LTI awards are made under the Quilter plc Performance Share Plan. Awards are normally granted annually in the form of nil-cost options, which are subject to performance conditions. Awards normally vest after three years subject to the achievement of performance conditions and continued employment. The LTI plan uses a balanced scorecard of performance measures, the majority of which will be financial measures, and is designed to align with the business's strategic priorities, deliver sustainable returns to shareholders and promote the long-term, sustainable success of the Company for the benefit of all stakeholders. The metrics, weightings and targets for each LTI award are reviewed and set by the Committee at the start of the performance period taking into account business plans, market conditions and the Company's risk appetite, and are disclosed prospectively in the Report each year. The majority of any LTI award is subject to financial performance, with no less than 75% of the scorecard weighted to financial metrics. For each performance measure, a threshold target and maximum target is set. At threshold, 25% of the applicable portion of the award vests, rising on a straight-line basis to 100% for attainment of levels of performance between threshold and maximum. When determining the performance outcomes, the Committee, in conjunction with the Board Risk Committee, will consider a comprehensive report from the Chief Risk Officer in relation to the nature and incidence of material risk events and risk issues against the Company's risk appetite, as well as an overall assessment of risk culture and risk management effectiveness. The Committee has discretion to apply risk-based adjustments as necessary, reducing award outcomes to nil if required, to ensure that all risk factors are appropriately reflected. Dividend equivalents accrue on LTI awards during the vesting period on an assumed reinvestment basis and are normally settled in the form of additional shares or, exceptionally, cash, on the vesting date or date of exercise of a vested option. LTI awards are subject to a minimum post-vesting holding period of two years. The Committee may shorten the minimum holding period in exceptional circumstances provided it is not to the Executive Directors' advantage, such as a situation where the vesting date is delayed and the holding period is shortened to maintain the original release date, which must be no earlier than the fifth anniversary of the grant date. The vested options may be exercised in full at vesting but the acquired shares may not be sold during the holding period other than to settle any tax liability arising. Malus and clawback provisions apply to LTI awards as described in further detail on page 87.	The maximum LTI opportunity is 200% of base salary at the time of grant.

Directors' Remuneration Policy *continued*

Elements	Purpose and link to strategy	Operation and performance	Maximum opportunity
Shareholding requirements	To align Executive Directors' interests with those of shareholders.	Executive Directors are required to build up and maintain a shareholding in the Company with a net-of-tax value at least equal to 300% of gross-of-tax base salary. Executive Directors are expected to meet the requirement within five years of appointment. At least 50% of any shares vesting under Quilter's share plans (on a net-of-tax basis) are expected to be retained until the shareholding requirement is met. Vested and unvested (net of tax) awards under the Quilter plc Share Reward Plan that are not subject to performance conditions are included in the calculation of an Executive Director's shareholding for this purpose. Vested awards under the Quilter plc Performance Share Plan that remain subject to a holding period but are no longer subject to performance conditions are also included (net of tax). Executive Directors are also required to hold shares for at least two years following cessation of their appointment at the lower of the minimum shareholding requirement of 300% of base salary or the value of shares held at the point of departure (if the Executive Director is still in the five-year accumulation period). Any shares purchased by an Executive Director from the open market (i.e. separate to shares originally awarded under a Company share plan) will be excluded from the post-cessation shareholding requirement. However, only 25% of the value of such purchased shares will count towards the minimum shareholding requirement during employment. This applies to shares purchased after the date the post-cessation requirement came into effect, in January 2020. The Committee has discretion to make adjustments to the shareholding and post-cessation shareholding requirements in exceptional circumstances.	There is no upper limit to the shareholding an Executive Director may accumulate.

Directors' Remuneration Policy *continued*

Committee scope for discretion

The Committee will operate the STI and LTI plans according to the Policy set out in this Report and the rules of the Quilter plc Share Reward Plan and Quilter plc Performance Share Plan. The Committee, in line with normal market practice, retains discretion in a number of areas relating to the operation and administration of these plans. These include, but are not limited to, the following:

- who participates in the plans;
- the timing of award grants and/or payments;
- the size of an award and/or payment (within the limits set out in the Policy);
- the choice and weighting of performance measures (in accordance with the statements made in the Policy);
- in exceptional circumstances, determining that any share-based award (or dividend equivalent) shall be settled in full or in part in cash;
- discretion relating to the measurement of performance in the event of a change of control or restructuring;
- determination of a good leaver (in addition to any specified categories) for incentive plan purposes based on the rules of each plan and the appropriate treatment in such circumstances;
- determining the extent of payment or vesting of an award based on the assessment of any performance conditions, including discretion as to the basis on which performance is to be measured if an award vests in advance of the normal timetable (on cessation of employment as a good leaver or on the occurrence of a corporate event) and whether (and to what extent) pro-rating shall apply in such circumstances;
- whether (and to what extent) malus and/or clawback shall apply to an award;
- adjustments required in certain circumstances (e.g. rights issues, corporate restructuring, on a change of control and special dividends);
- the ability to adjust existing performance conditions for exceptional events so that they can still fulfil their original purpose whilst being no less stretching; and
- the discretion to adjust vesting outcomes to take account of overall performance and the wider stakeholder experience.

While the Committee anticipates that any such discretion would normally result in a reduction, the Committee reserves the right to make an upwards adjustment if considered appropriate.

Legacy arrangements

The Committee reserves the right to make any remuneration payments and payments for loss of office notwithstanding that they are not in line with the terms of the Policy where the terms of the payment were agreed:

- before the Policy came into effect, provided in the case of any payment whose terms were agreed before the Policy became effective, either (a) was permitted under the Company's former Policy in place at the time of agreement or (b) the agreement was before any Policy was effective; or
- at a time when the relevant individual was not a Director of the Company and in the opinion of the Committee the payment was not in consideration for the individual becoming a Director of the Company.

Details of any such payments will be set out in the Report as they arise as required.

Payment of statutory entitlements and settlement of claims

The Company may pay any statutory entitlements to which an Executive Director is entitled, or settle or compromise any claims made in connection with the employment of a Director where the Committee considers such claims to have a reasonable prospect of success and that it is in the best interests of the Company to do so.

Risk adjustment, malus and clawback

All variable pay arrangements operated by the Company are subject to malus and clawback provisions. The Committee may, in its absolute discretion, determine to reduce the number of shares before they are released (malus), impose further conditions on the vesting or exercise of an award or, alternatively, at any time within five years of an award being made, the Committee may require the Executive Director to transfer to the Company a number of shares or a cash amount (clawback). The Committee considers that a period of five years from award is a suitable time horizon for malus and/or clawback to be applied in accordance with the nature and risk profile of the business. The provisions are detailed in the Company's share plan rules under which all share awards are made and in annual Material Risk Taker notification letters to the Executive Directors.

Malus may be applied where:

- the results or accounts or consolidated accounts of any company, business unit or undertaking in which the Executive Director worked or works or for which he or she was or is directly or indirectly responsible are found to have been materially incorrect or misleading;
- an error in the calculation of the Executive Director's bonus in respect of which any deferred bonus award was made;
- there is any material failure of risk management at a Group or business unit level and/or loss from business written, due in whole or in part, to a failure to observe risk management policies in effect at the time;
- there is evidence of Executive Director gross misconduct or it is discovered that the Executive Director's employment could have been summarily terminated, or there is reasonable evidence of Executive Director misbehaviour or material error;
- the behaviour by the Executive Director resulted, or is likely to result, in serious reputational damage to the Company or has, or is likely to bring, the Company into disrepute in any way;
- the Executive Director participated in or was responsible for conduct that resulted in significant losses for the Company and/or for any company, business or undertaking in which he/she worked;
- the Executive Director failed to meet appropriate standards of fitness and propriety, in accordance with any regulatory rules or principles, internal policies or reasonable expectations as determined by the Committee in its absolute discretion;
- the Company or any company, business or undertaking in which the Executive Director worked or works or which he/she was or is directly or indirectly responsible has suffered a material downturn in its financial performance which the Committee considers justifies the application of malus;
- corporate failure of the Company or any Group company; and
- any other circumstances similar in nature to those described above where the Committee considers adjustments should be made.

Clawback may be applied where:

- the results or accounts or consolidated accounts of any company, business unit or undertaking in which the Executive Director worked or works or for which he or she was or is directly or indirectly responsible are found to have been materially incorrect or misleading;
- there is any material failure of risk management at a Group or business unit level and/or loss from business written, due in whole or in part, to a failure to observe risk management policies in effect at the time;
- there is evidence of Executive Director gross misconduct or it is discovered that the Executive Director's employment could have been

summarily terminated, or there is reasonable evidence of Executive Director misbehaviour or material error;
- the Executive Director participated in or was responsible for conduct that resulted in significant losses for the Company and/or for any company, business or undertaking in which he/she worked;
- the Executive Director failed to meet appropriate standards of fitness and propriety, in accordance with any regulatory rules or principles, internal policies or reasonable expectations as determined by the Committee in its absolute discretion;
- the Company or any company, business or undertaking in which the Executive Director worked or works or which he/she was or is directly or indirectly responsible has suffered a material downturn in its financial performance which the Committee considers justifies the application of clawback;
- corporate failure of the Company or any Group company; and
- any other circumstances similar in nature to those described above where the Committee considers adjustments should be made.

The Committee is supported in its decision making in this area as appropriate by the Board Risk and Board Audit Committees and the Quilter Risk and Compliance function.

Recruitment

The remuneration package for an Executive Director will be established in accordance with the Policy, subject to such modifications set out below:

- Salary will be set in line with the Policy at a level commensurate with the experience and calibre of the individual, taking into account his or her existing remuneration package. Where it is appropriate to offer a lower salary initially, a series of increases to the desired salary positioning may be made over subsequent years, subject to individual performance and development in the role.
- Pension and benefit provisions will be in line with the Policy and consistent with the wider workforce. Relocation assistance may be provided where appropriate, which will normally be for a capped amount and/or limited time.
- Variable pay arrangements will be in line with the Policy. Different performance measures may be set initially during the year of joining to take into account the responsibilities of the individual and the point when he or she joined the Board. An LTI award can be made shortly following an appointment (provided the Company is not in a closed period). The maximum variable pay opportunity will be 400% of salary, comprised of 200% STI and 200% LTI, in line with the Policy.
- The Committee may buy out incentive awards a new hire has forfeited on joining the Company, if it considers the cost can be justified and is in the best interests of the Company. Any buy-out award would take into account the key terms, vesting schedule and expected value (e.g. likelihood of meeting any performance criteria) of the forfeited award(s) and would, to the extent possible, replicate such terms and value in the buy-out award. The Committee retains discretion to rely on the exemption under UKLR 9.3.2 of the Listing Rules to make such an award, or to utilise any other incentive plan operated by the Company. The aim of any such award would be to ensure that, as far as possible, the expected value and the structure of the award will be no more generous than the award(s) forfeited.
- Where an Executive Director is appointed from within the Group, any legacy arrangements would be honoured in line with the original terms and conditions as long as these do not cause a material conflict with the Policy.

Fees for a new Chair or Non-executive Director will be set in line with the Policy.

Executive Director service agreements

All Executive Directors enter into service agreements with the Company. The service agreements are of indefinite duration, subject to termination by either party giving not less than six months’ notice. Where a longer notice period is required to recruit an executive, a notice period of up to 12 months may be offered for an initial period. The agreement contains terms typical for a senior executive, including entitlement to a salary, pension contribution, other core benefits including annual holiday entitlement, and eligibility for consideration of annual STI and LTI awards in accordance with the Policy. The Executive Directors are also entitled to reimbursement of reasonable business expenses incurred by him/her in the performance of his/her duties and will be eligible for cover under any director or officer insurance the Company has in place from time to time. Service contracts are available for inspection at the Company’s registered office.

Executive Director	Notice period
Steven Levin	6 months
Mark Satchel	6 months

External appointments

Subject to prior clearance by the Board, an Executive Director is permitted to hold one external non-executive directorship of a listed company and is entitled to retain any fees paid for doing so.

Compliance with regulatory requirements

The Policy is compliant with current regulatory requirements, namely the PRA and FCA Remuneration Codes that apply to the Company. Remuneration arrangements will operate in line with the PRA and FCA Remuneration Codes, as amended from time to time.

The Committee may make minor amendments to the Policy (for regulatory, exchange control, tax or administrative purposes, to correct clerical errors or to take account of a change in legislation) without obtaining shareholder approval for that amendment.

Termination of office policy

If the employment of an Executive Director is terminated, any compensation payable will be determined by reference to the terms of the service agreement in force at the time. As variable pay awards are not contractual, treatment of these awards is determined by the relevant plan rules. Bad leavers are not entitled to any payment. The Committee may structure any compensation payments beyond the contractual notice provisions in the contract in such a way as it deems appropriate as set out in the table below and taking into account the best interests of the Company.

Policy element	Details
Notice Normally six months' notice.	– In certain cases, Executive Directors will not be required to work their notice period and may be put on garden leave or granted pay in lieu of all or part of their notice period ("PILON"). PILON may be paid monthly or in a lump sum, depending on circumstances. – Holiday does not accrue when PILON is paid. During a period of garden leave, holiday that has accrued is deemed to have been taken during the garden leave. – Executive Directors will be subject to annual re-election at the AGM.
Treatment of annual incentive awards Annual incentive awards will be made to good leavers (see below) based on an overall assessment of corporate and personal performance and (normally) pro-rated for the period worked in the performance year of termination.	– Delivered in line with normal Policy and timeline, including the application of deferral into shares.
Treatment of unvested LTI and deferred annual incentive share awards All awards lapse except for good leavers (see below).	– LTI awards continue to the normal vesting date for good leavers[1] unless (exceptionally) the Committee applies discretion to accelerate the vesting to the termination date. In each case, the number of shares released shall be based on the achievement of performance conditions over the performance period (or curtailed performance period, if applicable). The number of shares that vest would typically be calculated on a pro-rata basis, based on time served during the vesting period. – Deferred annual incentive share awards for good leavers[1] continue to the normal vesting date unless the Committee applies discretion to accelerate the vesting to the termination date. – Any post-vesting retention periods on share awards for good leavers continue to apply as normal.
Compensation for loss of office Settlement agreements may provide for, as appropriate: – Incidental costs related to the termination, such as legal fees for advice on the settlement agreement. – Provision of outplacement services. – Payment in lieu of accrued, but untaken, holiday entitlement. – Exit payments in relation to any legal obligation or damages arising from such obligation. – Settlement of any claim arising from the termination. – Continuation or payment in lieu of other incidental benefits. – In the case of redundancy, in line with the Company operated enhanced redundancy policy.	– Terms are subject to the signing of a settlement agreement.

[1] Subject to further adjustments which may be applied to discretionary good leavers. An executive will be treated as a good leaver under certain circumstances such as death, illness, injury, disability, redundancy, retirement, their employing company ceasing to be a Group company or any other circumstances at the discretion of the Committee.

Change of control

STI awards may continue to be paid in respect of the full financial year pre and post change of control, or a pro-rated STI award may be paid in respect of the portion of the year that has elapsed at the point of change of control. Exceptionally, the Committee may exercise its discretion to waive pro-rating.

All the Company's employee share plans contain provisions relating to a change of control. In the event of a change of control, outstanding awards and options may lapse and be replaced with equivalent awards over shares in the new company, subject to Committee discretion. Alternatively, outstanding awards and options may vest and become exercisable on a change of control, subject to the assessment of performance conditions at that time and any pro-rating of awards in accordance with the rules of the Company share plans and the terms of awards.

Remuneration policy for the wider workforce

The principles and key terms of the Policy are broadly applied throughout the Group on a consistent basis to support recruitment, motivation and retention, as well as to reward high performance whilst observing high standards of risk management and operating within risk appetite.

The structure of total remuneration packages for the Executive Directors and for the broader employee population is similar, comprised of salary, pension and benefits and eligibility for a discretionary STI award based on a combination of Company and personal performance in the financial year. The level of STI opportunity is determined by role and responsibility.

All employees are subject to the Company's deferral policy, which applies above a certain threshold of annual incentive award or such other amount as may be required in accordance with regulatory requirements. Deferred bonuses are granted in the form of a conditional award of shares under the Quilter plc Share Reward Plan, or, for certain Investment Managers, in their own funds or managed solutions, and vest no faster than annually over three years in equal parts.

Executive Directors and other selected senior executives participate in the LTI plan to aid retention and motivate the delivery of long-term growth in shareholder value and to reinforce the alignment of management and shareholder interests. As a result of this more limited participation, a greater proportion of the Executive Director's potential pay is subject to performance and therefore "at risk" than compared to the broader employee population.

Annual base pay increases for the Executive Directors are normally limited to the average base pay increase for the wider employee population unless there are exceptional circumstances such as a change in role or salary progression for a newly appointed Director.

The provision of pension contributions for the Executive Directors is consistent with the wider workforce.

How the views of employees are taken into account

Pay and employment conditions generally in the Group will be considered when setting Executive Directors' remuneration. Though currently the Company does not consult with employees specifically in determining Executive Director remuneration, the Board has appointed Chris Hill (a member of the Committee) as the designated Non-executive Director responsible for ensuring the "employee voice" is heard at Board level on matters including executive remuneration and alignment to the wider workforce. This role extends to a range of issues that matter to employees and includes inputs from annual employee engagement and culture surveys, meetings with employee forums/representatives and a report to the Board.

The Committee receives regular updates on overall pay and conditions in the Group, including (but not limited to) changes in base pay and the incentive schemes in operation, as well as pay ratio data. The Committee also has oversight of the all employee share plans which Executive Directors and all other Group employees can participate in on the same terms and conditions.

Statement of consideration of shareholder views

The Committee recognises that Director remuneration is an area of particular interest to our shareholders and in setting and considering changes to remuneration, it is critical that we listen to, and take into account, their views.

The Committee considers shareholder feedback received in relation to the AGM each year at its first meeting following the AGM. This feedback, as well as any additional feedback received during any other meetings with shareholders, is then considered as part of the Group's annual review of the implementation of the Remuneration Policy. We also regularly engage with our largest shareholders to ensure we understand the range of views which exist on remuneration issues.

The Committee engaged with key shareholders in the development of this Policy during 2024. This was a broad consultation exercise and shareholders who collectively held around 75% of the Company's shares were approached for feedback on the Policy proposals. These discussions were productive and the feedback was taken into account in the finalisation of the Policy. The Committee was pleased that many shareholders were supportive of the approach the Committee has taken in maintaining consistency with, and making only minimal changes to, the pay approach in the existing policy. In developing the new Policy, the Committee has also considered the guidelines from the main shareholder bodies and regulatory requirements, as well as prevailing market practice.

Non-executive Directors

The following table sets out the key elements of the Policy for Non-executive Directors:

Fee approach and link to strategy	Fees for the Chair and Non-executive Directors are set at an appropriate level to attract individuals of the highest calibre with relevant commercial and other experience to develop, monitor and oversee the Group's strategy. Fee levels take into account: – the time commitment required to fulfil the role; – the duties and responsibilities associated with the role; and – external fee reference points and typical practice from relevant FTSE and other comparable competitor organisations.
Fee operation	The Chair receives an all-inclusive annual fee which is reviewed periodically by the Committee. All other Non-executive Directors receive a basic annual fee. Additional fees are also payable to reflect the extra responsibilities and additional time commitment required from Non-executive Directors for chairmanship or membership of Board Committees and subsidiary boards and committees. Such additional fees may be payable to: – the Senior Independent Director; – the Chairs of the Board Audit, Risk, Remuneration and Corporate Governance and Nominations Committees[1]; and – other members of the Board Audit, Risk, Remuneration[2] and Corporate Governance and Nominations Committees. If there is a temporary yet material increase in the time commitments for Non-executive Directors, the Board may pay extra fees on a pro rata basis to recognise the additional workload. Fee levels for the Non-executive Directors are reviewed periodically by the Chair and Executive Directors. No individual may participate in the approval of his or her own fees. Neither the Chair nor the other Non-executive Directors are eligible for any performance-related remuneration or a pension contribution. They do not receive any benefits but they may be reimbursed for the cost, or such costs paid directly by the Company, of any reasonable and properly documented business expenses incurred in carrying out their duties. The Company will also meet the cost of any tax liabilities incurred on such expenses on the Non-executive Director's behalf, on a grossed-up basis. Details of current fees are set out in the Report.
Appointment term	All Non-executive Directors have a letter of appointment with the Company for an initial period of three years. Non-executive Directors are typically expected to serve two three-year terms but may be invited by the Board to serve for an additional period. All Non-executive Directors are subject to annual re-election at the Company's AGM. Appointments may be terminated with three months' notice. Non-executive Directors are not entitled to any compensation on termination, other than accrued fees and expenses. The letters of appointment are available for inspection at the Company's registered office.

[1] The Board Corporate Governance and Nominations Committee is chaired by the Chair, who receives an all-inclusive annual fee.
[2] The Chair is a member of the Remuneration Committee, who receives an all-inclusive annual fee.

Annual Report on Remuneration

Audited
Content within an "Audited" tab indicates that all the information is audited.

Application of the Policy in 2025
Content within a shaded box reflects the implementation approach for 2025.

The Report sets out how the Policy of the Company was applied in respect of 2024 in accordance with the Policy principles of alignment to culture, clarity, simplicity, risk, predictability and proportionality as detailed on page 73 of the 2023 Annual Report and Accounts, and how the Committee intends to apply the Policy going forward. An advisory shareholder resolution to approve this Report will be proposed at the 2025 AGM.

The table below sets out the single figure of remuneration for the full financial year 2024 together with 2023 comparator figures.

Audited

Executive Director	Base £'000	Benefits £'000	Pension[1] £'000	Total Fixed £'000	STI £'000	LTI[2] £'000	Other[3]	Total Variable £'000	Total Reward £'000
2024									
Steven Levin	590.0	9.2	59.0	658.2	911.0	298.0	–	1,209.0	1,867.2
Mark Satchel	472.5	7.8	47.3	527.6	701.0	670.5	–	1,371.5	1,899.1
2023									
Steven Levin	575.0	8.6	57.5	641.1	745.0	187.8	7.5	940.3	1,581.4
Mark Satchel	466.9	7.2	46.7	520.8	595.0	422.6	7.5	1,025.1	1,545.9

[1] Pension includes contributions made under the Group defined contribution pension scheme plus amounts received as a pension allowance.
[2] LTI is a vesting value determined as a result of the achievement of performance conditions for the 2022 LTI award, the performance period for which ended on 31 December 2024 (see page 97 for further details). The value of the 2022 LTI is calculated using the average share price over the final three-month period of the year ending 31 December 2024, which was £1.4587. The actual vesting date is 27 March 2025 and the actual value will be reflected in next year's Report. This figure includes share dividend equivalents of £39k for Steven Levin and £89k for Mark Satchel as at 31 December 2024. The amount of this figure attributable to share price appreciation is valued at £24k for Steven Levin and £54k for Mark Satchel as at 31 December 2024. The vested value of the 2021 LTI, shown in the 2023 outcomes, has been updated to reflect the share price on the actual vesting date, 27 March 2024, which was £1.046.
[3] Represents the value of the 20% market discount awarded on Save As You Earn options granted during 2023.

Components of the single figure

The Committee agreed for Steven Levin to receive a 3.5% base salary increase at the 1 April 2024 review date, which was slightly below the average increase for the wider workforce, with no adjustment to Mark Satchel's base salary at that time.

From 1 April 2025, Steven Levin's base salary will be increased by 5% and Mark Satchel's base salary will be increased by 3%. Steven Levin's increase is marginally higher than the average increase of 3% for the wider workforce to recognise that his salary was conservatively positioned at the time of appointment and remains at the low end of comparable UK listed wealth and asset management companies.

Audited

Executive Director	Annual base salary as at 1 April 2024 £'000	Total base salary paid in 2024 £'000	Total base salary effective 1 April 2025 £'000
Steven Levin	595.0	590.0	625.0
Mark Satchel	472.5	472.5	486.5

Benefits

Benefits include life assurance, private medical cover and income protection.

Audited

Name	Life assurance £'000	Medical £'000	Income protection £'000
2024			
Steven Levin	3.4	2.1	3.7
Mark Satchel	2.7	2.1	3.0
2023			
Steven Levin	2.8	1.3	4.5
Mark Satchel	2.3	1.3	3.6

Benefits for 2025
No changes to the approach.

Pension

Pension includes contributions made under the Group defined contribution pension scheme and/or amounts received as cash in lieu of pension contributions due to the impact of HMRC limits. The pension provisions of Executive Director appointments are aligned to the pension arrangements of the wider workforce, which is currently set at 10% of base salary.

Audited Name	Cash in lieu of pension contribution £'000	Contribution to pension scheme £'000	Total contribution £'000
2024			
Steven Levin	49.0	10.0	59.0
Mark Satchel	37.3	10.0	47.3
2023			
Steven Levin	49.0	8.5	57.5
Mark Satchel	38.2	8.5	46.7

Pension for 2025

No changes to the approach.

2024 STI awards

For the purpose of determining the 2024 STI outcome, the Committee assessed the performance of the business and the individuals by reference to a balanced scorecard of Adjusted Profit (35%), net inflows as a percentage of opening AuMA (25%), Customer (10%), Risk Management (10%) and Strategic Personal performance objectives (20%) in line with the Policy. Each Executive Director had a maximum 2024 STI opportunity of 200% of base salary received during the year.

The summary below reflects the Committee's assessment of performance for the year ended 31 December 2024.

Financial performance

The basis of the profit measure for 2024 was Adjusted Profit, which was in line with the approach used in prior years. The Committee retained discretion to override the Adjusted Profit outcome if any costs recognised outside of Adjusted Profit exceeded Board approved budgets. The net inflow measure reflects the year's core business gross inflows less gross outflows, divided by the opening AuMA as at 1 January 2024.

The financial targets and outcomes for 2024 are set out adjacent:

Audited Group financial performance measures	Weighting as % of total STI opportunity	Threshold (25% of max)	Target (50% of max)	Maximum (100%)	Outcome	Outcome as % of max
Adjusted Profit before tax pre-STI adjustment	35%	£138m	£173m	£208m	£196m	83%[1]
Adjusted Profit before tax post-STI adjustment						50%
Net inflows as a percentage of opening AuMA[2]	25%	1%	3%	5%	5%	100%

[1] Before risk adjustment in consideration of the impact of the OAE review, as outlined below.
[2] Reflects the core business only, excluding non-core assets in run-off related to legacy business disposals.

The business delivered strong financial performance in 2024, with reported Adjusted Profit 17% higher than the prior year driven by a combination of revenue growth and expense discipline. However, the Committee decided to exercise downward discretion to reduce the outcome of the profit metric in consideration of the material 2024 below-the-line provision in respect of the OAR. The Committee considered carefully all aspects of the OAR and the impact of the 2024 provision on all stakeholders and concluded that it would not be appropriate for the profit element of the scorecard to payout above target. Adjusting down the Adjusted Profit result to target for STI purposes reduced the outcome of this metric by 40%, which had the effect of reducing Steven Levin's STI outcome by £136k and Mark Satchel's by £109k. The Committee's judgement was that this exercise of downward discretion was reasonable, fair and proportionate in the circumstances, whilst noting that it may consider further downward adjustments in the future in respect of OAR if, and to the extent, necessary.

Aside from the exceptional provision for the OAR, the Committee reviewed other below-the-line costs and noted that business transformation costs were below Board-approved budgets and decided that no further override to the Adjusted Profit outcome was required.

Net inflows in the core business of £5.2 billion, equal to 5% of opening assets, represented more than a five-fold increase on the prior year and achieved the maximum target. Inflows in the IFA channel were especially strong, with Quilter leading the industry in gross and net advised platform flows for the year. The Committee was satisfied that a maximum outcome for the net inflows metric was justified.

Risk Management

Risk Management performance represented a maximum of 10% of the total STI opportunity. The risk measure assessed the effectiveness of risk management in the year at an overall corporate level for each of the Executive Directors by considering quantitative and qualitative indicators of: tone from the top to drive a positive risk and customer outcome focused culture; the day-to-day governance and oversight of risk and use of risk tools to drive improvement; the management of key risks against risk appetite; the understanding of risk in strategic and tactical decision making; and maintaining open and effective regulatory relationships. In addition to the risk management metric, the Committee retains discretion to adjust the whole of the STI for ex-ante and ex-post risk events; see above for the application of that discretion in 2024.

Annual Report on Remuneration *continued*

Audited Risk Management Measures	Executive Director	Weighting as % of total STI opportunity	Key achievements in the year	Outcome as % of max
Risk Management Effectiveness	Steven Levin	10%	– Strong risk leadership behaviours and tone from the top, with evidence of risk embedded in decision making and robust challenge on risk profile via governance fora, supporting a positive risk culture. – Good progress on risk mitigation in key transformation programmes where there has been elevated risk historically. – Positive engagement with second and third lines, including careful consideration of root-cause analyses and pro-active action where areas of concern identified. – Demonstrated strong focus on regulatory relationships and obligations, with all regulatory actions prioritised and completed on time.	75%
Risk Management Effectiveness	Mark Satchel	10%	– Strong management of the Group's financial position, with capital and liquidity well controlled and all entity-level indicators within appetite. – Clear financial reporting and market communication, demonstrating strong discipline around mitigation of market abuse risks. – Positive and open approach to regulatory engagement, ensuring appropriate focus and completion of all regulatory actions, including addressing feedback from the FCA SREP within agreed timescales. – Strong overall assurance position, with positive work noted by internal and external auditors, including key enhancements to the control environment.	75%

Customer performance

Customer performance represented a maximum of 10% of the total STI opportunity and is assessed against a scorecard comprised of a balance of quantitative and qualitative measures.

50% of the scorecard is based on the Group's average performance against a comprehensive suite of primary customer KPIs. In total, there were 165 customer KPIs assessed across the business, with each KPI generating a red, amber or green rating. Each individual KPI is then categorised into an overarching customer theme, which align to the Principles of the Consumer Duty. The themes were Product Governance; Price and Value; Customer Advice; Customer Understanding; Customer Support – non-advised; Customer Support – contact; Customer support – service-level attainment; Customer support – vulnerable customers; Engagement and Satisfaction; Complaints and Root Cause; Foreseeable Harms, Customer Outcome Testing; Customer Culture; and Governance. These theme categories were assessed separately for the Group's two business segments. Target ranges are set for each theme based on the number of colour ratings required to generate different payout levels.

In total 23 theme categories were assessed across the business. As set out below, the majority of theme categories were rated "all green" based on strong performance against their constituent KPIs and so corresponded with full payout. No theme categories received enough red-ratings to correspond with below threshold vesting.

<Threshold (0% of max)	Threshold (25% of max)	Target (50% of max)	Exceeding (75% of max)	Maximum (100%)
0% (0 categories)	17% (4 categories)	4% (1 category)	22% (5 categories)	57% (13 categories)

Based on the application of the framework, the overall outcome under the customer KPI score was 80%.

The remaining 50% of the customer scorecard is split between quantitative customer satisfaction measures, which account for 30%, and a qualitative assessment of strategic progress, customer innovation and delivery of tangible customer benefits, which account for 20%. A summary of the performance achieved in 2024 is set out in the table below:

Audited Customer Performance Measures	Weighting as % of Customer Metric	Threshold (25% of max)	Target (50% of max)	Maximum (100%)	Outcome	Outcome as % of max
Average Customer KPIs Score	**50%**				See table above	80%
Customer Satisfaction	**30%**					100%
Trustpilot score	15%	3.5	4.0	4.5	4.5	100%
Trustpilot share of positive reviews	5%	60%	70%	80%	83%	100%
NPS score	10%	+20	+35	+50	+56	100%
Delighting the Customer	**20%**	Discretionary assessment				60%
Key achievements in the year		– Rolled out a new Big 4 financial planning and investment management proposition in the High Net Worth business, working more closely with solicitors and accountants to achieve better client outcomes. – Completed significant development phase and successful pilot of new Quilter Cheviot client portal and app. – In Affluent, the At Retirement policy and proposition was enhanced to support better customer outcomes at retirement. – Suite of enhancements delivered to the online customer journey also in Affluent, including to the valuation and performance data features, as well as further improvements to the app to support vulnerable customers. – At a Group level, "tell us once" methodology effectively embedded to ensure that all parts of the business understand and respond to each customer's specific needs and avoid duplication of customer requests.				
Overall outcome						**82%**

Strategic and personal performance

Personal objectives represented a maximum of 20% of total STI opportunity.

Audited

Executive Director	Weighting as % of total STI opportunity	Key areas of focus	Achievements in the year	Outcome as % of max
Steven Levin	20%	– Improve business performance by setting the conditions for growth and delivery of efficiency targets. – Lead evolution of Quilter's strategy, ensuring clear definition of long-term vision and strategic challenges and opportunities. – Progress key transformation programmes safely and at pace. – Lead culture transformation and broader people initiatives, including delivery of the Inclusion and Diversity Action Plan. – Investor relations, working with the CFO to achieve positive shareholder sentiment and support.	– Delivered very strong set of results, with exceptional inflows, continued expense discipline and good progress on Simplification savings all leading to increased confidence in Quilter and share price growth of 50% over the year. – Firmly established as a strong leader within Quilter and the investor base, becoming a thought leader on key industry developments. – Led strategy development work effectively with the Board, with the acquisition of NuWealth an example of how we can continue to develop the integrated model. – Progress across the Advice and Wealth Management transformation programmes has been good, with further opportunities to accelerate pace of execution in 2025. – Significant progress on culture change, with refreshed purpose, values and high-performance framework all delivered in 2024, and colleague engagement at an all-time high of 8.0 against a target of 7.6. – As at 31 December 2024, the proportion of females in senior leadership roles was 41%, which exceeds the Company's 2025 ambition but was two points lower than the 2024 stretch target and prior year. Similarly, ethnically diverse representation was 6% compared to a 2024 target and prior year position of 9%. – Demonstrated strong leadership on the OAR, ensuring that the focus remained on customers and doing the right thing.	95%

Audited

Executive Director	Weighting as % of total STI opportunity	Key areas of focus	Achievements in the year	Outcome as % of max
Mark Satchel	20%	– Maintain focus on cost discipline and delivery of Simplification targets. – Oversee delivery of M&A strategy and integration framework. – Focus on strategy execution, working with Exco colleagues to improve business performance. – Lead a full investor engagement programme, including delivery and communication of a strong set of annual and interim results. – Lead culture change in Finance and beyond, and support delivery of broader people initiatives, including the Inclusion and Diversity Action Plan.	– Strong management of the cost base, with 2024 expenses below market consensus, complementing top line growth to drive excellent profit and operating margin outcomes. – Strong progress on Simplification, with run rate benefits of £35 million achieved by the end of 2024, ahead of plan targets. – M&A activity progressing well, with several strategic acquisitions completed during the year, including NuWealth, and a strong pipeline going forward. – Delivered significant enhancements to the commercial management of QFP to support adviser attraction and retention, with standardised adviser loan parameters to support QFP's strategy and increased loan activity compared to prior years. – Led an active and comprehensive calendar of investor engagement activities, recognised externally by the investor relations industry, with underlying confidence in Quilter's investment case reflected in substantial share price growth over the year. – Active leadership of culture change across the Company, with colleague engagement in the Finance function at 8.1, an historical high and well ahead of the 2024 target and industry benchmark. – As noted earlier and in the Committee Chair's statement, the Company did not meet its 2024 diverse representation targets for senior roles due to small changes in the population. Focus in this area will continue in order to deliver the longer term Inclusion and Diversity Action Plan.	80%

Consideration of risk

As part of its performance assessment, the Committee considered whether the overall STI outcomes were appropriate in the context of business performance, individual strategic/personal objectives, and any material ex-post and/or ex-ante risks in the STI outcomes. The Committee, jointly with the Board Risk Committee, considered an annual risk report and the recommendations of the Chief Risk Officer in respect of the incidence and materiality of any risk issues arising during the year and an overall assessment of risk management relative to the Board's risk appetite and risk culture across the business.

As detailed earlier, the Committee decided to apply a proportionate ex-post risk adjustment in consideration of the impact of the OAR and the material provision taken in respect of the matter. The downward adjustment resulted in a 40% reduction to the profit component of the STI scorecard for both Executive Directors.

As the Skilled Person Review was ongoing at the time the Committee made these decisions, the matter will remain under review and, taking into account the findings of the Skilled Person Review and any other new information that becomes available in due course, the Committee may consider further adjustments to remuneration outcomes in future if, and to the extent, it considers necessary.

Audited

Deferral policy

In line with our Policy, 50% of the Executive Directors' 2024 STI awards will be deferred into a conditional award of Ordinary Shares under the Company's Share Reward Plan and will vest in equal annual instalments over a three-year period, subject to continued employment and malus and clawback provisions in accordance with the rules of the Share Reward Plan.

	Total		Deferred bonus		To be paid in cash	
Executive Director	**£'000**	**% of salary**	**£'000**	**% of salary**	**£'000**	**% of salary**
Steven Levin	911.0	154%	455.5	77%	455.5	77%
Mark Satchel	701.0	148%	350.5	74%	350.5	74%

Each Executive Director held the following deferred STI awards under the Share Reward Plan during 2024:

Executive Director	Outstanding shares at 1 January 2024	Shares vested during the year	Shares granted during the year[1]	Dividend equivalents accrued during the year[2]	Outstanding shares at 31 December 2024
Steven Levin	346,339	133,907	354,424	26,010	592,866
Mark Satchel	426,589	169,677	283,064	24,777	564,753

[1] Shares granted in 2024 were the deferred portion of 2023 STI, granted on 27 March 2024 at an award price of £1.051 and face value of £372.5k for Steven Levin and £297.5k for Mark Satchel. The grant price was the closing share price on the day preceding grant. The 2023 STI was assessed on the balanced scorecard of Adjusted Profit (35%), net flows as a percentage of opening AuMA (25%), Customer (10%), Risk Management (10%) and Strategic Personal performance objectives (20%).
[2] Share-settled dividend equivalents accrue on awards during the vesting period on an assumed reinvestment basis.

STI for 2025

Each Executive Director will have a maximum STI opportunity equal to 200% of salary, with outcomes to be determined against a balanced scorecard comprised of the metrics and weightings set out in the following table.

For 2025, the Committee decided to remove the risk metric and upweight the customer performance metric to reinforce the customer-centric nature of the business, whilst also aligning with the regulator's focus on firms acting to deliver good customer outcomes as part of the Consumer Duty. The Company continues to evolve its customer performance indicators following the implementation of the Duty to provide a more quantitative, data-driven approach to assessing customer experience and outcomes to strengthen the link between performance and reward in this area. The Committee considered this strategic change carefully as part of its review of the Policy and was clear that removing the risk metric would not mean any softening of the Company's risk appetite or the way it manages risk, or its expectations of executives and the link between risk management and reward outcomes. All incentive outcomes remain subject to meeting minimum risk standards, such as the effective management of capital and liquidity risks and maintaining the Company's overall risk profile within appetite, whilst risk management behaviours, tone from the top and management of the Company's top risks will be considered and reflected within the personal element of the STI scorecard. Finally, all incentive outcomes are also subject to uncapped downward risk adjustment for any material ex-ante and/or ex-post risk issues or events.

The targets will be disclosed retrospectively in next year's Report due to commercial sensitivity, in line with normal practice.

2025 STIP Performance Metrics	Weighting
Adjusted Profit	35%
Net inflows as a percentage of opening AuMA	25%
Customer Performance	20%
Strategic and Personal Performance	20%

Annual Report on Remuneration *continued*

Vesting of 2022 LTI awards

On 31 December 2024, the 2022 LTI awards granted under the PSP reached the end of their performance period. These awards will vest on 27 March 2025, with the vested shares subject to a further two-year post-vesting holding period. The performance conditions which applied to the 2022 LTI award and the performance achieved are set out below. The impact of the B Share Scheme and Share Consolidation that completed in 2022 was factored into the targets when the award was granted.

Audited

Performance condition	Weighting	Threshold[1] (25% vesting)	Maximum[1] (100% vesting)	Performance Achieved	Weighted Percentage of Award Vesting
Cumulative Adjusted EPS 2022-24 (Pre-dividend exc. amortisation and goodwill)	40%	24.6p	37.0p	27.9p	18.0%
Relative TSR[2] (Ranking against FTSE 250 exc. investment trusts)	25%	Median	Upper quartile	73rd percentile	23.3%
Operating Margin 2024 (Pre-tax Adjusted Profit divided by total net fee revenue)	25%	27.5%	32.5%	29.3%	13.1%
Responsible Investing (Principles for Responsible Investment 2024 Aggregate Score)[3]	7.5%	12 Stars	20 Stars	15.2 Stars	4.1%
Scope 1 and 2 Emissions (Tonnes of carbon dioxide equivalent (tCO_2e))	2.5%	2,050	1,650	1,062	2.5%
Award Outcome					**61.0%**

[1] Straight-line interpolation between points.
[2] Quilter achieved TSR of 24% over the performance period compared to median TSR for the comparator group of -10% and upper quartile of 28%, and was ranked 40th out of 147 companies.
[3] Quilter's score reflects its aggregate rating across four primary modules covering Policy, Governance and Strategy, Confidence Building Measures, Direct Holdings and Indirect Holdings. Its scores for Direct and Indirect Holdings were calculated as the weighted average by AUM of its underlying scores against each asset class within each module.

Consideration of risk

The Committee considered whether performance had been achieved within the Company's agreed risk appetite and the impact of any risk events during the performance period and concluded that no adjustment to the LTI outcome was required. It considered carefully the impact of the OAR and decided not to adjust the LTI outcome on the basis that the downward adjustment to the STI outcome outlined earlier in the Report is considered proportionate and sufficient at this time. The Committee retains the ability to make further adjustments to remuneration outcomes in future if and to the extent it deems necessary.

As a result of the 2022 LTI awards vesting at 61%, the Executive Director outcomes are set out in the table below. Steven Levin's award was granted during his prior role within the Group, before his appointment as the Chief Executive Officer, at a lower level than applicable for Executive Directors at the time and is therefore over a smaller number of shares than Mark Satchel's award.

Audited

Executive Director	Number of shares granted	Share settled dividend equivalents	% of Awards vesting	Number of shares vesting	Value of shares vesting (£000)[1]
Steven Levin	290,592	44,295	61.0%	204,281	298.0
Mark Satchel	653,832	99,667	61.0%	459,634	670.5

[1] Deemed value based on the average share price of the final three-month period ended 31 December 2024 of £1.4587. The actual value will be based on the share price when the awards vest on 27 March 2025. The amount of this figure, which includes share dividend equivalents, attributable to share price appreciation is valued at £24k for Steven Levin and £54k for Mark Satchel as at 31 December 2023.

LTI awards granted in 2024

Executive Directors received the following LTI awards in 2024, granted under the PSP and subject to the following performance conditions:

Audited

2024 LTIP Performance Metrics		Weighting	Threshold[1] (25% vesting)	Maximum[1] (100% vesting)
Earnings per share	Cumulative Adjusted EPS 2024-26 (pre-dividend excluding amortisation and goodwill)	40%	27p	40p
Operating margin	2026 pre-tax Adjusted Profit divided by total net fee revenue	25%	28%	32%
Total shareholder return	Ranking relative to the constituents of the FTSE 250 excluding investment trusts	25%	Median of index	Upper quartile of index
ESG	– Responsible investing (Principles for Responsible Investment ("PRI") aggregate modules rating)[2]	7.5%	12 stars	20 stars
	– Total Scope 1 and Scope 2 carbon emissions (Tonnes of carbon dioxide equivalent (tCO_2e))	2.5%	1,250	900

[1] Straight-line interpolation between threshold and maximum.
[2] If the score for any module is less than three stars, it will not count towards the total.

Annual Report on Remuneration *continued*

At the end of the three-year performance period, the Committee will critically assess whether the formulaic vesting outcome produced by the criteria is justified. To do this, the Committee will look at several factors, including whether the result is reflective of underlying performance and has been achieved within the Company's agreed risk appetite. If such considerations mean that the formulaic outcome of the vesting schedule is not felt to be justified, then the Committee can exercise downward discretion.

The following LTI awards were granted in respect of the 2024 performance year:

Audited

Executive Director	Form of award	Date of award	Basis of award (% of salary)	Share price at the date of grant[1]	Nil cost options awarded	Face value of award	% vesting at threshold	Performance period
Steven Levin	Nil cost options	2 April 2024	200%	£1.0710	1,111,111	£1,190,000	25%	2024–2026
Mark Satchel	Nil cost options	2 April 2024	200%	£1.0710	882,353	£945,000	25%	2024–2026

[1] The grant price was the closing share price on the day preceding grant.

At the time the LTI awards were granted, the Committee considered carefully the prevailing share price and the potential for windfall gains. It noted that the grant price was 27% higher than the prior year's grant price and 20% higher than the preceding 12-month average share price. Accordingly, it decided not to scale back the awards at grant but retains discretion to reduce the awards at vesting if, and to the extent it deems necessary, the outcome is considered to incorporate a windfall gain.

LTI awards to be granted in 2025

As part of the Policy review, the Committee considered whether the LTI metrics remained appropriately aligned to the Company's strategic priorities and creation of long-term shareholder value, and decided to make two amendments to the LTI scorecard for 2025:

- Firstly, the Committee had added operating margin to the LTIP at the start of the previous Policy cycle given the strategic priority at the time to improve the Company's operating margin relative to its peers, whilst recognising that its inclusion would make Quilter an outlier in terms of market practice. The in-flight LTI awards will measure operating margin out to 2026 and the Committee concluded that the Quilter-specific circumstances that justified its inclusion will come to an end at that point and it is therefore appropriate to realign with market practice for the next Policy cycle. The Committee decided to redistribute the 25% weighting from operating margin to the EPS and TSR measures, which are key drivers of shareholder value, with the EPS weighting increased from 40% to 60% and TSR from 25% to 30% respectively.
- Secondly, having considered feedback from some shareholders on the broad nature of the current TSR comparator group, the Committee decided to exclude companies from the basic resources (mining), oil and gas sectors, which are subject to different market dynamics and cycles than Quilter. Going forward, the Company's TSR will be ranked against the FTSE 250 excluding investment trusts and excluding companies from the basic resources, oil and gas sectors. The Committee concluded that this approach will provide a better correlation between Quilter's TSR and the comparator group in determining relative performance.

The Committee decided to retain the existing ESG measures, which cover responsible investing and reducing the Company's own carbon footprint. It will continue to monitor market practice developments in this area alongside the Company's own corporate sustainability and responsible investment strategies and may amend the metrics and/or weightings for future awards.

The Committee intends to grant awards to the Executive Directors in April 2025 over nil cost options under the PSP with a face value at grant of 200% of base salary. The Committee will consider the prevailing share price at the time of grant and may decide to scale back the level of awards if it considers it necessary to do so. The metrics, weightings and targets are set out below:

2025 LTIP Performance Metrics		Weighting	Threshold[1] (25% vesting)	Maximum[1] (100% vesting)
Earnings per share	Cumulative Adjusted EPS 2025–27 (Pre-dividend excluding amortisation and goodwill)	60%	28.5p	42.5p
Total shareholder return	Ranking relative to the constituents of the FTSE 250 excluding investment trusts and companies in the basic resources, oil and gas sectors	30%	Median of index	Upper quartile of index
ESG[2]	– Responsible investing (Principles for Responsible Investment ("PRI") aggregate modules rating)[2]	7.5%	12 stars	20 stars
	– Total Scope 1 and Scope 2 carbon emissions (Tonnes of carbon dioxide equivalent (tCO_2e))	2.5%	1,000	700

[1] Straight-line interpolation between threshold and maximum.
[2] If the score for any module is less than three stars, it will not count towards the total.

The Committee may apply discretion to adjust the formulaic outcome upon vesting based on a review of the extent to which windfall gain considerations apply.

Save As You Earn scheme

In 2024, the Company invited all eligible UK employees, including Executive Directors, to enter the Save As You Earn ("SAYE") scheme. The scheme allows participants to save up to a maximum of £500 across all savings contracts on a monthly basis for either a three or five-year term. At the end of the savings period, participants have the option to purchase Company shares at an option price discounted by 20% from the market value, which was set at the beginning of the scheme. The 2024 scheme commenced on 1 July 2024, with an option price of 83 pence.

Neither Steven Levin or Mark Satchel entered into the 2024 SAYE scheme as they had already reached their maximum monthly savings limit by entering the 2023 SAYE scheme at a monthly savings amount of £500. There was no change in SAYE participation during 2024 and both Executive Directors continue to make monthly contributions to the 2023 scheme in accordance with their savings contracts.

Audited Executive Director	Options held at 1 January 2024	Lapsed in the year	Granted in the year	Exercised in the year	Options held at 31 December 2024	Option price	Maturity Date
Steven Levin	43,478	–	–	–	43,478	£0.6900	1 July 2028
Mark Satchel	43,478	–	–	–	43,478	£0.6900	1 July 2028

Non-executive Director total remuneration

Total remuneration for services to Quilter for Non-executive Directors is set out in the following table. Details of the Chair's and Non-executive Directors' dates of appointment are set out in their biographies on pages 46 to 48.

During 2024, the Board Chair and Executive Directors, supported by independent expert advice and market benchmarking, undertook an annual review of fees for Non-executive Directors (excluding the Board Chair fee). The review took into account changes to the Group governance structure implemented in 2023 that resulted in the Quilter plc Directors also sitting on the Boards and certain Committees of the Affluent entities, as well as an additional change in January 2025 that saw Quilter Investors Limited delegate portfolio management to one of the Affluent entities, Quilter Investment Platform Limited, therefore further broadening the oversight scope of that Board. Fulfilling these parallel Board roles creates additional complexity, regulatory responsibility and time commitment for the Non-executive Directors.

Following the review, there is no change to the current fees for the Senior Independent Director, chairing or membership of a Board Committee, or chairing or membership of a subsidiary board or subsidiary board committee. However, noting that the base fees for the Quilter plc Board and Affluent Boards were at the low end of market when compared to peer companies, the Board Chair and Executive Directors decided to increase the Quilter plc Board base fee from £52,500 to £60,000 and the Affluent Boards base fee from £17,500 to £20,000 with effect from 1 January 2025.

As at 31 December 2024, the Quilter plc Non-executive Director fees were paid as follows:

Quilter plc Annual Board fees	Fees as at 31 December 2024	Fees from 1 January 2025
Chair	£350,000	£350,000
Annual fee	£52,500	£60,000
Additional fees:		
Senior Independent Director	£20,000	£20,000
Chairs of Board Audit, Board Risk and Board Remuneration Committees	£30,000	£30,000
Members of the above Board Committees	£15,000	£15,000
Members of the Board Corporate Governance and Nominations Committee[1]	£5,500	£5,500

[1] The Chair of the Board currently chairs the Board Corporate Governance and Nominations Committee and does not receive a fee for this as the Chair of the Board receives a single, all-inclusive fee.

Where applicable, additional fees are paid to a Non-executive Director who also serves on the Board or Committee of a subsidiary company within the Group (in addition to the Affluent entity appointments and fees). The current subsidiary Board and Committee fees paid to the Quilter plc Non-executive Directors are listed below, and details of fees paid are disclosed in the financial statements of the relevant legal entity.

Subsidiary Board fees	Fees as at 31 December 2024	Fees from 1 January 2025
Member of Affluent Boards	£17,500	£20,000
Member of the Quilter Financial Planning Limited, Quilter Investment Platform Limited and Quilter Life & Pensions Limited (Affluent Boards) and Quilter Investors Limited Investment Oversight Committees[1]	£15,000	N/A
Chair of Quilter Investors Limited[2]	£70,000	N/A
Member of Quilter Cheviot Limited Board	£45,000	£45,000
Member of Quilter Cheviot Limited Board Committee	£5,000	£5,000

[1] The Investment Oversight Committees were closed with effect from 31 December 2024.
[2] Following Tim Breedon stepping down as Chair of Quilter Investors Limited on 31 December 2024, this position is no longer fulfilled by a Quilter plc Non-executive Director.

Annual Report on Remuneration *continued*

Fees for both Quilter plc and, where relevant, subsidiary Board appointments and taxable benefits received in 2024 are set out in the single figure table below, together with a comparison to 2023:

Audited Non-executive Director	Quilter plc fees for 2024 £'000	Subsidiary fees for 2024 £'000	Taxable benefits[1] 2024 £'000	Total for 2024 £'000	Quilter plc fees for 2023 £'000	Subsidiary fees for 2023 £'000	Taxable benefits[1] 2023 £'000	Total for 2023 £'000
Ruth Markland	350.0	–	0.5	**350.5**	350.0	–	1.2	**351.2**
Neeta Atkar[2]	118.1	17.5	3.0	**138.6**	102.3	5.8	0.9	**109.0**
Alison Morris[3]	30.2	5.4	–	**35.7**	–	–	–	**–**
Chris Hill[4]	67.4	14.3	1.9	**83.6**	–	–	–	**–**
Chris Samuel[7]	67.5	32.5	1.2	**101.2**	72.8	80.8	2.0	**155.6**
George Reid	103.0	17.5	21.1	**141.6**	105.0	59.2	29.3	**193.5**
Moira Kilcoyne[8]	67.5	67.5	17.9	**152.9**	72.8	51.7	28.6	**153.1**
Paul Matthews[5]	32.6	6.9	1.4	**40.9**	84.8	42.5	4.7	**132.0**
Tazim Essani[4]	32.6	6.9	–	**39.5**	84.8	5.8	0.3	**90.9**
Tim Breedon[6,9]	75.3	97.2	–	**172.5**	113.0	87.5	–	**200.5**

[1] Taxable benefits relate to travel and subsistence expenses, and tax thereon, which were required to enable the individuals to carry out duties as a Non-executive Director.
[2] Neeta Atkar became Senior Independent Director and Chair of the Board Remuneration Committee on 12 September 2024, whilst continuing to serve as Chair of the Board Risk Committee.
[3] Alison Morris was appointed to the Quilter plc and Affluent boards on 9 September 2024.
[4] Chris Hill was appointed to the Quilter plc and Affluent boards on 7 March 2024.
[5] Paul Matthews and Tazim Essani stepped down from the Quilter plc and Affluent boards at the conclusion of the AGM on 23 May 2024.
[6] Tim Breedon stepped down from the Quilter plc and Affluent boards on 11 September 2024.

The following Non-executive Directors received additional fees for subsidiary appointments during 2024:

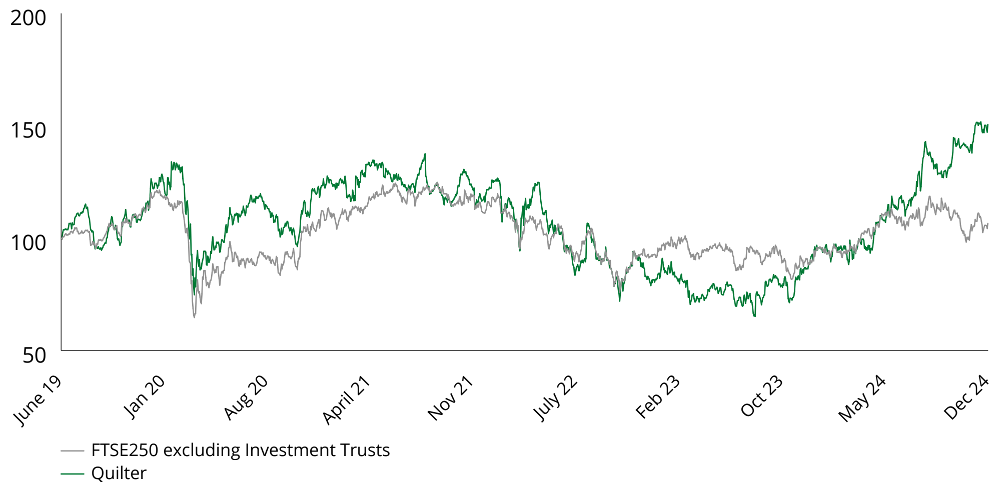
[7] Chris Samuel was a member of the Affluent boards and Quilter Investors Limited Investment Oversight Committees, until they were closed on 31 December 2024.
[8] Moira Kilcoyne is a Non-executive Director of Quilter Cheviot Limited and a member of its Governance, Audit and Risk Committee.
[9] Tim Breedon was the Chair of Quilter Investors Limited and a member of the Affluent boards and Quilter Investors Limited Investment Oversight Committees. Tim Breedon stepped down from the Affluent boards on 11 September 2024, and from the Quilter Investors Limited board and Quilter Investors Limited Investment Oversight Committee on 31 December 2024.

Further details on the Quilter plc Non-executive Directors' Board and Committee responsibilities and dates of appointment can be found on pages 46 to 48 of the Governance Report.

Remuneration in context

The chart below shows the Company's TSR performance (which includes capital growth and dividends paid) compared with the FTSE 250 excluding Investment Trusts over the period from Admission to 31 December 2024. The FTSE 250 has been chosen as the Company is a member of that index and the Committee believes it provides the most appropriate basis for a broad comparison of relative performance, whilst also being consistent with the TSR measure in the LTIP for Executive Directors.

TSR performance over the period since Admission



Annual Report on Remuneration *continued*

Chief Executive Officer pay history

The table below contains the Chief Executive Officer's annual remuneration since the Company listed in 2018:

Financial year	Name	Total remuneration £'000	STI as % of maximum	LTI as % of maximum
2024	Steven Levin	1,867	77%	61%
2023	Steven Levin	1,581	65%	66%
2022	Steven Levin (appointed 1 November 2022)	201	46%	32%
2022	Paul Feeney (stood down 31 October 2022)	1,475	41%	32%
2021	Paul Feeney	2,393	66%	57%
2020	Paul Feeney	1,487	0%	49%
2019	Paul Feeney	1,896	79%	n/a
2018	Paul Feeney	2,779	93%	n/a

Percentage change in Directors' remuneration compared to the average employee

The following table sets out the annual percentage change in salary or fee and STI between the Directors and the average of all employees from 2019 to 2024. As Quilter plc, the listed Company, is not an employing entity, we have calculated the average percentage change for employees against employees of the Company's subsidiaries. The annual change in salary is based on the salary of permanent UK employees as at 31 December of each year, and the annual change in STI excludes employees that are not eligible for a bonus. As Executive Directors' benefits are aligned to other UK employees, the analysis of movement in average benefits was not considered meaningful and therefore not included in the comparison. Further detail of Executive Directors' benefits can be found on page 92 of this Report.

The percentage change in remuneration is most directly comparable between the Executive Directors and the employee average. The salary increase of 3% awarded to Steven Levin in 2024 was in line with the increase for the average employee, with no increase awarded to Mark Satchel in 2024. The increase in STI in 2024 was higher for both Executive Directors than the average employee, reflecting that the variability of remuneration outcomes in line with business performance is greater for the Executive Directors than the wider workforce, both in terms of upside and downside. After careful consideration, the Committee was satisfied that the relativity of STI outcomes between Executive Directors and other employees was appropriate.

	Executive Directors			Independent Non-executive Directors[1]									
Remuneration outcome[2]	Employee Average	Steven Levin	Mark Satchel	Ruth Markland	Tim Breedon	George Reid	Moira Kilcoyne	Paul Matthews	Tazim Essani	Chris Samuel	Neeta Atkar	Chris Hill	Alison Morris
2023–2024													
Salary/fees	3%	3%	0%	0%	5%	(27)%	8%	(21)%	10%	(35)%	25%	n/a	n/a
STI	11%	22%	18%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2022–2023													
Salary/fees	6%	0%	5%	92%	14%	(18%)	24%	(16%)	5%	(26%)	3%	n/a	n/a
STI	12%	40%	43%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2021–2022													
Salary/fees	4%	n/a	0%	15%	3%	5%	0%	(7%)	33%	15%	n/a	n/a	n/a
STI	(12%)	n/a	(32%)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2020–2021													
Salary/fees	5%	n/a	0%	2%	122%	(1%)	0%	24%	n/a	n/a	n/a	n/a	n/a
STI	78%	n/a	100%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2019–2020													
Salary/fees	5%	n/a	0%	6%	n/a	(2%)	0%	10%	n/a	n/a	n/a	n/a	n/a
STI[3]	(49%)	n/a	(100%)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

[1] The Non-executive Directors' annual fee percentage changes reflect the total actual fees received during the year for all Quilter plc and subsidiary company appointments. The percentage changes from 2023 to 2024 are due to changes made to the fees for the Non-executive Directors (excluding the Board Chair) during 2023 following a fee review in light of changes to the Board corporate governance structure. The percentage changes for certain Non-executive Directors are also due to changes in their appointments during the year or the previous year. Details of these changes for 2024 can be found on page 105 of this Report.
[2] In years where Executive and Non-executive Directors joined or stepped down from the Board partway through the year, their remuneration has been annualised for comparison purposes.
[3] In respect of 2020, on the recommendation of the Executive Directors, the Committee exercised its discretion to reduce the Executive Directors' STI outcome to zero, which impacts the year-on-year percentage change in 2020 and 2021.

Chief Executive Officer pay ratio

The table below sets out the ratio between the Chief Executive Officer's total remuneration and the 25th, 50th and 75th percentile of the total remuneration of full-time equivalent UK employees as at 31 December 2024. Since the 2020 Report, the Committee has adopted Option A as it is referred to in the legislation to identify the comparators at each quartile, which calculates total remuneration for all UK employees on the same single figure basis as the Executive Directors earlier in this Report. Option A has been selected as it provides consistency between the reporting basis for Executive Directors and employees for the purpose of calculating the ratios.

Year		Pay ratio			All employees (£'000)		
Base salary	**Method**	**25th percentile**	**50th percentile**	**75th percentile**	**25th percentile**	**50th percentile**	**75th percentile**
2024	Option A	19:1	13:1	8:1	31.4	47.0	75.3
2023	Option A	19:1	13:1	8:1	30.1	45.1	72.3
2022[1]	Option A	23:1	16:1	9:1	28.4	42.5	70.0
2021	Option A	27:1	18:1	11:1	25.0	37.6	63.3
2020	Option A	28:1	19:1	11:1	24.0	36.4	61.0
2019	Option B	28:1	18:1	14:1	24.3	37.0	48.7
Year		**Pay ratio**			**All employees (£'000)**		
Total remuneration	**Method**	**25th percentile**	**50th percentile**	**75th percentile**	**25th percentile**	**50th percentile**	**75th percentile**
2024	Option A	46:1	30:1	18:1	41.0	62.1	104.9
2023	Option A	40:1	26:1	15:1	39.3	60.0	101.6
2022[1]	Option A	46:1	30:1	17:1	36.2	56.1	96.8
2021	Option A	70:1	47:1	26:1	34.0	51.4	93.4
2020	Option A	55:1	36:1	21:1	29.7	45.3	78.4
2019	Option B	62:1	39:1	27:1	30.5	48.5	69.1

[1] Reflects the combined salary and total single figures for Paul Feeney and Steven Levin in respect of their qualifying services as CEO during the year.

Total remuneration includes salary, benefits, pension, short-term incentives and any value vested from long-term incentives during the year. As some 2024 STI amounts across the wider workforce are subject to change after the publication of this Report, the total remuneration may not be exact. However, any STI changes are expected to be minimal and it is unlikely the pay ratios will change materially once the final STI amounts are determined. The Chief Executive Officer has a higher proportion of total remuneration in variable pay than the majority of the wider workforce, which, exacerbated by strong performance and high variable pay outcomes for 2024, is the main factor driving the difference in the ratios between salary and total remuneration.

The ratio of the Chief Executive Officer's base salary to employees at the 25th, 50th and 75th percentiles remained static in 2024 compared to 2023, reflecting relatively small and consistent movements in the base salary of the Chief Executive Officer and the salary profile of the underlying population. The total remuneration ratios were higher in 2024 than 2023 due to strong business performance and the Chief Executive Officer's higher level of variable pay opportunity relative to the wider workforce. However, both the base salary and total remuneration ratios remain materially below historical levels prior to Steven Levin's appointment.

The Committee continues to monitor closely the pay conditions of the Company's employees in addition to the application of the Policy to ensure that all aspects of Executive Director remuneration remain appropriate and proportionate to the wider workforce.

Remuneration of the wider workforce

The Company operates a remuneration policy and framework for the wider workforce that is consistent with the principles of the Policy. Base salaries are market aligned and benchmarked annually, and all UK employees receive the same core risk benefits and pension contribution as Executive Directors. All employees are eligible for consideration of variable pay, subject to serving a minimum proportion of the year, which is determined on broadly the same basis as Executive Directors, taking into account an appropriate balance of corporate and personal performance.

Over the past two years, the Company has reset its performance management and reward framework to reinforce a culture of high expectations and high performance, and strengthen the link between the performance and behaviours of all colleagues with reward outcomes. Further details regarding the Company's culture change activity and focus on high performance are set out in the Our people section on pages 16 to 20.

During 2024, the role of the Board's Workforce Engagement Director was a member of the Committee, and able to reflect the views of the wider workforce in Committee decision making through their engagement with the Company's Employee Forum and other employee networks.

Gender pay gap

The Company reported a mean gender pay gap of 27% and a mean bonus gap of 55% for 2024. The results reflect the lower proportion of females in senior and revenue generating roles that attract higher pay, which we recognise is a systemic issue facing the wealth management industry and will require ongoing, multi-year efforts to resolve. Further details regarding our gender pay gap figures and wider Inclusion and Diversity Action Plan can be found in the Our people section on pages 16 to 20.

Relative importance of spend on pay

The following table sets out the profit, dividends and overall spend on pay in the years ended 31 December 2024 and 31 December 2023:

	2024	2023	% Change
Adjusted profit before tax[1] (£m)	196	167	17%
Dividends[2] (£m)	80	70	14%
Employee remuneration costs[3] (£m)	299	291	3%

[1] Adjusted profit before tax is included in the above table as the Company considers it an important Key Performance Indicator. This figure is detailed in note 7(a) to the consolidated financial statements on page 134 of the 2024 Annual Report and Accounts.
[2] In 2024, the Company paid an Interim Dividend of 1.7 pence and has recommended a Final Dividend of 4.2 pence. In 2023, the Company paid an Interim Dividend of 1.5 pence and a Final Dividend of 3.7 pence.
[3] Employee remuneration costs represent the underlying employee costs within the Adjusted Profit for Quilter, excluding the impact of one-off items.

Executive Directors' shareholding and outstanding share awards

The table below shows the Executive Directors' interests, which include shares held by connected persons, share awards under Company share plans which will vest in future years subject to performance conditions and/or continued service as at 31 December 2024, together with any additional interests in shares held beneficially by the Executive Directors outside of Group share schemes. The share price at 31 December 2024 was £1.5420.

During the period 31 December 2024 to 5 March 2025, there were no exercises or dealings in the Company's share awards by the Executive Directors.

Audited

	Share interests at 31 December 2024[1]				
Name	Legally owned (shares)	Subject to SIP (shares)	Subject to SAYE (options)	Deferred STI awards not subject to performance conditions (shares)	Subject to performance conditions under the LTIP (options)
Steven Levin[2]	697,379	1,565	43,478	592,866	2,834,318
Mark Satchel[2]	1,403,326	1,565	43,478	564,753	2,775,280

[1] Information provided to the Company by major shareholders pursuant to the FCA's DTRs is published via a Regulatory Information Service and is available at plc.quilter.com/investor-relations.
[2] On 27 March 2024, the 2021 LTI awards vested and Steven Levin exercised 179,551 nil-cost options with a market value on exercise of £187,810 and Mark Satchel exercised 403,991 nil-cost options with a market value on exercise of £422,575. As at 31 December 2024, Steven Levin and Mark Satchel do not hold any vested but unexercised options.

All of the Company's share plans contains provisions relating to a change of control, which are set out in the Policy.

Audited

Executive Directors' shareholding requirements

In line with the Policy, each Executive Director is required to acquire and maintain a shareholding equivalent to 300% of base salary, including shares beneficially held by the individual or his/her spouse and the net of tax value of unvested share interests within Company share plans which are not subject to performance conditions.

Each Executive Director has up to five years from the date of their appointment to achieve the minimum, which is 1 November 2027 for Steven Levin and was 13 March 2024 for Mark Satchel. As at 31 December 2024, Steven Levin is on course to reach the minimum requirement within his five-year accumulation period and Mark Satchel has satisfied the minimum shareholding requirement.

Name	Value[1] £'000	Multiple of base salary
Steven Levin	1,477.9	248%
Mark Satchel	2,485.9	526%

[1] Includes the estimated net value of unvested share awards which are not subject to performance conditions. For the purposes of the minimum shareholding requirement, the calculation is based on the average share price of the final three-month period ended 31 December 2023 of £1.4587.

Directors' personal holding and beneficial share interests

As at 31 December 2024 and 31 December 2023, the Executive and Non-executive Directors held the following legal and beneficial interests in Ordinary Shares:

Audited

Name	31 December 2024	31 December 2023
Ruth Markland	100,000	100,000
Steven Levin	698,944	533,639
Mark Satchel	1,404,891	1,102,144
Neeta Atkar	–	–
Alison Morris[1]	–	–
Chris Hill[2]	–	–
Chris Samuel	19,788	18,969
George Reid	37,733	37,733
Moira Kilcoyne	29,556	29,556
Paul Matthews[3,5]	25,714	25,714
Tazim Essani[3,5]	12,428	12,428
Tim Breedon[4,5]	10,000	10,000

[1] Appointed to the Board on 9 September 2024.
[2] Appointed to the Board on 7 March 2024.
[3] Stepped down from the Board at the conclusion of the AGM on 23 May 2024.
[4] Stepped down from the Board on 11 September 2024.
[5] The 2024 shareholding is as at the day each Non-executive Director stepped down from the Board.

During the period 31 December 2024 to 5 March 2025, there were no other changes to the interests in shares held by the Directors as set out in the table above.

Audited

Payments to past Directors

As set out in the market announcement on 10 October 2022 and in the 2022 Report, when Paul Feeney stepped down as Chief Executive Officer he was granted Good Leaver status under the Policy. He stepped down as an Executive Director on 31 October 2022 and his employment with the Group was terminated on 1 May 2023, after the completion of his notice period.

As a Good Leaver, Paul Feeney remains eligible for the vesting of deferred share awards on the normal vesting dates, subject to the rules of the relevant share plans, satisfaction of any performance conditions and time pro-rating for the proportion of the vesting periods served where applicable, as well as meeting additional post-termination conditions. The following share awards vested to Paul Feeney during 2024:

Awards	Number of shares granted	Share-settled dividend equivalents	Performance outcome as % of maximum[1]	Proportion of vesting period served[2]	Number of shares vested[2]	Value[3] £'000
Deferred STI[4]	546,265	40,525	n/a	n/a	234,996	243.6
2021 LTI[5]	804,529	112,516	66.1%	69.5%	421,504	440.9

[1] The performance outcome of the 2021 LTI award was set out in the 2023 Report.
[2] Time pro-rating is not applied to deferred STI awards. Time pro-rating of LTI awards is calculated by reference to the last date of employment in accordance with the rules of the PSP.
[3] Value based on the share price on the respective vesting dates of 27 March 2024 of £1.046 and 3 April 2024 of £1.027.
[4] Number of shares granted reflects the total balance of outstanding deferred STI awards as at 31 December 2023. The shares vested represented one third of Paul Feeney's deferred STI awards in respect of the 2021 and 2022 financial years. The remaining balance will continue to accrue dividend equivalents and vest on the normal vesting dates in 2025 and 2026, subject to the Policy, rules of the Share Reward Plan and additional post-termination conditions.
[5] The vested LTI shares, after allowing sufficient shares to be sold to cover tax and National Insurance liabilities, are subject to a minimum two-year post-vesting holding period and are subject to clawback during that period.

As a former Executive Director, Paul Feeney was also subject to a post-cessation minimum shareholding requirement equal to the lower of 300% of the salary in effect at cessation or the value of his shareholding at cessation, which applied for two years after he stepped down. At the time the post-cessation shareholding requirement ended, on 31 October 2024, Paul Feeney's shareholding exceeded the minimum requirement as shown below:

Name	Value[1] £'000	Multiple of base salary
Paul Feeney	2,956.3	438%

[1] Includes the estimated net value of unvested share awards which are not subject to performance conditions. The value is based on the share price on 31 October 2024, when the minimum shareholding requirement ceased, of £1.434.

There were no further payments to past Directors during the year.

External directorships

Neither Executive Director held any external directorships during 2024.

Payments for loss of office

There were no payments for loss of office during 2024.

External advisers

During 2024, Deloitte provided advice to the Committee covering the Policy, the Report and disclosures, market practice, incentive design and regulatory requirements. Deloitte also support the Group with risk advisory, tax compliance and consulting services. As part of the procurement and contracting process, appropriate safeguards were put in place to ensure no conflict of interest arises.

The Committee appointed Deloitte in April 2021, following the completion of a comprehensive tender and procurement process, and remain satisfied that the advice received is objective and independent, and the firm is a member of the Remuneration Consultants Group, whose voluntary Code of Conduct is designed to ensure objective and independent advice is given to Committees. The total fees paid in respect of remuneration advice during 2024, on a time and materials basis, were as follows:

Adviser	Key areas of advice received	Total fees 2024
Deloitte	Policy review, application, disclosures, governance and market practice	£46.5k

Statement of shareholder voting

The table below sets out the outcome of shareholder voting on the prior year Report and the Policy. The next resolution to approve the Policy is expected to be at the 2025 AGM.

AGM	Resolution	Votes For	Votes Against	Votes Withheld
May 2024	2023 Directors' Remuneration Report (advisory)	97%	3%	317,021 (0.02% of issued share capital)
May 2022	Directors' Remuneration Policy (binding)	96%	4%	127,420 (0.01% of issued share capital)

Directors' Report

The Directors present their Report for the financial year ended 31 December 2024.

Cautionary statement
This Annual Report has been prepared for, and only for, the members of the Company, as a body, and no other persons. The Company, its Directors, employees, agents or advisers do not accept or assume responsibility to any other person to whom this document is shown or into whose hands it may come and any such responsibility or liability is expressly disclaimed. By their nature, the statements concerning the risks and uncertainties facing the Group in this Annual Report involve uncertainty since future events and circumstances can cause results and developments to differ materially from those anticipated. The forward-looking statements reflect knowledge and information available at the date of preparation of this Annual Report and the Company undertakes no obligation to update these forward-looking statements. Nothing in this Annual Report should be construed as a profit forecast.

Corporate governance statement
The information that fulfils the requirements of the corporate governance statement for the purposes of the FCA's DTRs can be found in the Governance section of the Annual Report on pages 44 to 104 (all of which forms part of this Directors' Report) and in this Directors' Report.

Information included in the Strategic Report
The Company's Strategic Report is on pages 1 to 43 and includes the following information that would otherwise be required to be disclosed in this Directors' Report:

Subject matter	Page reference
Likely future developments in the business	3 to 5
Events since the end of the financial year	173
Engagement with employees	13 and 16 to 20
Engagement with suppliers, customers and others	12 to 15
Employment of disabled persons	20
Greenhouse gas emissions, energy consumption and energy efficiency action	22 to 29
Financial risks	39

Information to be disclosed under UK Listing Rule 6.6.1R

Subject matter	Page reference
Details of long-term incentive schemes	97 to 98
Shareholder waivers of dividends	105
Shareholder waivers of future dividends	105

Financial instruments and risk management
The information relating to financial instruments and financial risk management objectives and policies can be found on pages 126 to 128, 150 and 167 to 172.

Branches
During the year, the Group had a branch in the United Arab Emirates.

Profit and dividends
Statutory loss after tax from continuing operations for 2024 was £34 million (2023: £42 million profit).

The Directors have recommended a Final Dividend for the financial year ended 31 December 2024 of 4.2 pence per Ordinary Share which will be paid out of distributable reserves, subject to approval by shareholders at the AGM. Further information regarding the dividend, including key dates, can be found at **plc.quilter.com/dividends**. On Wednesday 7 August 2024, the Board declared an Interim Dividend of 1.7 pence per Ordinary Share. The Interim Dividend was paid on Monday 23 September 2024 to shareholders on the UK and South African share registers.

Shares are held in the Quilter Employee Benefit Trust and the Equiniti Share Plans Trust ("ESPT") in connection with the operation of the Company's share plans. Dividend waivers are in place for those shares that have not been allocated to employees.

Directors
The names of the current Directors of the Company, along with their biographical details, are set out on pages 46 to 48 and are incorporated into this Report by reference. Director changes during the year are set out below:

Name	Role	Effective date of Appointment/ Resignation
Chris Hill	Non-executive Director	Appointed 7 March 2024
Tazim Essani	Non-executive Director	Resigned 23 May 2024
Paul Matthews	Non-executive Director	Resigned 23 May 2024
Alison Morris	Non-executive Director	Appointed 9 September 2024
Tim Breedon	Non-executive Director	Resigned 11 September 2024

Details of the Directors' interests in the share capital of the Company are set out in the Annual Report on Remuneration on pages 92 to 104.

The powers given to the Directors are contained in the Company's Articles of Association and are subject to relevant legislation and, in certain circumstances, including in relation to the issuing or buying back by the Company of its shares, subject to authority being given to the Directors by shareholders in General Meeting. The Articles of Association also govern the appointment and replacement of Directors. The Board has the power to appoint additional Directors or to fill a casual vacancy amongst Directors. Any such Director only holds office until the next AGM and must offer themselves for election.

Directors' Report *continued*

Articles of Association

The Articles of Association may be amended in accordance with the provisions of the Companies Act 2006 by way of a special resolution of the Company's shareholders. The following information summarises certain provisions in the Articles of Association in force as at the date of this Report.

Share capital and control

The Company has a single class of Ordinary Shares in issue with a nominal value of 8 1/6 pence each, representing 100% of the total issued share capital as at 31 December 2024 and as at Friday 28 February 2025 (the latest practicable date for inclusion in this Report). Details regarding changes in the Company's share capital during the year can be found in note 27 of the financial statements on page 157. The rights attaching to the Ordinary Shares are set out in the Articles of Association and are summarised in the following paragraphs:

Voting rights of members

On a show of hands, every member or authorised corporate representative present has one vote and every proxy present has one vote except if the proxy has been duly appointed by more than one member and has been instructed by (or exercises his discretion given by) one or more of those members to vote for the resolution and has been instructed by (or exercises his discretion given by) one or more other of those members to vote against it, in which case a proxy has one vote for and one vote against the resolution. On a poll, every member present in person, by authorised corporate representative or by proxy, has one vote for every share of which he is a holder. In the case of joint holders, the vote of the person whose name stands first in the register of members and who tenders a vote is accepted to the exclusion of any votes tendered by any other joint holders.

Unless the Board decides otherwise, a member shall not be entitled to vote either in person or by proxy at any General Meeting of the Company in respect of any share held by him unless all calls and other sums presently payable by him in respect of that share have been paid.

Transfers

Save as described below, the Ordinary Shares are freely transferable.

A member may transfer all or any of his shares in any manner which is permitted by any applicable statutory provision and is from time to time approved by the Board. The Company shall maintain a record of uncertificated shares in accordance with the relevant statutory provisions.

A member may transfer all or any of his certificated shares by an instrument of transfer in any usual form, or in such other form as the Board may approve. The instrument of transfer shall be signed by or on behalf of the transferor and, except in the case of a fully paid share, by or on behalf of the transferee. The Board may, in its absolute discretion, refuse to register any instrument of transfer of any certificated share which is not fully paid up (but not so as to prevent dealings in listed shares from taking place on an open and proper basis) or on which the Company has a lien. The Board may also refuse to register any instrument of transfer of a certificated share unless it is left at the registered office, or such other place as the Board may decide, for registration, accompanied by the certificate for the shares to be transferred and such other evidence (if any) as the Board may reasonably require to prove title of the intending transferor or his right to transfer shares; and it is in respect of only one class of shares. If the Board refuses to register a transfer of a certificated share it shall, as soon as practicable and in any event within two months after the date on which the instrument was lodged, give to the transferee notice of the refusal together with its reasons for refusal. The Board must provide the transferee with such further information about the reasons for the refusal as the transferee may reasonably request. Unless otherwise agreed by the Board in any particular case, the maximum number of persons who may be entered on the register as joint holders of a share is four.

Variation of rights

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue) may, whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths in nominal value of the issued shares of that class or with the sanction of a special resolution of the holders of the shares of that class.

Exercisability of rights under an employee share scheme

An Employee Benefit Trust operates in connection with certain of the Group's employee share plans ("Plans"). The Trustee of the Employee Benefit Trust may exercise all rights attaching to the shares in accordance with their fiduciary duties other than as specifically restricted in the relevant Plan governing documents. The Trustee of the Employee Benefit Trust has informed the Company that their normal policy is to abstain from voting in respect of the Quilter shares held in trust. The Trustee of the Quilter Share Incentive Plan ("SIP") will vote as directed by SIP participants in respect of the allocated shares but the Trustee will not otherwise vote in respect of the unallocated shares held in the SIP Trust.

Purchase of own shares

At the AGM held on Thursday 23 May 2024, shareholders passed resolutions to authorise the Company to purchase a maximum of 140,410,550 Ordinary Shares of 8 1/6 pence each, representing 10% of the Company's issued Ordinary Share capital as at Tuesday 19 March 2024, which was the latest practicable date prior to publication of the Notice of AGM. As at Friday 28 February 2025, the latest practicable date for inclusion in this Report, no shares have been purchased under this authority. The Directors are seeking renewal of this authority at the forthcoming AGM, in accordance with relevant institutional guidelines, together with an authority relating to potential purchase on the JSE, where the Company has a secondary listing, subject to the same overall limits.

Significant agreements (change of control)

All the Company's share plans contain provisions relating to a change of control. In the event of a change of control, outstanding awards and options may be lapsed and replaced with equivalent awards over shares in the new company, subject to the Board Remuneration Committee's discretion.

Alternatively, outstanding awards and options may vest and become exercisable on a change of control subject, where appropriate, to the assessment of performance at that time and pro-rating of awards. Exceptionally, the Board Remuneration Committee may exercise its discretion to waive pro-rating.

Short-term incentive ("STI") awards may continue to be paid in respect of the full financial year pre and post change of control, or a pro-rated STI award may be paid in respect of the portion of the year that has elapsed at the point of change of control.

On a change of control, including following a takeover bid, the Company is required to enter into negotiations in good faith with the lenders under the Group's Revolving Credit Facility in respect of any changes to its terms. If after such negotiations no agreement has been reached, the Revolving Credit Facility would be cancelled and existing drawdowns would become repayable.

The Group is also party to a number of supplier agreements that may be terminated upon a change of control of the Company, including following a takeover bid. In many cases, whether this may apply depends on the identity or characteristics of the new controller. This may result in the provision of certain services and software licences being terminated early.

Directors' indemnities

Qualifying third-party indemnity provisions (as defined by section 234 of the Companies Act 2006) were in force during the course of the financial year ended 31 December 2024 for the benefit of the then Directors and, at the date of this Report, are in force for the benefit of the Directors in relation to certain losses and liabilities which they may incur (or have incurred) in connection with their duties, powers and office. In addition, the Company maintains Directors' and Officers' Liability Insurance which gives appropriate cover for legal action brought against its Directors.

Donations

Quilter does not make monetary donations or gifts in kind to political parties, elected officials or election candidates. Accordingly, no such donations were made in 2024. However, at the 2025 AGM, the Directors are seeking to renew the Company's and its subsidiaries' authority to make political donations not exceeding £50,000 in aggregate. This is for the purposes of ensuring that neither the Company nor its subsidiaries inadvertently breach Part 14 of the Companies Act 2006 by virtue of the relevant definitions being widely drafted. Further information is available in the 2025 Notice of AGM. For information on our engagement with shareholders following the 2024 AGM, please refer to page 55.

Major shareholders

As at 31 December 2024, the Company had been notified, in accordance with Rule 5 of the FCA's DTRs, of the following holdings of voting rights in its Ordinary Share capital:

Name of shareholder	Number of voting rights attached to Quilter shares	% interest in voting rights attached to Quilter shares[1]	Nature of holding notified
Coronation Asset Management (Pty) Ltd	252,571,433	17.98%	Direct
Public Investment Corporation of the Republic of South Africa	206,425,328	14.70%	Direct
Ninety One UK Ltd[2]	82,416,634	5.01%	Indirect
Equiniti Trust (Jersey) Limited[3]	55,786,133	3.97%	Direct

[1] The percentage of voting rights detailed above was calculated at the time of the relevant disclosures made in accordance with Rule 5 of the FCA's DTRs.
[2] The number of voting rights reflects the position at the time of notification which, in this case, was prior to a consolidation of Ordinary Shares in May 2022.
[3] These shares are held by Equiniti Trust (Jersey) Limited in its capacity as Trustee of the Employee Benefit Trust.

As at Friday 28 February 2025, the latest practicable date for inclusion in this Report, the following voting rights had been notified, in accordance with Rule 5 of the FCA's DTRs:

Name of shareholder	Number of voting rights attaching to Quilter shares	% interest in voting rights attaching to Quilter shares[1]	Nature of holding notified
Coronation Asset Management (Pty) Ltd	252,571,433	17.98%	Direct
Public Investment Corporation of the Republic of South Africa	188,969,070	13.45%	Direct
Ninety One UK Ltd[2]	82,416,634	5.01%	Indirect
Equiniti Trust (Jersey) Limited[3]	55,786,133	3.97%	Direct

[1] The percentage of voting rights detailed above was calculated at the time of the relevant disclosures made in accordance with Rule 5 of the FCA's DTRs.
[2] The number of voting rights reflects the position at the time of notification which, in this case, was prior to a consolidation of Ordinary Shares in May 2022.
[3] These shares are held by Equiniti Trust (Jersey) Limited in its capacity as Trustee of the Employee Benefit Trust.

Information provided to the Company by major shareholders pursuant to the FCA's DTRs is published via a Regulatory Information Service and is available at **plc.quilter.com/investor-relations**.

Directors' responsibility statements

The following statements should be read in conjunction with the Statement of Directors' responsibilities in respect of the Annual Report and the financial statements on page 110.

The Directors are responsible for preparing the Annual Report of the Parent Company and consolidated financial statements in accordance with applicable law and regulations.

The Directors consider that the Annual Report and Accounts, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's and the Group's position, performance, business model and strategy.

Each of the Directors in office as at the date of this report, whose names and functions are listed on pages 46 to 48, confirms that, to the best of his or her knowledge:

- the consolidated financial statements, which have been prepared in accordance with International Financial Reporting Standards as endorsed by the UK, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the Group; and
- the Strategic Report and Directors' Report include a fair review of the development and performance of the business and the position of the Company and the Group, together with a description of the principal risks and uncertainties that they face.

For further information on the comprehensive process followed by the Board in order to reach these conclusions please refer to the Board Audit Committee Report on pages 64 to 71.

Disclosure of information to external auditors

Each person who is a Director of the Company as at the date of approval of this Report confirms that:

a) so far as the Director is aware, there is no relevant audit information of which the Company's external auditors are unaware; and
b) the Director has taken all the steps that he or she ought to have taken as a Director in order to make him/herself aware of any relevant audit information and to establish that the Company's external auditors are aware of that information.

Independent auditors

The Directors are recommending the reappointment of PricewaterhouseCoopers LLP as the Company's statutory auditors at the 2025 AGM.

AGM

The Quilter plc 2025 AGM will be held at Senator House, 85 Queen Victoria Street, London EC4V 4AB on Thursday 22 May 2025 at 11:00am (UK time). Details of the business to be transacted at the 2025 AGM, along with details of how you can ask questions and join the meeting, are included in the Quilter plc 2025 Notice of AGM which can be found on our GM Hub at **plc.quilter.com/gm**.

By order of the Board

CBarrett

Clare Barrett
Company Secretary
5 March 2025

Index to the consolidated financial statements

For the year ended 31 December 2024

Statement of Directors' responsibilities
in respect of the Annual Report and the financial statements

The Directors are responsible for preparing the Annual Report and the Group and Parent Company financial statements in accordance with applicable laws and regulations.

Company law requires the Directors to prepare Group and Parent Company financial statements for each financial year. Under that law, the Directors have prepared the Group financial statements in accordance with UK-adopted international accounting standards and the Parent Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (comprising FRS 101 "Reduced Disclosure Framework" and applicable law). In preparing the Group financial statements, the Directors have also elected to comply with International Financial Reporting Standards issued by the International Accounting Standards Board (IFRSs as issued by IASB).

Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Parent Company and of the profit or loss of the Group for that period. In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK-adopted international accounting standards and IFRSs issued by IASB have been followed for the Group financial statements;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed for the parent Company financial statements, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Parent Company will continue in business.

The Directors are responsible for safeguarding the assets of the Group and Parent Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and the Parent Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Parent Company and enable them to ensure that the financial statements and the Directors' Remuneration Report comply with the Companies Act 2006.

The Directors are responsible for the maintenance and integrity of the Parent Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' confirmations

The Directors consider that the Annual Report and the Group and Parent Company financial statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Group's and Parent Company's position and performance, business model and strategy.

Each of the Directors, whose names and functions are listed in the Governance Report, confirm that, to the best of our knowledge:

- the Group financial statements, which have been prepared in accordance with UK-adopted international accounting standards and IFRSs issued by IASB, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group;
- the Parent Company financial statements, which have been prepared in accordance with United Kingdom Accounting Standards, comprising FRS 101, give a true and fair view of the assets, liabilities and financial position of the Parent Company; and
- the Strategic Report includes a fair review of the development and performance of the business and the position of the Group and Parent Company, together with a description of the principal risks and uncertainties that they face.

Signed on behalf of the Board

Steven Levin
Chief Executive Officer
5 March 2025

Mark Satchel
Chief Financial Officer

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Independent auditors' report to the members of Quilter plc
Report on the audit of the financial statements

Opinion

In our opinion:

- Quilter plc's Group financial statements and Company financial statements (the "financial statements") give a true and fair view of the state of the Group's and of the Company's affairs as at 31 December 2024 and of the Group's loss and the Group's cash flows for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK-adopted international accounting standards as applied in accordance with the provisions of the Companies Act 2006;
- the Company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework", and applicable law); and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise: the Consolidated statement of financial position and the Company statement of financial position as at 31 December 2024; the Consolidated statement of comprehensive income, the Consolidated statement of changes in equity, the Consolidated statement of cash flows and the Company statement of changes in equity for the year then ended; and the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Our opinion is consistent with our reporting to the Board Audit Committee.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, as applicable to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that non-audit services prohibited by the FRC's Ethical Standard were not provided.

Other than those disclosed in note 10 to the Group's financial statements, we have provided no non-audit services to the Company or its controlled undertakings in the period under audit.

Our audit approach

Context

This is our fifth year of involvement as auditors of the Quilter plc Group ("the Group"). In planning for the 2024 audit of the Group, we met with the Board Audit Committee and members of management across the business to discuss and understand significant changes during the year, and to understand their perspectives on associated business risks. We used this insight, along with our experience from the previous year's audit approach, when forming our views regarding the business updates, as part of developing our audit plan and when scoping and performing our audit procedures.

Overview

Audit scope

- At 31 December 2024, the Group comprised two operating segments, together with head office activities, each of which contain several reporting components. We conducted audit testing over thirteen components in total excluding the consolidation adjustments, which we selected based on their respective significance to the consolidated results. The Company is considered a full scope component.
- In addition to the Company, five components were subject to an audit of their complete financial information due to their financial significance.
- Five components were subject to an audit of a specific provision (Customer remediation exercise provision) due to its significance.
- Specific financial statement line items were also brought into scope for a further two components to ensure sufficient coverage was obtained over all material balances in the Group accounts.
- Taken together, the procedures we performed over the six full scope components provided us with coverage of over 82% of total income as recognised in the Consolidated statement of comprehensive income and greater than 52% of all material line items for the Group, including profit before tax.
- We have considered the potential impact of climate change-related factors within our audit, including challenging management on its assessment of how climate change related risks and opportunities impact the financial statements. Given that Quilter has opted to take the approach of preparing a separate Task Force on Climate-related Financial Disclosures ("TCFD") report, which is then referred to in the Annual Report, we have further challenged management to ensure that all materially relevant information from the separate TCFD report is also included and linked clearly to within the Annual Report.

Key audit matters

- Customer remediation exercise provision (Group)
- Goodwill impairment assessment (Group)
- Impairment of investments in subsidiary undertakings (Parent)

Materiality

- Overall Group materiality: £8,840,000 (2023: £5,506,000) based on 5% of adjusted profit before tax from continuing operations.
- Overall Company materiality: £28,230,000 (2023: £27,963,351) based on 1% of total assets.
- Performance materiality: £6,630,000 (2023: £4,130,000) (Group) and £21,170,000 (2023: £20,972,513) (Company).

Our audit approach *continued*

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements.

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

This is not a complete list of all risks identified by our audit.

Customer remediation exercise provision is a new key audit matter this year. Recoverability of the deferred tax asset, which was a key audit matter last year, is no longer included because of the reduction in risk associated with the recoverability of the deferred tax asset when compared to the prior year. This is the second year where the asset has been recognised in full and forecasts indicate taxable profits in excess of the deferred tax asset over the next 5 years. Otherwise, the key audit matters below are consistent with last year.

Key audit matter	How our audit addressed the key audit matter
Customer remediation exercise provision (Group) As disclosed in the Board Audit Committee Report (page 67) and note 30 (page 159) to the financial statements. During the year, the Group has recognised a provision related to the review of a sub-population of clients that has been charged for ongoing advice services since the start of 2018 but where the evidence of delivery of the ongoing advice service falls below the acceptable standard (the customer remediation exercise provision). As at 31 December 2024, the total provision in respect of the review was £76 million (2023: £nil) which represents the estimated refund of fees, interest and the administration costs associated with completing the customer remediation exercise. The estimation of the provision involves significant judgement and subjectivity in relation to key assumptions. Management has estimated the provision based on a sample of case record reviews undertaken by a Skilled Person (and management's expert for the purpose of our audit) with the results from the sample applied to the wider population under review. Management have then overlaid further assumptions onto the calculation based on work performed by a second management expert. Significant judgements include: – the cohorts of customers to be included within the scope of any proactive remediation; and – the period covered by the remediation exercise. Significant assumptions include: – the estimation of the population of clients where evidence is not available to demonstrate that ongoing advice was provided; – the response rate from customers; and – the administration costs of running the review programme.	We have assessed and challenged the Group's methodology and the assumptions and judgements applied in arriving at the provision. We obtained management's calculation and tested the mathematical accuracy and agreed the calculation back to source data. We have tested the completeness and accuracy of source data used in the calculation. We reviewed the scope, methodology and results of the procedures undertaken on the sample population of clients by management's expert to assess whether it was an appropriate basis for the calculation of a provision. As part of our procedures, we selected a sample of the findings from management's expert and assessed whether the reported finding was appropriate. We engaged PwC regulatory experts to assess the work of management's experts and to evaluate and challenge the basis of significant assumptions and judgements. We assessed and challenged the discount rate applied to the expected cash outflows. We independently performed sensitivity analysis on the significant assumptions and considered alternative scenarios which could be considered reasonably possible. We obtained and reviewed relevant regulatory correspondence with the Financial Conduct Authority and discussed the content of any correspondence considered to be pertinent to our audit with management. We met with the FCA to corroborate details of their discussions with management. Given the inherent uncertainty in the estimation of the provision and its judgemental nature, we evaluated the disclosures made in the financial statements. In particular, we focused on the disclosure of the sensitivity of the provision to changes in the underlying assumptions. Based on the procedures performed and evidence obtained, we found the customer remediation exercise provision to be appropriate.

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Our audit approach *continued*

Key audit matter	How our audit addressed the key audit matter
Goodwill impairment assessment (Group) Refer to page 67 of the Board Audit Committee report and note 14 to the Group's financial statements. The goodwill balance of £307 million (2023: £306 million) is subject to an annual impairment review. No impairment charge has been recorded by management against the goodwill balance in the current year. Judgement is used to determine the appropriate level at which to perform the impairment assessment. Management analyses discounted cash flows at the operating segment level to calculate the value-in-use for each group of cash generating units ("CGUs") as opposed to assessing for each individual CGU. Due to the inherent subjectivity in the assumptions used in the model, combined with the potential impact of the current economic climate on future profit forecasts, this has been assessed as a significant risk for our audit.	We checked that the cash flow forecasts used by management in the assessment of goodwill impairment were consistent with the Board-approved three-year Business Plan. We evaluated the historical accuracy of the cash flow forecasts, including a comparison of the current year actual results with the 2024 figures included in the prior year forecast. Furthermore, we ensured the forecasts were completed on a basis consistent with prior years. We note that a change in the Group's unit pricing policy relating to policyholder tax charges resulted in significant additional headroom, given in the prior year the impact of policyholder tax resulted in a negative outflow which was taken into perpetuity. For certain key assumptions which underpinned the forecast performance, such as growth of assets under management in the Business Plan period, we corroborated these against external market data where available. We challenged management on the inclusion of certain cash flows where these looked to include future enhancements or future restructuring activity (such as the inclusion of future cost savings). We considered the appropriateness of performing the impairment assessment for groups of CGUs. This included consideration of how the financial information of the business is presented to the Chief Operating Decision Maker. We engaged our internal valuation experts to independently calculate a reasonable range for both the discount rate and long-term growth rate assumptions used within the value-in-use calculations. Whilst the weighted average cost of capital applied was lower than our range based on market data, we have performed a sensitivity analysis and observed that using a rate within the PwC expected range would still produce significant headroom. We obtained and understood management's sensitivity calculations over the impairment assessment and performed further sensitivity scenarios ourselves. These calculations confirmed that the impairment assessment was not highly sensitive to any of the key assumptions, being the discount rate and the forecast growth of cash flows. For each operating segment we also calculated the degree to which these assumptions would need to move before an impairment was triggered and considered the likelihood of such a movement. We further assessed the Group's disclosure of these sensitivities to ensure that the risks inherent in the valuation were appropriately reflected within the accounts. We challenged management on the magnitude of the variance between the total value in use and the market capitalisation, and corroborated the explanations we received to supporting documentation. We have considered the cash flow impacts of the customer remediation exercise provision. Whilst it impacts the Affluent segment, when sensitised into a severe downside scenario, this still results in positive headroom. Overall, based on the procedures we have performed, we concur with management that no impairment to the goodwill balance is required.

Key audit matter	How our audit addressed the key audit matter
Impairment of investments in subsidiary undertakings (Company) Refer to note 3 to the Company financial statements. The Company holds investments in subsidiaries of £2,187 million (2023: £2,162 million). Whilst these eliminate on consolidation in the Group financial statements, they are recorded in the Company financial statements. The carrying amount of the investment exceeds the market capitalisation of the Group and therefore management have performed an impairment assessment, utilising consistent methodology to that described in the impairment of goodwill key audit matter above. They have concluded that no impairment or reversal of impairment was required. We have determined the impairment assessment over the investments in subsidiaries to be a significant risk in light of the discrepancy between carrying value and market capitalisation, the size of this balance and the judgemental nature of the discounted cash flow model used in assessing impairment.	The impairment assessment leveraged management's value in use calculations for the Group goodwill impairment assessment as described above. We reviewed the disclosures in the Company financial statements, including the disclosure of the judgement used by management in their impairment assessment regarding the Company's investments in Quilter Holdings Limited and Quilter Investors Limited representing a single cash generating unit. This judgement is not considered representative of a critical accounting judgement since, in the current year, the estimated discounted future cash flows at a subsidiary level do not indicate that an impairment is required, and therefore applying this judgement does not have a significant effect on the amounts recognised in the financial statements. This disclosure is consistent with the results of our testing of management's impairment assessment. For investments in non-trading subsidiaries the value in use is deemed by management to be represented by their net asset position as this best approximates the available funds for distribution as dividends. Overall we are satisfied that there is sufficient evidence to support the basis of management's impairment assessment and therefore concur with management that no impairment is required, and that the disclosures made in the Company financial statements are appropriate.

Our audit approach *continued*

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the Group and the Company, the accounting processes and controls, and the industry in which they operate.

Quilter plc has two operating segments – High Net Worth and Affluent. Within these segments there are several reporting units, of which the Company is considered a full scope component, five are considered significant components due to size, and were all subject to an audit of their complete financial information. Five other reporting entities were in scope as significant components due to risk as a result of the customer remediation exercise provision. In addition, a further two reporting entities were in scope for specific audit procedures, as these components contributed a significant proportion of certain financial statement line items. Together with the procedures performed at the Group level, including auditing the consolidation and financial statement disclosures, taxation, and goodwill impairment assessment, this gave us the evidence we needed to form our opinion on the financial statements as a whole. Almost all of the Group's trading is based in the UK, resulting in all of the audit procedures being performed locally by the UK audit team. Of the thirteen components that we have performed audit procedures over, none of these components were based outside the UK.

We applied an overall materiality level of £515,300,000 to the classification of unit-linked assets and liabilities in the consolidated statement of financial position, the related line items in the consolidated statement of comprehensive income and the related notes to the financial statements. This materiality was applied solely for our work on matters for which a misstatement is likely only to lead to a reclassification between line items, in accordance with FRC Practice Note 20 'The audit of Insurers in the United Kingdom'. The Group contains several regulated trading entities and is a regulated insurance group itself. Some of the Group's activities are outsourced to third-party providers, such as investment and platform administration. In respect of the activities outsourced to service providers, we were able to gain appropriate audit evidence through a combination of evaluating the providers' published assurance reports on internal controls and performing substantive procedures.

The Company is a single legal entity over which we were required to perform a full scope statutory audit. We have determined the scope using our set materiality levels and performed procedures over those financial statement line items which are material through the monetary threshold or material by nature.

The impact of climate risk on our audit

As part of our audit, we made enquiries of management to understand the process management adopted to assess the extent of the potential impact of climate risk on the Group's financial statements and support the disclosures made within the Annual Report. The Group prepares a separate TCFD report, which is then cross referenced in the Annual Report, with the key highlights included in the main body of the report. Based on this, we have challenged management to ensure that all materially relevant information in the separate report is also included and linked clearly within the Annual Report. In addition to enquiries with management, we also challenged the completeness of management's climate risk assessment by comparing the consistency of management's climate impact assessment with internal climate plans and Board minutes, including whether the time horizons management have used take account of all relevant aspects of climate change such as transition risks.

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Financial statements – Group	Financial statements – Company
Overall materiality	£8,840,000 (2023: £5,506,000).	£28,230,000 (2023: £27,963,351).
How we determined it	5% of adjusted profit before tax from continuing operations*	1% of total assets
Rationale for benchmark applied	A profit-based metric is an expected materiality basis for auditing a profit oriented entity. We had previously used a revenue-based metric because of the level of restructuring and Group reorganisation activity that was happening at the time. In view of this activity becoming more stable we consider it appropriate to revert to a profit based measure for the current year. * We have adjusted for specific key performance metrics and added them back to arrive at our materiality benchmark.	A benchmark of total assets has been used as the Company's primary purpose is to act as a holding company with investments in the Group's subsidiaries, not to generate operating profits and therefore a profit-based measure is not considered appropriate.

For each component in the scope of our Group audit, we allocated a materiality that is less than our overall Group materiality. The range of materiality allocated across components was £4,199,000 to £8,800,000. Certain components were audited to a local statutory audit materiality that was also less than our overall Group materiality.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% (2023: 75%) of overall materiality, amounting to £6,630,000 (2023: £4,130,000) for the Group financial statements and £21,170,000 (2023: £20,972,513) for the Company financial statements.

In determining the performance materiality, we considered a number of factors – the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls – and concluded that an amount at the upper end of our normal range was appropriate.

We agreed with the Board Audit Committee that we would report to them misstatements identified during our audit above £500,000 (Group audit) (2023: £500,000) and £1,379,643 (Company audit) (2023: £1,398,168) as well as misstatements below those amounts that, in our view, warranted reporting for qualitative reasons.

Conclusions relating to going concern

Our evaluation of the Directors' assessment of the Group's and the Company's ability to continue to adopt the going concern basis of accounting included:

- Obtaining the Directors' updated going concern assessment and challenging the rationale for assumptions on growth of assets under management/administration and asset returns using our knowledge of Quilter's business performance and corroborating to external market evidence where available. Our assessment included reviewing management's stress testing and scenario analyses.
- Obtaining management's estimated solvency capital position and evaluating this for consistency with available information and against management's own target capital ratios. We found that the Group maintained internal targets for its Group Solvency Capital Requirement (SCR) ratio, and is forecasted to remain compliant with all external regulatory capital requirements for the period covered by the going concern assessment; and
- Confirming compliance with the debt covenants of the Group's borrowing facilities, and the forecast continued compliance for the duration of the period covered by the going concern assessment.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's and the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Group's and the Company's ability to continue as a going concern.

In relation to the Directors' reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the Directors' statement in the financial statements about whether the Directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The Directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 December 2024 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Group and Company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

Directors' Remuneration

In our opinion, the part of the Annual Report on Remuneration to be audited has been properly prepared in accordance with the Companies Act 2006.

Corporate governance statement

The Listing Rules require us to review the Directors' statements in relation to going concern, longer-term viability and that part of the corporate governance statement relating to the Company's compliance with the provisions of the UK Corporate Governance Code specified for our review. Our additional responsibilities with respect to the corporate governance statement as other information are described in the Reporting on other information section of this report.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the financial statements and our knowledge obtained during the audit, and we have nothing material to add or draw attention to in relation to:

- The Directors' confirmation that they have carried out a robust assessment of the emerging and principal risks;
- The disclosures in the Annual Report that describe those principal risks, what procedures are in place to identify emerging risks and an explanation of how these are being managed or mitigated;
- The Directors' statement in the financial statements about whether they considered it appropriate to adopt the going concern basis of accounting in preparing them, and their identification of any material uncertainties to the Group's and Company's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements;
- The Directors' explanation as to their assessment of the Group's and Company's prospects, the period this assessment covers and why the period is appropriate; and
- The Directors' statement as to whether they have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the period of its assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Our review of the Directors' statement regarding the longer-term viability of the Group and Company was substantially less in scope than an audit and only consisted of making inquiries and considering the Directors' process supporting their statement; checking that the statement is in alignment with the relevant provisions of the UK Corporate Governance Code; and considering whether the statement is consistent with the financial statements and our knowledge and understanding of the Group and Company and their environment obtained in the course of the audit.

In addition, based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the financial statements and our knowledge obtained during the audit:

- The Directors' statement that they consider the Annual Report, taken as a whole, is fair, balanced and understandable, and provides the information necessary for the members to assess the Group's and Company's position, performance, business model and strategy;
- The section of the Annual Report that describes the review of effectiveness of risk management and internal control systems; and
- The section of the Annual Report describing the work of the Board Audit Committee.

We have nothing to report in respect of our responsibility to report when the Directors' statement relating to the Company's compliance with the Code does not properly disclose a departure from a relevant provision of the Code specified under the Listing Rules for review by the auditors.

Responsibilities for the financial statements and the audit

Responsibilities of the Directors for the financial statements

As explained more fully in the Statement of Directors' responsibilities, the Directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Group and industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of UK regulatory principles, such as those governed by the Prudential Regulation Authority (PRA) and the Financial Conduct Authority (FCA), and unsuitable or prohibited business practices, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006 and the Listing Rules. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to understating results either by creating liabilities or deferring revenue to move profits into future periods, as well as management bias in accounting estimates and judgemental areas of the financial statements, such as provisioning. The group engagement team shared this risk assessment with the component auditors so that they could include appropriate audit procedures in response to such risks in their work. Audit procedures performed by the group engagement team and/or component auditors included:

- Testing certain journal entries, identified by applying risk based criteria and agreeing to supporting evidence.
- Discussions with the Board Audit Committee, management, internal audit, management involved in the risk and compliance functions and the Group and Company's legal function, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud.

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Responsibilities for the financial statements and the audit *continued*

- Reviewing correspondence between the Group and the PRA, the FCA and HMRC in relation to compliance with laws and regulations.
- Assessment of matters reported on the Group's whistleblowing register including the quality and results of management's investigation of such matters.
- Reviewing Board minutes as well as relevant Board Committee meeting minutes, including those of the Board Audit Committee, the Board Remuneration Committee, and the Board Risk Committee.
- Reviewing data regarding customer complaints, the Group's and Company's register of litigation and claims, internal audit reports, and compliance reports so far as they related to non-compliance with laws and regulations and fraud.
- Challenging assumptions made by management in accounting estimates and judgements, in particular in relation to provisions and the impairment assessments of goodwill and investments in subsidiaries.
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: **www.frc.org.uk/auditorsresponsibilities**. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- the Company financial statements and the part of the Annual Report on Remuneration to be audited are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Appointment

Following the recommendation of the Board Audit Committee, we were appointed by the Directors on 19 May 2020 to audit the financial statements for the year ended 31 December 2020 and subsequent financial periods. The period of total uninterrupted engagement is five years, covering the years ended 31 December 2020 to 31 December 2024.

Other matter

The Company is required by the Financial Conduct Authority Disclosure Guidance and Transparency Rules to include these financial statements in an annual financial report prepared under the structured digital format required by DTR 4.1.15R – 4.1.18R and filed on the National Storage Mechanism of the Financial Conduct Authority. This auditors' report provides no assurance over whether the structured digital format annual financial report has been prepared in accordance with those requirements.

Mark Pugh
(Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

5 March 2025

Consolidated statement of comprehensive income
For the year ended 31 December 2024

	Notes	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Income			
Fee income and other income from service activities	8	544	542
Investment return	9	4,877	4,075
Other income		28	9
Total income		**5,449**	**4,626**
Expenses			
Change in investment contract liabilities	29	(4,065)	(3,313)
Fee and commission expenses and other acquisition costs	10(a)	(49)	(49)
Change in third-party interests in consolidated funds		(587)	(579)
Other operating and administrative expenses	10(b)	(691)	(575)
Finance costs	10(e)	(21)	(22)
Total expenses		**(5,413)**	**(4,538)**
Impairment of investments in associates	17(b)	(1)	–
Profit before tax		**35**	**88**
Income tax expense attributable to policyholder returns	11(a)	(95)	(76)
(Loss)/profit before tax attributable to shareholder returns		**(60)**	**12**
Income tax expense	11(a)	(69)	(46)
Less: income tax expense attributable to policyholder returns		95	76
Income tax credit attributable to shareholder returns	11(a)	26	30
(Loss)/profit after tax attributable to the owners of the Company		**(34)**	**42**
Other comprehensive expense			
Exchange losses on translation of foreign operations		(1)	–
Total comprehensive income		**(35)**	**42**
Earnings per Ordinary Share			
Basic earnings per Ordinary Share (pence)	12	**(2.5)**	**3.1**
Diluted earnings per Ordinary Share (pence)	12	**(2.5)**	**3.1**

All income and expenses relate to continuing operations.

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

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Consolidated statement of financial position
At 31 December 2024

	Notes	31 December 2024 £m	31 December 2023 £m
Assets			
Goodwill and intangible assets	14	339	372
Property, plant and equipment	15	91	91
Investment property	16	9	10
Investments in associates	17	16	2
Contract costs	25	24	16
Loans and advances	18	56	38
Financial investments	19	59,360	50,329
Deferred tax assets	31(a)	115	91
Current tax receivable	31(c)	45	33
Trade, other receivables and other assets	24	418	447
Derivative assets	20	26	57
Cash and cash equivalents	26	1,949	1,859
Total assets		**62,448**	**53,345**
Equity and liabilities			
Equity			
Ordinary Share capital	27	115	115
Ordinary Share premium reserve		58	58
Capital redemption reserve		346	346
Share-based payments reserve	28	42	42
Other reserves		(1)	–
Retained earnings		863	958
Total equity		**1,423**	**1,519**
Liabilities			
Investment contract liabilities	29	51,758	43,396
Third-party interests in consolidated funds		8,225	7,444
Provisions	30	111	46
Deferred tax liabilities	31(b)	96	64
Current tax payable	31(c)	1	2
Borrowings and lease liabilities	32	275	279
Trade, other payables and other liabilities	33	506	570
Derivative liabilities	20	53	25
Total liabilities		61,025	51,826
Total equity and liabilities		**62,448**	**53,345**

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

The financial statements on pages 118 to 121 were approved by the Board of Directors on 5 March 2025 and signed on its behalf by

Steven Levin
Chief Executive Officer

Mark Satchel
Chief Financial Officer

Consolidated statement of changes in equity
For the year ended 31 December 2024

Year ended 31 December 2024	Notes	Ordinary Share capital £m	Ordinary Share premium reserve £m	Capital redemption reserve £m	Share-based payments reserve £m	Other reserves £m	Retained earnings £m	Total shareholders' equity £m
Balance at 1 January 2024		**115**	**58**	**346**	**42**	**–**	**958**	**1,519**
Loss after tax attributable to the owners of the Company		–	–	–	–	–	(34)	(34)
Other comprehensive expense		–	–	–	–	(1)	–	(1)
Total comprehensive income		**–**	**–**	**–**	**–**	**(1)**	**(34)**	**(35)**
Dividends	13	–	–	–	–	–	(73)	(73)
Exchange rate movements (ZAR/GBP)[1]		–	–	–	–	–	(1)	(1)
Movement in own shares		–	–	–	–	–	(6)	(6)
Equity-settled share-based payment transactions	28(e)	–	–	–	(4)	–	18	14
Aggregate tax effects of items recognised directly in equity		–	–	–	4	–	1	5
Total transactions with the owners of the Company		**–**	**–**	**–**	**–**	**(1)**	**(61)**	**(61)**
Balance at 31 December 2024		**115**	**58**	**346**	**42**	**(1)**	**863**	**1,423**

Year ended 31 December 2023	Notes	Ordinary Share capital £m	Ordinary Share premium reserve £m	Capital redemption reserve £m	Share-based payments reserve £m	Other reserves £m	Retained earnings £m	Total shareholders' equity £m
Balance at 1 January 2023		115	58	346	41	(1)	989	1,548
Total comprehensive income[2]		–	–	–	–	–	42	42
Dividends	13	–	–	–	–	–	(65)	(65)
Exchange rate movements (ZAR/GBP)[1]		–	–	–	–	–	2	2
Acquisition of own shares[3]		–	–	–	–	–	(14)	(14)
Movement in own shares		–	–	–	–	–	(13)	(13)
Equity-settled share-based payment transactions	28(e)	–	–	–	–	–	18	18
Aggregate tax effects of items recognised directly in equity		–	–	–	1	–	–	1
Total transactions with the owners of the Company		**–**	**–**	**–**	**1**	**–**	**(72)**	**(71)**
Transfer to retained earnings		–	–	–	–	1	(1)	–
Balance at 31 December 2023		**115**	**58**	**346**	**42**	**–**	**958**	**1,519**

[1] For shares registered on the Johannesburg Stock Exchange, the amounts of proposed dividends are set in South African Rand on the relevant Market Announcement date which is prior to the date of payment. The impact of exchange rate movements between these dates is recognised directly in equity. The Group held cash in South African Rand equal to the expected cash outflows and therefore was economically hedged for these payments.
[2] The total comprehensive income in 2023 was equal to profit after tax attributable to the owners of the Company.
[3] In November 2023, as a result of an Odd-lot Offer, Quilter plc purchased 15,798,423 of its own Ordinary Shares for £14 million. Those shares were gifted to the Employee Benefit Trust and subsequently held as treasury shares.

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

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Consolidated statement of cash flows
For the year ended 31 December 2024

The cash flows presented in this statement cover all the Group's activities and include flows from both policyholder and shareholder activities. All cash and cash equivalents are available for general use by the Group for the purposes of the disclosures required under IAS 7 Statement of Cash Flows except for cash and cash equivalents in consolidated funds (as shown in note 26).

	Notes	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Cash flows from operating activities			
Cash flows from operating activities		4,654	2,137
Taxation paid		(69)	(26)
Total net cash flows from operating activities	26(b)	**4,585**	**2,111**
Cash flows from investing activities			
Net purchases and sales of financial investments		(4,360)	(1,908)
Purchase of property, plant and equipment		(8)	(1)
Proceeds from sale of property, plant and equipment held for sale		–	1
Acquisition of subsidiary	6	(6)	–
Acquisition of shares in associates	17	(14)	(1)
Total net cash flows from investing activities		**(4,388)**	**(1,909)**
Cash flows from financing activities			
Dividends paid to the owners of the Company	13	(73)	(65)
Exchange rate movements passed to shareholders[1]		(1)	2
Finance costs on borrowings[2]	32(a)	(18)	(18)
Payment of interest on lease liabilities[2]	32(b)	(2)	(3)
Payment of principal of lease liabilities		(8)	(9)
Quilter plc shares acquired under the Odd-lot Offer[3]		–	(14)
Quilter plc shares acquired for use within the Group's employee share scheme		(6)	(15)
Proceeds from the issue of subordinated debt	32	–	199
Subordinated debt repaid	32	–	(200)
Total net cash flows from financing activities	26(c)	**(108)**	**(123)**
Net increase in cash and cash equivalents		89	79
Cash and cash equivalents at the beginning of the year		1,859	1,782
Effect of exchange rate changes on cash and cash equivalents		1	(2)
Cash and cash equivalents at the end of the year	26(a)	**1,949**	**1,859**

[1] The exchange rate movements passed to shareholders relate to foreign exchange gains or losses that have arisen on dividend payments to JSE shareholders. Further details are included within the consolidated statement of changes in equity.
[2] The total interest paid during the year includes finance costs on borrowings and payment of interest on lease liabilities.
[3] Further information relating to the Odd-lot Offer is included within the consolidated statement of changes in equity.

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the consolidated financial statements
For the year ended 31 December 2024

General information

Quilter plc (the "Company"), a public limited company incorporated in England and Wales and domiciled in the United Kingdom ("UK"), together with its subsidiaries (collectively, the "Group") offers investment and wealth management services, long-term savings and financial advice primarily in the UK. Quilter plc is listed with a primary listing on the London Stock Exchange ("LSE")and a secondary listing on the Johannesburg Stock Exchange ("JSE").

The Company's registration number is 06404270. The address of the registered office is Senator House, 85 Queen Victoria Street, London, EC4V 4AB.

1: Basis of preparation

The consolidated financial statements of Quilter plc for the year ended 31 December 2024 have been prepared in accordance with UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards.

These consolidated financial statements have been prepared on a historical cost basis, except for the revaluation of certain financial instruments which are held at fair value, and are presented in pounds sterling, which is the currency of the primary economic environment in which the Group operates.

Appendix A Related undertakings forms an integral part of these consolidated financial statements.

The separate financial statements of the Company are on pages 176 to 177.

Going concern

The Directors have considered the resilience of the Group, its current financial position, the principal risks facing the business and the effectiveness of any mitigating strategies which are or could be applied. This included an assessment of capital and liquidity over a three-year planning period covering 2025 to 2027. This assessment incorporated a number of stress tests covering a broad range of scenarios, including economic and market shocks of up to 40% falls in equity markets, mass lapse events, new business growth scenarios and severe business interruption, equivalent to 1-in-50 and 1-in-200 year events. The assessment also considered the potential implications of the Skilled Person Review which could include the potential payment of remediation and associated administrative costs (see note 30). As part of the going concern assessment, the Group took into consideration the current position of the UK and global economy. The Group also considered how climate-related risks and opportunities affect operations, investment activities, advice and distribution, and their impact on specific projects and initiatives, estimates and judgements. Based on the assessment, the Directors believe that both the Group and Quilter plc have sufficient financial resources to continue in business for a period of at least 12 months from the date of approval of these financial statements and continue to adopt the going concern basis in preparing the Group and Parent Company financial statements. Further information is contained in the viability statement and going concern section of the Annual Report.

Basis of consolidation

The Group's consolidated financial statements incorporate the assets, liabilities and results of the Company and its subsidiaries. Subsidiaries are those entities, including investment funds, controlled by the Group. More information on how the Group assesses whether it has control over an entity is provided in accounting policy note 5(a). Subsidiaries are consolidated from the date the Group obtains control and are excluded from consolidation from the date the Group loses control.

1: Basis of preparation *continued*

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used in line with Group policies. All intercompany transactions, balances and unrealised gains and losses on transactions between Group companies are eliminated when preparing consolidated financial statements.

Liquidity analysis of the statement of financial position

The Group's statement of financial position is in order of liquidity. For each asset and liability line item, those amounts expected to be recovered or settled more than 12 months after the reporting date are disclosed separately in the notes to the consolidated financial statements.

Critical accounting estimates and judgements

The preparation of financial statements requires management to exercise judgement in applying the Group's material accounting policies and make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements. The Board Audit Committee reviews these areas of judgement and estimates, and the appropriateness of material accounting policies adopted in the preparation of these financial statements.

Critical accounting judgements

The Group's critical accounting judgements are those made when applying its material accounting policies and that have the greatest effect on the net profit and net assets recognised in the Group's financial statements.

Ongoing Advice Review

In the preliminary results announcement on 6 March 2024, the Group committed to undertake a review of historical data and practices across the Appointed Representative firms in the Quilter Financial Planning network in relation to the provision of ongoing advice. Following discussion with the FCA, a Skilled Person was appointed in June 2024 to assess and provide a view to the FCA on whether the delivery of ongoing advice services by Appointed Representative firms in the Quilter Financial Planning network has been compliant with applicable regulatory requirements during the period from 1 January 2017 to 31 December 2023. Although the Skilled Person Review has not yet completed, it is well advanced, and the final report is expected to be submitted to the FCA in the second quarter of 2025. Subject to further discussions with the FCA that will occur following the Skilled Person Review, it is currently expected that some form of customer remediation will likely be required. Based on the results of the Skilled Person Review to date together with other evidence available, including consideration of the announcement made by the FCA on 24 February 2025 titled "Ongoing financial advice services", the Group has recognised a provision for a reasonable estimate of the costs of a potential customer remediation exercise, including both redress and administrative costs, based upon current assumptions as to a plausible customer remediation approach that may be followed. See notes 30 and 36 for further details of the provision and contingent liability (including assumptions made and uncertainties arising). The significant judgements are:

- the precise period to be included within the scope of a potential remediation exercise; and
- the proportion of customers, determined by reference to cohorts shown by the Skilled Person's sample to be at the highest likelihood of having not received the expected level of service from their adviser, to be involved within the scope of a potential remediation exercise.

Critical accounting estimates

The Group's critical accounting estimates involve the most complex or subjective assessments and assumptions, which have a significant risk of resulting in material adjustment to the net carrying amounts of assets and liabilities until those amounts are settled. Management uses its knowledge of current facts and circumstances and applies estimation and assumption setting techniques, that are aligned with relevant actuarial and accounting standards and guidance, to make predictions about future actions and events. Actual results may differ materially from those estimates.

Ongoing Advice Review

As set out above, based on the results to date of the Skilled Person Review together with other evidence available, the Group considers that a customer remediation exercise in relation to ongoing advice will likely be required to consider cases where the customer has been charged for ongoing advice services, and the adviser is unable to satisfactorily evidence the provision of those services. The Group currently expects to finalise the Skilled Person Review and undertake discussions with the FCA during the second quarter of 2025, to consider the form and methodology of this potential customer remediation exercise. Any such remediation exercise is currently expected to involve the population of customers who are at the highest likelihood of having not received the expected level of service from their adviser, based upon the results of the Skilled Person Review. Given that a customer remediation exercise will likely be required, the Group has considered the estimated costs. This includes estimates for refunds of fees previously charged and interest payable and the cost of the remediation exercise. While there are a number of outstanding contingencies and variables the Group has determined that a reasonable estimate can be made based on the information currently available and as a result has recognised a provision (see notes 30 and 36). Following the initial draft results of the statistically reliable representative cohort of customers undertaken by the Skilled Person, an initial quantification of the potential financial impact of the approach to be followed, can be reasonably estimated. In determining this provision, consideration has been given to a wide range of assumptions, drawing on data from the Skilled Person's results to date, previous experience of past business reviews, and the views of external specialists familiar with similar remediation exercises. The significant estimates in the calculation of the provision are:

- extrapolation of the proportion of the Skilled Person's statistically significant sample where satisfactory evidence of servicing was not found, to the entire population of ongoing advice customers;
- response rate for customers invited to engage in the potential remediation exercise; and
- administrative costs to perform a potential remediation exercise, including costs associated with customer engagement and case reviews, which have been determined based upon experience from previous past business reviews performed by the Group, and assumptions on the number of customers who may be subject to the review process.

Measurement of deferred tax

The annual business planning process estimates future taxable profits based on estimated levels of assets under management and administration ("AuMA"), which are subject to a large number of factors including global stock market movements, related movements in foreign exchange rates, net client cash flows and estimates of expenses and other charges. The Business Plan, adjusted for known and estimated tax adjusting items, is used to determine the extent to which deferred tax assets are recognised. The Group assesses the recoverability of shareholder deferred tax assets based on estimated taxable profits over a five-year horizon and assesses policyholder deferred tax assets based on estimated investment growth over the medium term. To the extent that profit estimates extend

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1: Basis of preparation *continued*

beyond the normal three-year planning cycle, average profits over the final two years of the plan are used. This approach is considered reasonable based on historical profitability. Future profit projections show the majority of deferred tax assets being utilised over the next three years. Management has reassessed the sensitivity of the recoverability of deferred tax assets based on the latest forecast cash flows. See note 31 for further details.

Other principal estimates

The Group's assessment of goodwill and intangible assets for impairment uses the latest cash flow forecasts from the Group's three-year Business Plan. These forecasts include estimates relating to equity market levels and growth in AuMA in future periods, together with levels of new business growth, net client cash flows, revenue margins, and future expenses and discount rates (see note 14). These forecasts take account of climate-related risks and other responsible business considerations. Management does not consider that the use of these estimates has a significant risk of causing a material adjustment to the carrying amount of the assets within the next financial year.

2: New standards, amendments to standards, and interpretations adopted by the Group

The amendments to accounting standards in the table below became applicable for the current reporting period, with no material impact on the Group's results, financial position or disclosures or on those of the Parent Company.

Adopted by the Group from	Amendments to standards
1 January 2024	Amendments to IAS 1 Presentation of Financial Statements – classification of liabilities as current and non-current
1 January 2024	Amendments to IAS 1 Presentation of Financial Statements – non-current liabilities with covenants
1 January 2024	Amendments to IFRS 16 Leases – Sale and leaseback transactions
1 January 2024	Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures – Supplier Finance Arrangements

3: Future standards, amendments to standards, and interpretations not early adopted in these financial statements

Certain new standards, interpretations and amendments to existing standards have been published by the International Accounting Standards Board ("IASB") that are not yet effective. The Group has not early adopted these standards, interpretations and amendments, and does not expect these to have a material impact on the financial statements of the Group or the Parent Company.

IFRS 18 Presentation and Disclosures in Financial Statements

IFRS 18 includes requirements for all entities applying IFRS for the presentation and disclosure of information in financial statements. The standard aims to improve how companies communicate in their financial statements, with a focus on information about financial performance in the statement of profit or loss. IFRS 18 replaces IAS 1 Presentation of Financial Statements. The effective date of IFRS 18 is 1 January 2027. The standard is not yet endorsed by the UK Endorsement Board.

IFRS 19 Subsidiaries without Public Accountability: Disclosures

IFRS 19 specifies the reduced disclosure requirements an eligible subsidiary is permitted to apply instead of the disclosure requirements in other IFRS standards. The effective date of IFRS 19 is 1 January 2027. The standard is not yet endorsed by the UK Endorsement Board and will not impact the Group's financial statements.

IAS 21 – Lack of Exchangeability

In August 2023, the IASB amended IAS 21 to help entities to determine whether a currency is exchangeable into another currency, and which spot exchange rate to use when it is not. The Group does not expect these amendments to have a material impact on its operations or financial statements. The effective date of this amendment is 1 January 2025.

IFRS 9 and IFRS 7 – Amendments to the Classification and Measurement of Financial Instruments

Amendments to IFRS 9 and IFRS 7 were made to:

- clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- add new disclosures for certain instruments with contractual terms that can change cash flows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and
- update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

The Group does not expect these amendments to have a material impact on its operations or financial statements. The effective date of these amendments is 1 January 2026. The standard is not yet endorsed by the UK Endorsement Board.

4: Significant changes in the year

Ongoing Advice Review

In the preliminary results announcement on 6 March 2024, the Group committed to undertake a review of historical data and practices across the Appointed Representative firms in the Quilter Financial Planning network in relation to the provision of ongoing advice. Following discussion with the FCA, a Skilled Person was appointed in June 2024 to assess and provide a view to the FCA on whether the delivery of ongoing advice services by Appointed Representative firms in the Quilter Financial Planning network has been compliant with applicable regulatory requirements during the period from 1 January 2017 to 31 December 2023. Although the Skilled Person Review has not yet completed, it is relatively well progressed. Subject to further engagement with the FCA that will occur following the Skilled Person Review, it is currently expected that some form of customer remediation will likely be required. Based on the results of the Skilled Person Review to date together with other evidence available, the Group has recognised a provision for a reasonable estimate of the costs of such a customer remediation exercise, including both redress and administrative costs, based upon current assumptions as to a plausible customer remediation approach that may be followed. See notes 30 and 36 for further details of the provision and contingent liability.

Acquisitions
The Group made two acquisitions in the year, 100% of the share capital of NuWealth Limited and 35% of the share capital of Beals Mortgage and Financial Services Limited. Further details are given in note 6.

5: Material accounting policies

The Group's material accounting policies are described below. There have been no changes to the Group's material accounting policies as a result of changes in accounting standards during the year. The accounting policies disclosed in these notes have been consistently applied throughout the current and prior financial year.

5(a): Group accounting

Subsidiaries
Subsidiary undertakings are those entities (investees) controlled by the Group. The Group controls an investee if, and only if, the Group has all of the following three elements of control:

– power over the investee;
– exposure or rights to variable returns from its involvement with the investee; and
– the ability to affect those returns through its power over the investee.

For operating entities, this usually arises with a shareholding in the entity of 50% or more.

Associates
Associates are entities over which the Group has significant influence, but not control or joint control, through its participation in the entity's financial and operating policy decisions. Significant influence is generally demonstrated by the Group holding between 20% and 50% of the voting rights. Voting rights are not the only consideration, all other relevant factors, contractual or otherwise, are assessed in determining whether the Group has the ability to exercise significant influence.

The results, assets and liabilities of associates are incorporated into these consolidated financial statements using the equity method of accounting from the date that significant influence commences until the date it ends. Under this method, the cost of the investment in an associate together with the Group's share of that entity's post-acquisition changes to shareholders' funds is included as an asset in the consolidated statement of financial position. The cost includes goodwill recognised on acquisition. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of the associate until the date on which significant influence ceases. Where a Group entity transacts with an associate of the Group, unrealised profits and losses are eliminated to the extent of the Group's interest in the relevant associate. Unrealised losses are eliminated in the same way but only to the extent that there is no evidence of impairment. Investments in associates that are held with a view to subsequent resale are accounted for as non-current assets held for sale.

Where the Group has an investment in an associate, a portion of which is held by, or is held indirectly through a unit trust or similar entity, including through unit-linked funds, that portion of the investment is measured at FVTPL.

The Group classified 360 Dot Net Limited as an associate throughout 2023 and 2024. In addition, from 29 October 2024, the Group classified Beals Mortgage and Financial Services Limited and Clinton Kennard Associates Ltd as associates (see note 6).

Investment funds
The Group consolidates certain of its interests in open-ended investment companies ("OEICs"), unit trusts, mutual funds and similar investment vehicles (collectively "investment funds").

The Group continually assesses any changes to facts and circumstances to determine, in the context of the three elements of control listed above, whether it still controls the investee and is therefore required to consolidate it.

The Group invests in a wide range of investment funds in respect of its unit-linked investment contracts where investments are made to match the investment choices of its clients. For some of these funds, it also acts as fund manager. These funds invest predominantly in equities, bonds, cash and cash equivalents. The Group holds interests in these investment funds mainly through the receipt of fund management fees, in the case where the Group acts as fund manager, which provide a variable return based on the value of the funds under management and other criteria, and in the case of third-party funds where fund performance has an impact on fund-based fees within unit-linked investment contracts and other similar client investment products. Where the Group acts as fund manager, it may also hold investments in the underlying funds, through acquiring units or shares. Where these investments are held in unit-linked funds, the Group has a secondary exposure to variable returns through the management fees that it deducts from unit-linked policyholders' account balances. The Group's percentage ownership can fluctuate from day-to-day according to the Group's participation in them as clients' underlying investment choices change.

Where, as is often the case with investment funds, voting or similar rights are not the dominant factor in deciding who controls the investee, other factors are considered in the control assessment.

When assessing the control of investment funds, the Group considers the purpose and design of the fund, the scope of its decision-making authority, including its ability to direct relevant activities and to govern the operations of a fund so as to obtain variable returns from that fund and its ability to use its power to affect these returns, both from the perspective of an investor and an asset manager. In addition, the Group assesses rights held by other parties including substantive removal ("kick-out") rights that may affect the Group's ability to direct relevant activities.

On consolidation, the interests of parties other than the Group are classified as a liability in the Group's statement of financial position and are described as "third-party interests in consolidated funds". Such interests are not recorded as non-controlling interests as they meet the criteria to be classified as liabilities rather than equity. These liabilities are regarded as current, as they are repayable on demand, although it is not expected that they will be settled in a short time period.

Business combinations
The Group is required to use the acquisition method of accounting for business combinations. Business combinations are accounted for at the date that control is achieved (the acquisition date). The cost of a business combination is measured as the aggregate of the fair values (at the date of exchange) of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. Deferred and contingent consideration relating to acquisitions is recognised as a liability on the date of acquisition.

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5: Material accounting policies *continued*

5(a): Group accounting *continued*

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition are recognised at their fair value at the acquisition date.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts. Where provisional amounts are reported, these are adjusted during the measurement period which extends up to a maximum of 12 months from the acquisition date. Additional assets or liabilities may also be recognised during this period, to reflect any new information obtained about the facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the identifiable net assets of the acquired entity at the date of acquisition. Other acquisition-related costs, not forming part of the cost of acquisition, are expensed as incurred.

Upon sale, the Group derecognises a subsidiary or disposal group on the date on which control passes. The consolidated statement of comprehensive income includes the results of a subsidiary or disposal group up to the date of disposal. The difference between the proceeds from the sale of a subsidiary undertaking and its carrying amount as at the date of disposal, including the cumulative amount of any related exchange differences that are recognised in the foreign currency translation reserve, is recognised in profit and loss as the gain or loss on sale of the subsidiary undertaking.

5(b): Fair value measurement

Fair value is a market-based measure and is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. For a financial instrument, the best evidence of fair value at initial recognition is normally the transaction price, which represents the fair value of the consideration given or received.

Where observable market prices in an active market, such as bid or offer (ask) prices are unavailable, fair value is measured using valuation techniques based on the assumptions that market participants would use when pricing the asset or liability. If an asset or a liability measured at fair value has a bid or an offer price, the price within the bid-offer spread that is most representative of fair value is used as the basis of the fair value measurement.

The quality of the fair value measurement for financial instruments is disclosed by way of the fair value hierarchy in note 22.

5(c): Product classification

The Group's life assurance contracts included in the Affluent segment are categorised as investment contracts, in accordance with the classification criteria set out in the paragraph below.

Investment contracts

Investment contracts do not meet the IFRS definition of an insurance contract as they do not transfer significant insurance risk from the policyholder to the insurer. Unit-linked investment contracts are separated into two components, an investment management services component and a financial liability. The financial liability component is designated at FVTPL as it is managed on a fair value basis, and its value is directly linked to the market value of the underlying portfolio of assets. The Group does not directly benefit economically from returns from the assets held to match policyholder liabilities, apart from secondary exposure to future annual management fees that the Group expects to receive over the life of the policy.

5(d): Fee income and other income from service activities

Fee income and other income from service activities represent the fair value of services provided, net of value added tax. Revenue is only recognised to the extent that management is satisfied that it is highly probable that no significant reversal of the revenue recognised will be required when uncertainties are resolved. In circumstances where refunds are expected on a portion of the income, including indemnity commission on policies sold, an estimate of the reduction of revenue is made and charged to profit and loss at the point of sale, based upon assumptions determined from historical experience.

Fund-based fees

This relates to non-refundable fees taken on receipt of clients' investments and recognised on receipt over the life of the contract, in line with the performance obligation associated with the contract in respect of the administration of the underlying client records and client benefits.

In addition, this also includes periodic fee income based on the market valuation of the Group's contracts with clients. It is calculated and recognised on a daily basis in line with the provision of investment management services.

This also includes the fee income of consolidated funds.

Premium-based fees

This relates to fees in respect of advice to clients when the advice has been provided and the financial adviser's performance obligation has been fully delivered. Accordingly, fee income is recognised from the inception of the financial product sold.

Given the Group's business model for advice, management is required to exercise significant judgement in assessing the capacity in which the Group is contracting for the purposes of recognising revenue from the advice business under IFRS 15. As a result of the assessment, management has determined that revenue from the advice business should be presented net of certain fees and commissions payable to Appointed Representatives of Quilter companies.

Fixed fees

This is periodic fee income which is fixed in value according to underlying contract terms and relates to the provision of services and transactional dealing fees. It is recognised on provision of the transaction or service.

Other fee and commission income

This includes charges taken from unit-linked funds to meet future policyholder tax liabilities. Depending on the nature of the tax liability, the charges are either recognised at the point a transaction occurs on the unit-linked fund, or annually.

5: Material accounting policies *continued*

5(e): Investment return

Investment return comprises two elements (a) investment income and (b) realised and unrealised gains and losses on investments held at FVTPL.

Investment income

Investment income includes dividends on equity securities, client and shareholder interest income and rental income. Dividends are recorded as revenue on the ex-dividend date. Interest income is recognised using the effective interest rate method which allocates interest and other finance costs at a constant rate over the expected life of the financial instrument. In respect of client money, retained interest income is accounted for under the principles of IFRS 15 and is calculated as the difference, on an accruals basis, between total interest received and interest paid across to clients.

Rental income is recognised on an accruals basis.

Realised and unrealised gains and losses

A gain or loss on a financial investment is only realised on disposal or transfer and represents the difference between the proceeds received, net of transaction costs, and its original cost (or amortised cost). Unrealised gains or losses, arising on investments which have not been disposed of or transferred, represent the difference between carrying value at the year end and the carrying value at the previous year end or purchase value (if this occurs during the year), less the reversal of previously recognised unrealised gains or losses in respect of disposals made during the year.

Gains and losses resulting from changes in both market value and foreign exchange rates on investments classified at FVTPL are recognised in the period in which they occur.

5(f): Contract costs

Incremental costs, including fee and commission expenses, that are directly attributable to securing unit-linked investment contracts, asset management services and advice business are deferred and recognised as contract costs. Contract costs are linked to the contractual right to benefit from providing the service. These are therefore amortised in line with the provision of the services to which the contract relates.

5(g): Investment contract liabilities

The Group's investment contracts are unit-linked contracts. At inception, investment contract liabilities for unit-linked business are classified as financial liabilities and measured at FVTPL. For these contracts, the fair value liability is equal to the total value of units allocated to the policyholders, based on the bid price of the underlying assets in the fund. The FVTPL classification reflects the fact that the matching investment portfolio that backs the unit-linked liabilities, is managed, and its performance evaluated, on a fair value basis.

Contributions received on investment contracts are treated as policyholder deposits and credited directly to investment contract liabilities, as opposed to being reported as revenue. Withdrawals paid out to policyholders on investment contracts are treated as a reduction to policyholder deposits, reducing the investment contract liabilities, as opposed to being recognised as expenses. This practice is known as deposit accounting.

5(h): Financial instruments (other than derivatives)

Financial instruments cover a wide range of financial assets, including financial investments, trade receivables and cash and cash equivalents and financial liabilities, including investment contract liabilities, trade payables, and borrowings. Derivatives, which are also financial instruments, are covered by accounting policy note 5(j). Financial assets and financial liabilities are recognised in the Group's statement of financial position when the Group becomes party to the contractual provisions of the instrument. The Group derecognises a financial asset when the contractual rights to receive cash flows have expired or been forfeited by the Group. A financial liability is derecognised when the liability is extinguished.

The Group assesses the objective of a business model in which an asset is held at a portfolio level because this best represents the way the business is managed and information is reported to management. The assessment considers the stated portfolio policies and objectives. The Group determines its strategy in holding the financial asset, particularly considering whether the Group earns contractual interest revenue, for example to match the duration of financial assets to the duration of liabilities that are funding those assets or to realise cash flows through the sale of the assets. The frequency, volume and timing of sales in prior periods may be reviewed, along with the reasons for such sales and expectations about future sales activity. These factors enable management to determine which financial assets should be measured at FVTPL.

Initial measurement

A financial asset (unless it is a trade receivable without a significant financing component that is initially measured at the transaction price) is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

Subsequent measurement

The classification of financial assets depends on (i) the purpose for which it was acquired, (ii) the business model in which it is managed, and (iii) its contractual cash flow characteristics. Two categories are applicable to the Group's financial assets: FVTPL and amortised cost. This classification determines the subsequent measurement basis. The following accounting policies apply to the subsequent measurement of financial assets.

Measurement basis	Accounting policies
FVTPL	These financial assets are subsequently measured at fair value. Net gains and losses, including interest and dividend income, are recognised in profit or loss.
Amortised cost	These financial assets are subsequently measured at amortised cost using the effective interest rate method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairments are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

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5: Material accounting policies *continued*

5(h): Financial instruments (other than derivatives) *continued*

Amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and unless recognised as FVTPL on initial recognition applying the Fair Value Option (see below):

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

For the purposes of this assessment, principal is defined as the fair value of the financial asset on initial recognition. Interest is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

All other financial assets that are not measured at amortised cost are classified and measured at FVTPL.

Financial investments

The Group's interests in pooled investment funds, equity securities and debt securities are mandatorily at FVTPL, as they are part of groups of financial assets which are managed and whose performance is evaluated on a fair value basis. These investments are recognised at fair value initially and subsequently, with changes in fair value recognised in investment return.

Fixed-term deposits with a maturity profile exceeding three months are categorised as financial investments and are measured at amortised cost.

The Group recognises purchases and sales of financial investments on trade date, which is the date that the Group commits to purchase or sell the assets. The costs associated with investment transactions are included within expenses.

On initial recognition, the Group may irrevocably designate a financial asset at FVTPL that otherwise meets the requirements to be measured at amortised cost, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise (the Fair Value Option).

Loans and advances

Loans are recognised when cash is advanced to borrowers. Loans to advisers are stated at amortised cost using the effective interest rate method, except for loans at below-market interest rates which are measured at fair value. Loans stated at amortised cost are subject to the impairment requirements outlined below.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances, call deposits, money market collective investment funds and other short-term deposits with an original maturity of three months or less.

Cash and cash equivalents held within money market collective investment funds are classified as FVTPL. All other cash and cash equivalents are classified as amortised cost which means they are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method and are subject to the impairment requirements outlined below. The carrying amount of cash and cash equivalents, other than money market collective investment funds which are measured at fair value, approximates to their fair value.

Financial liabilities and equity

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. At inception, investment contract liabilities for unit-linked business are recognised as financial liabilities and measured at FVTPL. Other financial liabilities, including the Group's borrowings and trade payables, are measured at amortised cost using the effective interest method. Investment contract liabilities are subsequently measured at fair value. Gains and losses are recognised in profit or loss.

Trade payables and receivables

Trade payables and receivables are classified at amortised cost. Due to their short-term nature, their carrying amount is considered to be the same as their fair value.

Impairment of financial assets

The expected loss accounting model for credit losses applies to financial assets measured at amortised cost, but not to financial assets at FVTPL. Financial assets at amortised cost include trade receivables, cash and cash equivalents (excluding money market collective investment funds which are measured at fair value), fixed-term deposits and certain loans and advances.

Credit loss allowances are measured on each reporting date according to a three-stage expected credit loss ("ECL") impairment model:

Performing financial assets:

Stage 1

From initial recognition of a financial asset to the date on which an asset has experienced a significant increase in credit risk relative to its initial recognition, a stage 1 loss allowance is recognised equal to the credit losses expected to result from its default occurring over the earlier of the next 12 months or its maturity date ("12-month ECL").

Stage 2

Following a significant increase in credit risk relative to the initial recognition of the financial asset, a stage 2 loss allowance is recognised equal to the credit losses expected from all possible default events over the remaining lifetime of the asset ("Lifetime ECL").

The assessment of whether there has been a significant increase in credit risk requires considerable judgement, based on the lifetime probability of default.

5: Material accounting policies *continued*

5(h): Financial instruments (other than derivatives) *continued*

Impaired financial assets:

Stage 3

When a financial asset is considered to be credit-impaired, the allowance for credit losses ("ACL") continues to represent lifetime expected credit losses. However, interest income is calculated based on the amortised cost of the asset, net of the loss allowance, rather than its gross carrying amount.

Application of the impairment model

The Group applies the ECL model to all financial assets that are measured at amortised cost:

- Trade receivables, to which the simplified approach prescribed by IFRS 9 is applied. This approach requires the recognition of a Lifetime ECL allowance on day one and thereafter.
- Loans, cash and cash equivalents, and fixed-term deposits at amortised cost, to which the general three-stage model (described above) is applied, whereby a 12-month ECL is recognised initially and the balance is monitored for significant increases in credit risk which would trigger the recognition of a Lifetime ECL allowance.

ECLs are a probability-weighted estimate of credit losses. ECLs for financial assets that are not credit-impaired at the reporting date are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due in accordance with the contract and the cash flows that the Group expects to receive). ECLs for financial assets that are credit-impaired at the reporting date are measured as the difference between the gross carrying amount and the present value of estimated future cash flows. ECLs are discounted at the effective interest rate of the financial asset. The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

The measurement of ECLs considers information about past events and current conditions, as well as supportable information about future events and economic conditions. The Group has implemented its impairment methodology for estimating the credit loss, taking into account forward-looking information in determining the appropriate level of allowance. In addition, it has identified indicators and set up procedures for monitoring for significant increases in credit risk.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired includes events such as significant financial difficulty of the borrower or issuer, a breach of contract such as a default or past due event or the restructuring of a loan or advance by the Group on terms that the Group would not otherwise consider. The assumption that the credit risk for balances over 30 days significantly increases has been rebutted on the basis that some balances will exceed 30 days in the normal course of the settlement cycle, and therefore, there is no increase in the credit risk.

Presentation of impairment

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-offs

Loans and debt securities are written off (either partially or in full) when there is no realistic prospect of the amount being recovered. This is generally the case when the Group concludes that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

5(i): Contract assets

Contract assets are not classified as financial assets. Due to their short-term nature, their carrying amount is considered to be the same as their fair value.

The expected loss accounting model for credit losses applies to contract assets. The Group applies the ECL model to contract assets, which are measured at amortised cost. The simplified approach prescribed by IFRS 9 is applied to contract assets. This approach requires the recognition of a Lifetime ECL allowance on day one and thereafter.

5(j): Derivatives

The only derivatives recognised in the Group's statement of financial position arise as a result of the consolidation of funds (described in note 5(a)). Management determines the classification of derivatives at initial recognition and classifies derivatives as mandatorily at FVTPL. All derivatives are carried as assets when their fair value is positive and as liabilities when their fair value is negative.

5(k): Employee benefits

Pension obligations

The Group operates two types of pension plans which have been established for eligible employees of the Group:

- Defined contribution schemes where the Group makes contributions to members' pension plans but has no further payment obligations once the contributions have been paid.
- Defined benefit plans which provide pension payments upon retirement to members as defined by the plan rules. The Group has funded these liabilities by ring-fencing assets in trustee-administered funds.

Defined contribution pension obligations

Under a defined contribution plan, the Group's legal or constructive obligation is limited to the amount it agrees to contribute to a pension fund and there is no obligation to pay further contributions if the fund does not hold sufficient assets to pay benefits. Contributions in respect of defined contribution schemes for current service are expensed as staff costs and other employee-related costs when incurred.

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5: Material accounting policies *continued*

5(k): Employee benefits *continued*

Defined benefit pension obligations

A defined benefit pension plan typically defines the amount of pension benefit that an employee will receive on retirement. For these plans, the Group's defined benefit obligation is calculated by independent actuaries using the projected unit credit method, which measures the pension obligation as the present value of estimated future cash outflows. The discount rate used is determined based on the yields for investment grade corporate bonds that have maturity dates approximating to the terms of the Group's obligations. Plan assets are measured at their fair value at the reporting date. The net surplus or deficit of the defined benefit plan is recognised as an asset or liability and represents the present value of the defined benefit obligation at the end of the reporting period less the fair value of the plan assets.

An asset is recognised only where there is an unconditional right to future benefits. The current and past service cost curtailments and settlements are charged to other expenses.

Remeasurements which comprise gains and losses as a result of experience adjustments and changes in actuarial assumptions, the actual return on plan assets (excluding interest) and the effect of the asset ceiling are recognised immediately in other comprehensive income in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods. Administration costs (other than the costs of managing plan assets) are recognised as an expense when the service is provided.

When the benefits of a plan are changed, or when a plan is curtailed, the portion of the changed benefit related to past service by employees, or the gain or loss on curtailment, is recognised immediately in profit or loss when the plan amendment or curtailment occurs.

Employee share-based payments

The Group operates a number of share incentive plans for its employees. These involve an award of shares or options in the Group (equity-settled share-based payments). The Group has not granted awards under cash-settled plans in the current or prior year.

The Group's incentive plans have conditions attached before the employee becomes entitled to the award. These can be performance and/or service conditions (vesting conditions) or conditions that are often wholly within the control of the employee, for example where the employee has to provide funding during the vesting period, which is then used to exercise share options (non-vesting condition).

Performance conditions may be market-based or non-market-based. Market-based performance conditions are those related to an entity's equity, such as achieving a specified share price or targets based on a comparison of the entity's share price with an index of share prices. Non-market performance conditions are those related to an entity's profit or revenue targets, an example of which would be Earnings per Share ("EPS"). Market based performance conditions and non-vesting conditions are taken into account when estimating the fair value of the share or option awards at the measurement date. The fair value of the share awards or options is not adjusted to take into account non-market performance features. These are taken into consideration by adjusting the number of equity instruments in the share-based payment measurement and this adjustment is made each period until the equity instruments vest.

The fair value of share-based payment awards granted is recognised as an expense over the vesting period which accords with the period for which related services are provided by the employee. A corresponding increase in equity is recognised for equity-settled plans.

For equity-settled plans, the fair value is determined at grant date and not subsequently remeasured.

At each period end, the Group reassesses the number of equity instruments expected to vest and recognises any difference between the revised and original estimate in profit or loss with a corresponding adjustment to the share-based payments reserve in equity.

At the time the equity instruments vest, the amount recognised in the share-based payments reserve in respect of those equity instruments is transferred to retained earnings.

5(l): Tax

Current tax

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date and any adjustment to income tax payable in respect of previous years. In the UK, a change in tax law is substantively enacted when it has been accepted by the House of Commons. Current tax is charged or credited to profit or loss, except when it relates to items recognised directly in equity or in other comprehensive income.

Deferred tax

Deferred tax represents the tax on profits or losses which are required by law to be taxed in a different year to the year in which they impact the financial statements.

Deferred tax is calculated according to the statement of financial position method, based on temporary differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised.

Deferred tax is charged or credited to profit or loss, except when it relates to items recognised directly in equity or in other comprehensive income. In certain circumstances, as permitted by accounting standards, deferred tax balances are not recognised. In particular, where the liability relates to the initial recognition of goodwill, or transactions that are not a business combination and at the time of their occurrence affect neither accounting nor taxable profit. Note 31 includes further detail of circumstances in which the Group does not recognise temporary differences.

Policyholder tax

Certain products are subject to tax on the policyholder investment returns. This "policyholder tax" is an element of the Group's total tax expense. To make the tax expense more meaningful, tax attributable to policyholder returns and tax attributable to shareholder returns are shown separately.

The tax attributable to policyholder returns is the amount payable in the year plus the movement of amounts expected to be payable in future years. The remainder of the tax expense is attributed to shareholder returns.

5: Material accounting policies *continued*

5(m): Investments in subsidiaries

The Parent Company's investments in subsidiary undertakings are initially stated at cost. Subsequently, investments in subsidiary undertakings are stated at cost less any provision for impairment. An investment in a subsidiary is deemed to be impaired when its carrying amount is greater than its estimated recoverable amount, and there is evidence to suggest that the impairment occurred subsequent to the initial recognition of the asset in the financial statements. All impairments are recognised in the Parent Company profit or loss as they occur.

5(n): Goodwill and intangible assets

The recognition of goodwill arises on the acquisition of a business and represents the premium paid over the fair value of the Group's share of the identifiable assets and liabilities acquired at the date of acquisition. Intangible assets include intangible assets initially recognised as part of a business combination, purchased assets and internally generated assets, such as software development costs related to amounts recognised for in-house systems development.

Goodwill and goodwill impairment

Goodwill arising on the Group's investments in subsidiaries is shown as a separate asset, while that on associates, where it arises, is included within the carrying value of those investments. Goodwill is recognised as an asset at cost at the date when control is achieved (the acquisition date) and is subsequently measured at cost less any accumulated impairment losses. Goodwill is not amortised but is subject to annual impairment reviews.

Goodwill is allocated to one or more groups of cash-generating units ("CGUs") expected to benefit from the synergies of the combination, where the CGU represents the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Goodwill is reviewed for impairment at least annually as a matter of course even if there is no indication of impairment, and whenever an event or change in circumstances occurs which indicates a potential impairment. For impairment testing, the carrying value of goodwill is compared to the recoverable amount. The recoverable amount is the higher of value-in-use and the fair value less costs of disposal. Any impairment loss is recognised immediately in profit or loss and is not subsequently reversed.

On disposal of an operation within a group of CGUs to which goodwill has been allocated, the goodwill associated with that operation is included in the carrying amount of the operation when determining the gain or loss on sale. It is measured based on the relative values of the operation disposed of and the portion of the CGU retained.

The value-in-use calculations are determined as the sum of net tangible assets and the expected cash flows from existing and expected future new business derived from the Business Plan. Future cash flow elements allow for the cost of capital needed to support the business.

Market share and market growth information is also used to inform the expected volumes of future new business.

Cost savings linked to future restructuring activity are only included in the value-in-use calculation in cases where an associated restructuring provision has also been recognised. Consequently, for the purpose of the value-in-use calculation, a number of planned cost savings and the related implementation costs, primarily in relation to the Business Simplification programme, have been removed from the future cash flows.

The cost of capital is the weighted average of the cost of equity (return required by shareholders) and the cost of debt (return required by bondholders and owners of properties leased by the Group). When assessing the systematic risk (i.e. the beta value) within the calculation of the cost of equity, a triangulation approach is used that combines beta values obtained from historical data, a forward-looking view on the progression of beta values and the external views of investors.

Intangible assets acquired as part of a business combination

Intangible assets acquired as part of a business combination are recognised where they are separately identifiable and can be measured reliably. Acquired intangible assets consist primarily of contractual relationships such as customer relationships and distribution channels. Such items are capitalised at their fair value, represented by the estimated net present value of the future cash flows from the relevant relationships acquired at the date of acquisition. Brands and similar items acquired as part of a business combination are capitalised at their fair value based on a 'relief from royalty' valuation methodology.

Subsequent to initial recognition, acquired intangible assets are measured at cost less amortisation and any recognised impairment losses. Amortisation is recognised at rates calculated to write off the cost or valuation less estimated residual value, using a straight-line method over their estimated useful lives as set out below:

– Distribution channels	8 years
– Customer relationships	7–10 years
– Software	5 years

The economic lives are determined by considering relevant factors such as usage of the asset, product life cycles, potential obsolescence, competitive position and stability of the industry. The amortisation period is re-evaluated at the end of each financial year.

Research, development and internally developed software

Costs incurred in the research phase are expensed, whereas costs incurred in the development phase are capitalised, subject to meeting specific criteria, as set out in the relevant accounting standards and guidance. In particular, for the costs to be capitalised, it is a requirement that future economic benefits can be identified as resulting from the development expenditure.

There are a number of factors taken into account when considering whether internally developed software meets the criteria to be recognised as an asset in the statement of financial position. For example, where a third-party provider retains ownership of the software, no asset will be recognised by the Group and the costs will be expensed as incurred.

5: Material accounting policies *continued*

5(n): Goodwill and intangible assets *continued*

Where it is capitalised, internally developed software is held at cost less accumulated amortisation and impairment losses. Such software is recognised as an asset if, and only if, it is probable that the relevant future economic benefits attributable to the software will flow to the Group and its cost can be measured reliably.

Amortisation is recognised as an expense on a straight-line basis over the estimated useful life of five years.

Subsequent expenditure

Subsequent expenditure on intangible assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred.

Impairment testing for intangible assets

For intangible assets with finite lives, impairment charges are recognised where evidence of impairment is observed. Indicators of impairment can be based on external factors, such as significant adverse changes to the asset as part of the overall business environment and internal factors, such as worse than expected performance reflected in the Group's three-year Business Plan. If an indication of impairment exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). The recoverable amount is calculated as the higher of fair value less costs to sell and value in use. If the recoverable amount of an intangible asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately. Where an intangible asset is not yet available for use, it is subject to an annual impairment test by comparing the carrying value with the recoverable amount. The recoverable amount is estimated by considering the ability of the asset to generate sufficient future economic benefits to recover the carrying value.

5(o): Property, plant and equipment

Aside from right-of-use assets, property, plant and equipment consist principally of computer equipment and fixtures and fittings and are stated at cost less accumulated depreciation and any recognised impairment losses. Property, plant and equipment also includes assets under construction which are not depreciated. Cost includes the original purchase price of the asset and the costs of bringing the asset to its working condition for its intended use. Depreciation is charged to profit or loss on a straight-line basis to write down the cost of the asset to its residual value over its estimated useful life. The following maximum useful lives are applied:

– Right-of-use assets	length of the lease
– Plant and equipment	5–10 years

Management determines useful lives and residual values for assets when they are acquired, based on experience of similar assets and taking into account other relevant factors such as any expected changes in technology. The Group assesses and, where appropriate, adjusts the useful life, residual value and depreciation method for property plant and equipment on an annual basis.

Items of property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. For assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows. Where the carrying amount of an asset is greater than its estimated recoverable amount, which represents the higher of the asset's fair value less costs of disposal and value in use, it is written down immediately to its recoverable amount and an impairment loss is recognised as an expense. Impaired non-financial assets, except goodwill, are reviewed for possible reversal of the impairment at each reporting date. On derecognition of an item of equipment, any gain or loss on disposal, determined as the difference between the net disposal proceeds and the carrying amount of the asset, is included in profit or loss at the date of the disposal. Items of property and equipment that are not owned by the Group but are held under lease arrangements are accounted for in accordance with the accounting policy on leases.

5(p): Leases

The Group assesses whether a contract is or contains a lease at the inception of the contract. A contract is or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess where a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- the contract involves the use of an identified asset which may be specified explicitly or implicitly and is physically distinct or represents substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Group has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use; and
- the Group has the right to direct the use of the asset.

For lessee contracts, the right-of-use asset is initially measured at cost, which comprises the initial amount of lease liability, adjusted for any lease payments made at or before the commencement date, and any initial direct costs incurred. Adjustments are also made, where appropriate, to recognise provisions for property restoration costs and for lease incentives received such as rent-free periods. The lease liability is initially measured at the present value of the lease payments that are unpaid at the commencement date, discounted using the asset-specific incremental borrowing rates.

Subsequent to lease commencement, the Group measures the right-of-use asset using a cost model, whereby the asset is held at cost less accumulated depreciation and any accumulated impairment. Depreciation is recognised as an expense on a straight-line basis to write down the cost of the right-of-use asset to its residual value over its estimated useful life which is dependent on the length of the lease. In addition, the carrying amount of the right-of-use asset may be adjusted for certain remeasurements of the lease liability. The lease liability is subsequently measured at amortised cost using the effective interest method and also reflects any lease modifications or reassessments.

The Group presents its right-of-use assets within "Property, plant and equipment" and "Investment property" and lease liabilities within "Borrowings and lease liabilities" in the statement of financial position.

Notes to the consolidated financial statements
For the year ended 31 December 2024

5: Material accounting policies *continued*

5(p): Leases *continued*

The Group currently has material lease commitments of varying durations for the rental of a number of office buildings. The Group's future lease cash outflows are not materially exposed to variable lease payments, low value or short-term leases, residual value guarantees or restrictions imposed by a lease contract or sale and leaseback transactions.

Subleases

Where the Group sublets a leased asset to a third party, it accounts for its interest in the sublease separately from the head lease. In determining whether a sublease is a finance or operating lease, the Group assesses whether the sublease has transferred substantially all the risk and rewards of the right-of-use asset arising from the head lease to the sublessee.

Where the sublease does transfer substantially all the risk and rewards of the right-of-use asset to the sublessee, the Group derecognises the right of use asset and a net investment in finance leases is recognised. The net investment in finance lease is calculated as the present value of the future lease payments receivable under the sublease. Any difference between the initial value of the net investment in finance leases and the right of use asset derecognised is recognised immediately in profit or loss. Interest is calculated on the net investment in finance lease using the incremental borrowing rate and is recognised as finance income.

Where the sublease does not transfer substantially all the risk and rewards of the right-of-use asset to the sublessee, the Group continues to recognise the right-of-use asset. The sublease is accounted for as an operating lease with the lease payments received recognised as investment income. Lease incentives granted are recognised as part of the rental income and are spread over the lease term.

The Group had one material sublease at 31 December 2024 (2023: one) as detailed in note 16.

5(q): Provisions, contingent assets and contingent liabilities

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is more probable than not that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Provisions are measured at management's best estimate of the expenditure required to settle the obligation at the reporting date. Where the effect of the time value of money is material, provisions are discounted and represent the present value of the expected expenditure. Provisions are not recognised for future operating costs or losses.

The Group recognises specific provisions where they arise for the situations outlined below:

- Client compensation and related costs, when the Group compensates clients in the context of providing fair customer outcomes.
- Onerous contracts, when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting the obligations under the contract.
- Corporate restructuring, only if the Group has approved a detailed formal plan and raised a valid expectation among those parties directly affected, that the plan will be carried out either by having commenced implementation or by publicly announcing the plan's main features. Such provisions include the direct expenditure arising from the restructuring, such as employee termination payments but not those costs associated with the ongoing activities of the Group.
- Legal uncertainties and the settlement of other claims.
- Clawback provisions in respect of potential refunds due to product providers in relation to indemnity commission.
- Property provisions, where the Group has an obligation to restore a property to its original condition at the end of the lease.

Contingent liabilities are possible obligations of the Group for which the timing or amount are subject to significant uncertainty. Contingent liabilities are not recognised in the consolidated statement of financial position, unless they are assumed by the Group as part of a business combination. They are, however, disclosed, unless they are considered to be remote. If a contingent liability becomes probable and the amount can be reliably measured it is no longer treated as contingent and it is recognised as a liability.

Contingent assets, which are possible benefits to the Group, are only disclosed if it is probable that the Group will receive the benefit. If such a benefit becomes virtually certain, it is no longer considered contingent and is recognised in the statement of financial position as an asset.

5(r): Foreign currency translation

The Group and Parent Company's presentation currency is pounds sterling. The functional currency of the Group's foreign operations is the currency of the primary economic environment in which the relevant entities operate. The results and cash flows of foreign entities are translated into the Group's presentation currency at average exchange rates for the year and their statements of financial position are translated at the year-end exchange rates. Exchange rate differences arising from the translation of the net investment in foreign subsidiaries are recognised in other comprehensive income and taken to the currency translation reserve which forms part of other reserves within equity. To the extent that these gains and losses are effectively hedged, the cumulative effect of such gains and losses arising on the hedging instruments is also included in that component of equity. On disposal of a foreign entity, exchange differences are transferred out of this reserve and included within the gain or loss on sale in profit or loss.

Foreign currency transactions are converted into the relevant functional currency at the exchange rate prevailing at the date of the transaction.

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5: Material accounting policies *continued*

5(r): Foreign currency translation *continued*

Monetary assets and liabilities denominated in foreign currencies are translated into the relevant functional currency at exchange rates prevailing at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated into the functional currency at the exchange rates prevailing at the dates the fair values were determined. Non-monetary assets and liabilities denominated in foreign currencies that are stated at historical cost are converted into the functional currency at the rate of exchange at the time of the initial recognition of the asset and liability and are not subsequently retranslated.

Exchange gains and losses on the translation and settlement during the year of foreign currency assets and liabilities are recognised in profit or loss. Exchange differences for non-monetary items are recognised in other comprehensive income when the changes in the fair value of the non-monetary item are recognised in other comprehensive income, and in profit or loss if the changes in fair value of the non-monetary item are recognised in profit or loss.

5(s): Share capital

Equity instruments

Shares are classified as equity instruments when there is no contractual obligation to deliver cash or other assets to another entity on terms that may be unfavourable. The value of the Company's share capital consists of the number of Ordinary Shares in issue multiplied by their nominal value. The difference between the proceeds received on the issue of the shares and the nominal value of the shares issued is recorded in share premium.

Share issue costs

Incremental external costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds of the issue and disclosed where material.

Dividends

Dividends are distributions of profit to the Company's shareholders and as a result are recognised as a deduction in equity. Interim Dividends payable to shareholders are announced with the half-year results and authorised by the Directors. The Final Dividend is announced with the Annual Report and typically requires shareholder approval at the Annual General Meeting. For this reason, it is not included as a liability in the annual financial statements for the year to which the Final Dividend relates.

Shares held by trusts

Shares in the Company that are held by the Employee Benefit Trust ("EBT") are treated as "Own shares". The EBT acquires shares in the Company for delivery to employees under employee incentive plans. Acquired shares are recognised as a deduction from equity at the price paid for them.

5(t): Earnings per share

Basic earnings per share are calculated by dividing the profit attributable to the Ordinary Shareholders of the Company by the weighted average number of Ordinary Shares in issue during the year, excluding Ordinary Shares held within employee benefit trusts ("EBTs") and shares held in consolidated funds ("Own shares"). Own shares are deducted for the purpose of calculating both basic and diluted EPS.

Diluted earnings per share recognises the dilutive impact of shares awarded and options granted to employees under share-based payment arrangements, to the extent they have value, in the calculation of the weighted average number of shares, as if the relevant shares were in issue for the full year, and are calculated by increasing the weighted average number of Ordinary Shares outstanding to assume conversion of all dilutive potential Ordinary Shares, notably those related to employee share schemes.

The Group is also required to calculate headline earnings per share ("HEPS") in accordance with the Johannesburg Stock Exchange ("JSE") Listing Requirements, determined by reference to the South African Institute of Chartered Accountants' circular 1/2023 Headline Earnings. Disclosure of HEPS is not a requirement of IFRS, but it is a commonly used measure of earnings in South Africa.

5(u): Investment property

Investment properties are valued under the cost model. Depreciation is recognised as an expense on a straight-line basis to write down the cost of the right-of-use asset to its residual value over its estimated useful life which is dependent on the length of the lease.

Lease income from operating leases where the Group is a lessor, is recognised in income on a straight-line basis over the sublease term.

6: Business combinations, acquisitions and disposals

The Group made two acquisitions during the year. There were no material acquisitions in the prior year.

On 5 September 2024, Quilter acquired 100% of the share capital of NuWealth Limited for a total consideration of £6 million. NuWealth Limited provides a savings and investment app that offers its users savings tools, high-interest accounts and access to stocks, fractional shares and exchange traded funds. An intangible asset of £5 million was recognised on acquisition (see note 14) related to the software acquired.

On 29 October 2024, the Group acquired 35.0% of the share capital of Beals Mortgage and Financial Services Limited, and 9.4% of the share capital of its subsidiary, Clinton Kennard Associates Ltd. The Group has carried out an assessment of control and influence and concluded that it has significant influence but not control of each of these entities. It will therefore account for each of these holdings as an investment in associate and account for its share of the profits or losses of these companies using the equity method of accounting (see note 5(a)). Subject to certain terms being met, the Group intends to acquire the remaining share capital of each company over the next five years.

There have been no material disposals of businesses during 2023 and 2024.

7: Alternative performance measures

7(a): Adjusted profit before tax and reconciliation to (loss)/profit after tax

Basis of preparation of adjusted profit before tax

Adjusted profit before tax is one of the Group's alternative performance measures ("APMs") and represents the Group's IFRS results, adjusted for specific items that management considers to be outside of the Group's normal operations or one-off in nature, as detailed in note 7(b). Adjusted profit before tax does not provide a complete picture of the Group's financial performance, which is disclosed in the statement of comprehensive income, but is instead intended to provide additional comparability and understanding of the financial results.

	Notes	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Affluent		148	124
High Net Worth		48	41
Head Office		–	2
Adjusted profit before tax	8(b)	**196**	**167**
Adjusting items:			
Impact of acquisition and disposal-related accounting	7(b)(i)	(40)	(39)
Business transformation costs	7(b)(ii)	(26)	(28)
Skilled Person Review	7(b)(iii)	(10)	–
Customer remediation exercise	7(b)(iv)	(76)	–
Other customer remediation	7(b)(v)	3	(6)
Exchange rate movements (ZAR/GBP)	7(b)(vi)	1	(2)
Policyholder tax adjustments	7(b)(vii)	(90)	(62)
Other adjusting items	7(b)(viii)	–	1
Finance costs	7(b)(ix)	(18)	(19)
Total adjusting items before tax		**(256)**	**(155)**
(Loss)/profit before tax attributable to shareholder returns		**(60)**	**12**
Income tax attributable to policyholder returns	11	95	76
IFRS profit before tax		35	88
Income tax expense	11	(69)	(46)
IFRS (loss)/profit after tax		**(34)**	**42**

7(b): Adjusting items

The adjustments made to the Group's IFRS profit before tax to calculate adjusted profit before tax are detailed below.

7(b)(i): Impact of acquisition and disposal-related accounting

The Group excludes any impairment of goodwill from adjusted profit as well as the amortisation and impairment of acquired intangible assets, finance costs related to the discounting of contingent consideration and incidental items relating to past disposals.

The effect of these adjustments to determine adjusted profit are summarised below.

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Amortisation of acquired intangible assets	38	38
Impairment of acquired intangible assets[1]	–	1
Amortisation of acquired adviser schemes	2	–
Total impact of acquisition and disposal-related accounting	**40**	**39**

[1] The impairment of acquired intangible assets in 2023 resulted from the impairment of specific client books held within the Affluent operating segment as the Group could no longer support the carrying value.

7(b)(ii): Business transformation costs

In 2024, business transformation costs totalled £26 million (2023: £28 million), the principal components of which are described below:

Business Simplification costs – 2024: £24 million, 2023: £25 million

During 2024, the Group spent £24 million on delivering Simplification initiatives (2023: £25 million). The implementation costs to deliver the remaining £15 million of annualised run-rate savings for the programme are estimated to be £40 million.

Investment in business costs – 2024: £2 million, 2023: £1 million

Investment in business costs of £2 million (2023: £1 million) were incurred as the Group continues to enable and support advisers and clients and improve productivity through better utilisation of technology.

Business separation costs following the sale of Quilter International – 2024: £nil, 2023: £2 million

The Group sold Quilter International to Utmost Group in 2021 and entered into a Transitional Service Agreement with the acquirer. The cost to the Group of running the Transitional Service Agreement, which ended in November 2023, was £nil for 2024 (2023: £2 million).

7: Alternative performance measures *continued*

7(b): Adjusting items *continued*

7(b)(iii): Skilled Person Review

Skilled Person Review costs of £10 million (2023: £nil) include the estimated external cost and direct cost of internal resources to support and perform the Skilled Person Review of historical data and practices across the Quilter Financial Planning network of Appointed Representative firms. This cost is excluded from adjusted profit as management considers it to be outside of the Group's normal operations and one-off in nature.

7(b)(iv): Customer remediation exercise

Customer remediation exercise costs of £76 million (2023: £nil) include the estimated redress payable to customers, comprising a refund of ongoing advice charges and interest payable for customers impacted, and administrative costs which represent the costs to perform a potential customer remediation exercise across the Quilter Financial Planning network of Appointed Representative firms (see note 30). This cost is excluded from adjusted profit as management considers it to be outside of the Group's normal operations and one-off in nature.

7(b)(v): Other customer remediation

Lighthouse pension transfer advice provision – 2024: £3 million credit, 2023: £6 million cost

For 2023, the customer remediation expense of £6 million reflected £4 million of legal, consulting and other costs and a £2 million provision increase related to non-British Steel Pension Scheme redress payments. This was the result of the Group-managed past business review of defined benefit to defined contribution ("DB to DC") pension transfer advice suitability by an independent expert. For 2024, the provision for redress decreased by £3 million as a result of the redress calculations performed for customers being lower than forecast in 2023 due to the changes in assumptions used to perform the calculations and market movements of the pension scheme values during 2024. Further details of the provision are provided in note 30.

7(b)(vi): Exchange rate movements (ZAR/GBP)

In 2024, income of £1 million was recognised (2023: £2 million expense) due to foreign exchange movements on cash held in South African Rand in preparation for payments of dividends to shareholders. Cash was converted to South African Rand upon announcement of the dividend payments to provide an economic hedge for the Group. The foreign exchange movements are fully offset by an equal amount taken directly to retained earnings.

7(b)(vii): Policyholder tax adjustments

In 2024, the total amount of policyholder tax adjustments to adjusted profit is a credit of £90 million (2023: £62 million credit). Adjustments to policyholder tax are made to remove distortions arising from market volatility that can, in turn, lead to volatility in the policyholder tax adjustments between periods. The recognition of the income received from policyholders to fund the policyholder tax liability (which is included within the Group's income) can vary in timing to the recognition of the corresponding tax expense, creating volatility in the Group's IFRS profit or loss before tax. During 2024, the Group made changes to the Group's unit pricing policy relating to policyholder tax charges which will reduce the value of these timing differences in future periods. These changes, together with current year market movements, have resulted in the unwind of most of the opening timing difference.

7(b)(viii): Other adjusting items

In 2024, there were no other adjusting items. In 2023, £1 million of income was received in relation to the settlement offer for the indemnification asset that was impaired in 2022.

7(b)(ix): Finance costs

The nature of much of the Group's operations means that, for management's decision-making and internal performance management, the effects of interest costs on external borrowings are removed when calculating adjusted profit. For 2024, finance costs were £18 million (2023: £19 million).

Notes to the consolidated financial statements
For the year ended 31 December 2024

7: Alternative performance measures *continued*

7(c): Reconciliation of IFRS income and expenses to "Total net revenue" and "Operating expenses" within adjusted profit

This reconciliation shows how each line of the Group's IFRS income and expenses are allocated to the Group's APMs: Net management fees, Other revenue, Investment revenue, Total net revenue and Operating expenses, which are all defined on pages 186 and 187, and form the Group's adjusted profit before tax. The total column in the table below, down to "Profit before tax attributable to shareholder returns", reconciles to each line of the consolidated statement of comprehensive income. Allocations are determined by management and aim to show the Group's sources of profit (net of relevant directly attributable expenses). These allocations remain consistent from year to year to ensure comparability, unless otherwise stated.

Year ended 31 December 2024	Net mgmt. fees[1] £m	Other revenue[1] £m	Investment revenue[1] £m	Total net revenue[1] £m	Operating expenses[1] £m	Adjusted profit before tax £m	Consol. of funds[2] £m	Total £m
Income								
Fee income and other income from service activities	541	87	–	628	–	628	(84)	544
Investment return[3]	57	4,037	78	4,172	–	4,172	705	4,877
Other income	–	3	–	3	21	24	4	28
Total income	**598**	**4,127**	**78**	**4,803**	**21**	**4,824**	**625**	**5,449**
Expenses								
Change in investment contract liabilities[3]	(26)	(4,032)	(7)	(4,065)	–	(4,065)	–	(4,065)
Fee and commission expenses and other acquisition costs	(50)	3	–	(47)	(1)	(48)	(1)	(49)
Change in third-party interests in consolidated funds	–	–	–	–	–	–	(587)	(587)
Other operating and administrative expenses	(15)	–	–	(15)	(639)	(654)	(37)	(691)
Finance costs	–	–	–	–	(21)	(21)	–	(21)
Total expenses	**(91)**	**(4,029)**	**(7)**	**(4,127)**	**(661)**	**(4,788)**	**(625)**	**(5,413)**
Impairment of investments in associates	–	–	–	–	(1)	(1)	–	(1)
Profit before tax	**507**	**98**	**71**	**676**	**(641)**	**35**	**–**	**35**
Income tax expense attributable to policyholder returns	(95)	–	–	(95)	–	(95)	–	(95)
Loss before tax attributable to shareholder returns	**412**	**98**	**71**	**581**	**(641)**	**(60)**	**–**	**(60)**
Adjusting items:								
Impact of acquisition and disposal-related accounting	–	–	–	–	40	40		
Business transformation costs	–	–	–	–	26	26		
Skilled Person Review	–	–	–	–	10	10		
Customer remediation exercise	–	–	–	–	76	76		
Other customer remediation	–	–	–	–	(3)	(3)		
Exchange rate movements (ZAR/GBP)	–	(1)	–	(1)	–	(1)		
Policyholder tax adjustments	90	–	–	90	–	90		
Finance costs	–	–	–	–	18	18		
Adjusting items	**90**	**(1)**	**–**	**89**	**167**	**256**		
Adjusted profit before tax	**502**	**97**	**71**	**670**	**(474)**	**196**		

[1] The APMs "Net management fees", "Other revenue", "Investment revenue", "Total net revenue" and "Operating expenses" are commented on within the Financial review.
[2] Consolidation of funds shows the grossing up impact to the Group's income and expenses as a result of the consolidation of funds requirements, as described within note 5(a). This grossing up is excluded from the Group's adjusted profit.
[3] Reported within net management fees, investment return of £57 million represents £36 million interest income on investments held for the benefit of policyholders and £21 million net interest income on client money balances. Change in investment contract liabilities of £26 million represents the amount of interest income paid to policyholders. The net balance of £31 million represents interest income on customer balances retained by the Group for 2024. The £78 million investment return less £7 million change in investment contract liabilities paid to customers on transactional cash balances, as reported within investment revenue, represents £71 million of interest income on shareholder cash and cash equivalents.

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For the year ended 31 December 2024

7: Alternative performance measures *continued*

7(c): Reconciliation of IFRS income and expenses to "Total net revenue" and "Operating expenses" within adjusted profit *continued*

Year ended 31 December 2023	Net mgmt. fees[1] £m	Other revenue[1] £m	Investment revenue[1] £m	Total net revenue[1] £m	Operating expenses[1] £m	Adjusted profit before tax £m	Consol. of funds[2] £m	Total £m
Income								
Fee income and other income from service activities	527	86	–	613	–	613	(71)	542
Investment return[3]	48	3,285	68	3,401	–	3,401	674	4,075
Other income	–	–	–	–	9	9	–	9
Total income	**575**	**3,371**	**68**	**4,014**	**9**	**4,023**	**603**	**4,626**
Expenses								
Change in investment contract liabilities[3]	(25)	(3,282)	(6)	(3,313)	–	(3,313)	–	(3,313)
Fee and commission expenses, and other acquisition costs	(46)	–	–	(46)	–	(46)	(3)	(49)
Change in third-party interests in consolidated funds	–	–	–	–	–	–	(579)	(579)
Other operating and administrative expenses	(13)	(5)	–	(18)	(536)	(554)	(21)	(575)
Finance costs	–	–	–	–	(22)	(22)	–	(22)
Total expenses	**(84)**	**(3,287)**	**(6)**	**(3,377)**	**(558)**	**(3,935)**	**(603)**	**(4,538)**
Profit before tax	491	84	62	637	(549)	88	–	88
Tax credit attributable to policyholder returns	(76)	–	–	(76)	–	(76)	–	(76)
Profit before tax attributable to shareholder returns	**415**	**84**	**62**	**561**	**(549)**	**12**	**–**	**12**
Adjusting items:								
Impact of acquisition and disposal-related accounting	–	–	–	–	39	39		
Business transformation costs	–	–	–	–	28	28		
Other customer remediation	–	–	–	–	6	6		
Exchange rate movements (ZAR/GBP)	–	2	–	2	–	2		
Policyholder tax adjustments	62	–	–	62	–	62		
Other adjusting items	–	–	–	–	(1)	(1)		
Finance costs	–	–	–	–	19	19		
Adjusting items	**62**	**2**	**–**	**64**	**91**	**155**		
Adjusted profit before tax	**477**	**86**	**62**	**625**	**(458)**	**167**		

[1] The APMs "Net management fees", "Other revenue", "Investment revenue", "Total net revenue" and "Operating expenses" are commented on within the Financial review.
[2] Consolidation of funds shows the grossing up impact to the Group's profit or loss as a result of the consolidation of funds requirements, as described within note 5(a). This grossing up is excluded from the Group's adjusted profit.
[3] Reported within net management fees, investment return of £48 million represents £30 million interest income on investments held for the benefit of policyholders and £18 million net interest income on client money balances. Change in investment contract liabilities of £25 million represents the amount of interest income paid to policyholders. The net balance of £23 million represents interest income on customer balances retained by the Group for 2023. The £68 million investment return less £6 million change in investment contract liabilities paid to customers on transactional cash balances, as reported within investment revenue, represents £62 million of net interest income on shareholder cash and cash equivalents.

8: Segment information

8(a): Segment presentation

The Group has two operating segments: High Net Worth and Affluent. The segments used for reporting purposes are consistent with the structure and management of the Group. Head Office includes certain revenues and central costs that are not allocated to the segments.

Adjusted profit before tax is an APM reported to the Group's management and the Board of Quilter plc. The segment information in this note reflects the adjusted and IFRS profit measures for each operating segment as provided to management and the Board. Management and the Board use additional performance indicators to assess the performance of each of the segments, including net client cash flows, assets under management and administration, total net revenue and operating margin. Income is analysed in further detail for each operating segment in note 8(b).

Consistent with internal reporting, income and expenses that are not directly attributable to a particular segment are allocated between segments where appropriate. The Group accounts for inter-segment income and transfers as if the transactions were with third parties at current market prices.

High Net Worth
This segment comprises Quilter Cheviot and Quilter Cheviot Financial Planning.

Quilter Cheviot provides discretionary investment management, predominantly in the United Kingdom, with bespoke investment portfolios tailored to the individual needs of high net worth clients, charities, companies and institutions through a network of branches in London and the regions. Investment management services are also provided by operations in the Channel Islands and Ireland.

Quilter Cheviot Financial Planning provides financial advice for protection, mortgages, savings, investments and pensions predominantly to high net worth clients.

Affluent
This segment comprises Quilter Investment Platform, Quilter Investors, Quilter Financial Planning and NuWealth.

Quilter Investment Platform is a leading investment platform provider of advice-based wealth management products and services in the UK, which serves an affluent client base through advised multi-channel distribution.

Quilter Investors is a leading provider of investment solutions in the UK multi-asset market. It develops and manages investment solutions in the form of funds for the Group and third-party clients. It has several fund ranges which vary in breadth of underlying asset class. The investment management of the Quilter investors fund range has been delegated to Quilter Investment Platform from 1 January 2025.

Quilter Financial Planning is a restricted and independent financial adviser network providing mortgage and financial planning advice and financial solutions for both individuals and businesses through a network of intermediaries. It operates across all markets, from wealth management and retirement planning advice through to dealing with property wealth and personal and business protection needs.

NuWealth is a developer of a fintech platform through which customers can build investment portfolios. The NuWealth platform provides access to savings and investments and is particularly beneficial for people starting to invest who are looking for additional help and guidance, with the option to work with a financial adviser later in their investment journey.

Head Office
In addition to the Group's two operating segments, Head Office comprises the investment return on centrally held assets, central support function expenses, central core structural borrowings and certain tax balances.

8: Segment information *continued*

8(b): Adjusted profit statement — segment information

The table below presents the Group's operations split by operating segment, reconciling IFRS profit or loss to adjusted profit before tax. The Total column reconciles to the consolidated statement of comprehensive income.

Year ended 31 December 2024	Notes	Operating segments: Affluent £m	Operating segments: High Net Worth £m	Head Office £m	Consolidation adjustments[1] £m	Total £m
Income						
Premium-based fees		70	19	–	–	89
Fund-based fees		343	184	–	(83)	444
Fixed fees		1	–	–	–	1
Other fee and commission income		10	–	–	–	10
Fee income and other income from service activities		424	203	–	(83)	544
Investment return[2]		4,131	21	31	694	4,877
Other income		98	2	1	(73)	28
Segment income		**4,653**	**226**	**32**	**538**	**5,449**
Expenses						
Change in investment contract liabilities[2]		(4,065)	–	–	–	(4,065)
Fee and commission expenses and other acquisition costs		(49)	–	–	–	(49)
Change in third-party interests in consolidated funds		–	–	–	(587)	(587)
Other operating and administrative expenses		(484)	(217)	(29)	39	(691)
Finance costs		(2)	–	(29)	10	(21)
Segment expenses		**(4,600)**	**(217)**	**(58)**	**(538)**	**(5,413)**
Impairment of investments in associates		–	–	(1)	–	(1)
Profit/(loss) before tax		**53**	**9**	**(27)**	**–**	**35**
Income tax expense attributable to policyholder returns		(95)	–	–	–	(95)
(Loss)/profit before tax attributable to shareholder returns		**(42)**	**9**	**(27)**	**–**	**(60)**
Adjusting items:						
Impact of acquisition and disposal-related accounting	7(b)(i)	9	31	–	–	40
Business transformation costs	7(b)(ii)	8	8	10	–	26
Skilled Person Review	7(b)(iii)	10	–	–	–	10
Customer remediation exercise	7(b)(iv)	76	–	–	–	76
Other customer remediation	7(b)(v)	(3)	–	–	–	(3)
Exchange rate movements (ZAR/GBP)	7(b)(vi)	–	–	(1)	–	(1)
Policyholder tax adjustments	7(b)(vii)	90	–	–	–	90
Finance costs	7(b)(ix)	–	–	18	–	18
Adjusting items before tax		190	39	27	–	256
Adjusted profit before tax		**148**	**48**	**–**	**–**	**196**

[1] Consolidation adjustments comprise the elimination of inter-segment transactions and the consolidation of investment funds.
[2] Investment return and change in investment contract liabilities includes net £31 million of interest income on customer cash and cash equivalents retained by the Group. Investment return total also includes £71 million of interest income on shareholder cash and cash equivalents.

Notes to the consolidated financial statements
For the year ended 31 December 2024

8: Segment information *continued*

8(b): Adjusted profit statement — segment information *continued*

Year ended 31 December 2023	Notes	Operating segments: Affluent £m	Operating segments: High Net Worth £m	Head Office £m	Consolidation adjustments[1] £m	Total £m
Income						
Premium-based fees		66	20	–	–	86
Fund-based fees		336	172	–	(71)	437
Fixed fees		1	–	–	–	1
Other fee and commission income		18	–	–	–	18
Fee income and other income from service activities		421	192	–	(71)	542
Investment return[2]		3,361	19	28	667	4,075
Other income		88	1	–	(80)	9
Segment income		**3,870**	**212**	**28**	**516**	**4,626**
Expenses						
Change in investment contract liabilities[2]		(3,313)	–	–	–	(3,313)
Fee and commission expenses, and other acquisition costs		(47)	–	–	(2)	(49)
Change in third-party interests in consolidated funds		–	–	–	(579)	(579)
Other operating and administrative expenses		(387)	(205)	(41)	58	(575)
Finance costs		(3)	–	(26)	7	(22)
Segment expenses		**(3,750)**	**(205)**	**(67)**	**(516)**	**(4,538)**
Profit/(loss) before tax		**120**	**7**	**(39)**	**–**	**88**
Tax credit attributable to policyholder returns		(76)	–	–	–	(76)
Profit/(loss) before tax attributable to shareholder returns		**44**	**7**	**(39)**	**–**	**12**
Adjusting items:						
Impact of acquisition and disposal-related accounting	7(b)(i)	7	32	–	–	39
Business transformation costs	7(b)(ii)	5	3	20	–	28
Other customer remediation	7(b)(v)	6	–	–	–	6
Exchange rate movements (ZAR/GBP)	7(b)(vi)	–	–	2	–	2
Policyholder tax adjustments	7(b)(vii)	62	–	–	–	62
Other adjusting items	7(b)(viii)	–	(1)	–	–	(1)
Finance costs	7(b)(ix)	–	–	19	–	19
Adjusting items before tax		80	34	41	–	155
Adjusted profit before tax		**124**	**41**	**2**	**–**	**167**

[1] Consolidation adjustments comprise the elimination of inter-segment transactions and the consolidation of investment funds.
[2] Investment return and change in investment contract liabilities includes net £23 million of interest income on customer cash and cash equivalents retained by the Group. Investment return total also includes £62 million of interest income on shareholder cash and cash equivalents.

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9: Investment return

This note analyses the investment return from the Group's investing activities.

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Interest and similar income		
Loans and advances	4	3
Investments and securities	161	130
Cash and cash equivalents[1]	100	86
Total interest and similar income	**265**	**219**
Dividend income	386	271
Rental income from investment property	1	1
Total gains on financial instruments mandatorily recognised at fair value through profit or loss	4,225	3,584
Total net investment return	**4,877**	**4,075**

[1] Further information on interest income is contained in the footnote in note 8.

10: Expenses

This note provides further information on the Group's expenses.

10(a): Fee and commission expenses, and other acquisition costs

The table below analyses the fee and commission expenses and other acquisition costs.

	Year ended 31 December 2024 £m	Year ended 31 December 2023[1] £m
Fee and commission expense	1	3
Renewal commission — investment contracts[1]	5	6
Fund management fees[1]	31	25
Rebates paid	14	15
Other acquisition costs	(2)	–
Total fee and commission expenses, and other acquisition costs	**49**	**49**

[1] Fund management fees were presented within Renewal commission on investment contracts in the Group's 2023 financial statements and are now presented separately to provide additional information.

10(b): Other operating and administrative expenses

The table below provides further information on other operating and administrative expenses.

	Notes	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Staff costs	10(c)(i)	312	295
Depreciation charge on right-of-use assets	15	6	7
Depreciation charge on other plant and equipment	15	5	5
Depreciation charge on sublet property	16	1	–
Amortisation of software development costs	14(a)	2	2
Amortisation of other intangible assets	14(a)	38	38
Impairment of other intangible assets	14(a)	–	1
Administration and other expenses		327	227
Total other operating and administrative expenses		**691**	**575**

Administration and other expenses include project costs and the costs of establishing provisions in relation to the Ongoing Advice Review as well as general operating expenses including regulatory fees and levies, professional and consultancy fees, marketing, premises and IT-related costs.

10(c): Staff costs and other employee-related costs
10(c)(i): Staff costs

	Note	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Salaries		178	174
Bonus and incentive remuneration		60	48
Social security costs		32	28
Retirement obligations – defined contribution plans		18	18
Share-based payments – equity-settled	28(e)	14	18
Other		10	9
Total staff costs		**312**	**295**

10(c)(ii): Employee numbers

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
The average number of persons employed by the Group was:		
Affluent	1,929	2,008
High Net Worth	934	920
Head Office	126	86
Total average number of employees during the year	**2,989**	**3,014**

10: Expenses *continued*

10(d): Auditors' remuneration

Included in other operating and administrative expenses are fees paid to the Group's auditors. These can be categorised as follows:

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Fees payable to the Group auditors and their associates for the audit of Parent Company and Group consolidated financial statements	1.6	1.5
Fees payable to the Group auditors and their associates for other services:		
Audit of the financial statements of the Group subsidiaries	2.5	1.9
Audit-related assurance services	1.1	1.1
Fees for other assurance services	0.7	0.5
Total Group auditors' remuneration	**5.9**	**5.0**

10(e): Finance costs

The table below analyses the interest costs on the Group's borrowings and similar charges, all of which are measured at amortised cost. Finance costs comprise:

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Term loans and other external debt	1	1
Subordinated debt securities (Tier 2 bond)	17	18
Interest payable on borrowed funds	**18**	**19**
Interest expense on lease liabilities	3	3
Total finance costs	**21**	**22**

Finance costs represent the cost of interest and finance charges on the Group's borrowings from a number of relationship banks. More details regarding borrowed funds, including the interest rates payable, are shown in note 32. These costs are excluded from adjusted profit within the Finance costs adjusting item.

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11: Tax

11(a): Tax charged

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Current tax		
United Kingdom	67	2
Overseas tax	1	–
Adjustments to current tax in respect of prior periods	(10)	–
Total current tax charge	**58**	**2**
Deferred tax		
Origination and reversal of temporary differences	3	52
Effect on deferred tax of changes in tax rates	–	(3)
Adjustments to deferred tax in respect of prior periods	8	(5)
Total deferred tax charge	**11**	**44**
Total tax charged	**69**	**46**
Attributable to policyholder returns	95	76
Attributable to shareholder returns	(26)	(30)
Total tax charged	**69**	**46**

Policyholder tax

Certain products are subject to tax on policyholders' investment returns. This "policyholder tax" is an element of total tax expense. To make the tax expense more meaningful, tax attributable to policyholder returns and tax attributable to shareholder returns are shown separately in the consolidated statement of comprehensive income.

The tax attributable to policyholder returns is the amount payable in the year plus the movement of amounts expected to be payable in future years. The remainder of the tax expense is attributed to shareholder returns.

The Group's income tax charge was £69 million in 2024 (2023: £46 million tax charge). The income tax charge can vary significantly year-on-year as a result of market volatility and the impact this has on policyholder tax.

The recognition of the income received from policyholders to fund the policyholder tax liability (which is included within the Group's income) has historically been volatile due to timing differences between the recognition of policy deductions and credits and the corresponding policyholder tax expense, resulting in the need for significant adjustments to the adjusted profit to remove these distortions. The Group has made changes to the Group's unit pricing policy during 2024 relating to policyholder tax charges which will reduce future volatility in these timing differences. These changes are expected to reduce the value of adjustments made to future periods adjusted profit, set out in note 7(b)(vii).

Market movements for the year ended 31 December 2024 resulted in investment gains of £342 million on products subject to policyholder tax. The gain is a component of the total "investment return" gain of £4,877 million shown in the consolidated statement of comprehensive income. The tax impact of the £342 million investment return gain is a significant element of the £95 million tax charge attributable to policyholder returns in 2024 (2023: £76 million charge).

First time recognition of deferred tax assets on tax losses

Within the £11 million total deferred tax charge, the Group has recognised £10 million shareholder deferred tax credit in respect of previously unrecognised losses. Further information around the Group's deferred tax recognition criteria is included in note 31.

Pillar II taxes

Pillar II legislation has been substantively enacted in the UK, introducing a Pillar II minimum effective tax rate of 15%. The legislation implements a Multinational Top-up Tax ("MTT") and a Domestic Top-up Tax ("DTT"), effective for the Group's financial year beginning 1 January 2024. The Group has applied the exemption under IAS 12.4A and accordingly will not recognise or disclose information about deferred tax assets and liabilities related to Pillar II income taxes.

The assessment of the exposure to Pillar II income taxes has shown that the majority of the Group's profits arise in countries with tax rates above 15%. The position in respect of these rules in each of the Group's main territories is summarised below.

UK

The Group has assessed that its Pillar II UK effective tax rate exceeds the 15% minimum rate and therefore there is no additional liability in relation to the UK.

The scope of the MTT means that a top-up tax charge may also arise in the UK on profits earned in countries with lower tax rates in which the Group operates, subject to a local qualifying domestic minimum tax. The Group's main non-UK operations are in Jersey and Ireland. Ireland has enacted a qualifying domestic minimum tax (see below), and accordingly no additional tax charge is due in the UK on Irish operations. Jersey is expected to introduce a qualifying domestic minimum tax in 2025. The Group's effective tax rate in Jersey is 10% and therefore a MTT liability of £0.1 million in relation to Jersey profits arises in the UK during 2024. This does not have a material impact on the Group's tax charge.

Jersey, Guernsey and the Isle of Man

The three Crown Dependencies have enacted or are due to enact legislation to introduce a domestic minimum tax with effect from 1 January 2025. The Group does not therefore expect to pay an additional local tax in these countries during 2024. The Group expects to pay a MTT in the UK in respect of any 2024 taxable profits arising in these countries (see above).

Ireland

Ireland has introduced a qualifying domestic minimum tax. This has been substantively enacted, effective for the Group's financial year beginning 1 January 2024. The Group's effective tax rate in Ireland is 19% and therefore no additional tax arises in Ireland in 2024.

Other

The Group has assessed there are no material Pillar II tax charge in any other countries in which it had a presence during 2024.

11: Tax *continued*

11(b): Reconciliation of total income tax expense

The income tax credited or charged to profit or loss differs from the amount that would apply if all of the Group's profits from all the countries in which the Group operates had been taxed at the UK standard Corporation Tax rate. The difference in the effective rate is explained below:

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Profit before tax	**35**	**88**
Tax at UK standard rate of 25% (2023: 23.5%)	9	21
Untaxed and low taxed income	(1)	(1)
Expenses not deductible for tax purposes	1	2
Adjustments to current tax in respect of prior years	(10)	–
Net movements on unrecognised deferred tax assets	(10)	(29)
Effect of changes in tax rates on deferred tax	–	(3)
Adjustments to deferred tax in respect of prior periods	8	(5)
Income tax attributable to policyholder returns (net of tax relief)	72	61
Total tax charged to profit or loss	**69**	**46**

11(c): Reconciliation of IFRS income tax credit or expense to income tax on adjusted profit

	Note	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Income tax expense[1]		**69**	**46**
Tax on adjusting items			
Impact of acquisition and disposal-related accounting		10	9
Business transformation costs		7	7
Skilled Person Review		2	–
Customer remediation exercise		19	–
Other customer remediation		(1)	1
Finance costs		4	4
Exchange rate movements (ZAR/GBP)		–	1
Tax adjusting items			
Policyholder tax adjustments	7(b)(vii)	(90)	(62)
Other shareholder tax adjustments[2]		33	46
Tax on adjusting items		**(16)**	**6**
Less: tax attributable to policyholder returns within adjusted profit[3]		(5)	(14)
Tax charged on total adjusted profit		**48**	**38**

[1] Includes both tax attributable to policyholder and shareholder returns, in compliance with IFRS.
[2] Other shareholder tax adjustments comprise the reallocation of adjustments from policyholder tax as explained in note 7(b)(vii) and shareholder tax adjustments for one off items in line with the Group's adjusted profit policy.
[3] Adjusted profit treats policyholder tax as a pre-tax expense (this includes policyholder tax under IFRS and the policyholder tax adjustments) and is therefore removed from the tax charge on adjusted profit.

12: Earnings per share

The Group calculates earnings per share ("EPS") on a number of different bases. IFRS requires the calculation of basic and diluted EPS. Adjusted EPS reflects earnings that are consistent with the Group's adjusted profit measure and Headline earnings per share ("HEPS") is a requirement of the Johannesburg Stock Exchange.

12(a): Weighted average number of Ordinary Shares

The table below summarises the calculation of the weighted average number of Ordinary Shares for the purposes of calculating basic and diluted earnings per share for each profit measure (IFRS, adjusted profit and Headline earnings).

12: Earnings per share *continued*

12(a): Weighted average number of Ordinary Shares *continued*

The bases for the calculation of the Group's EPS are disclosed in note 5(t).

	Year ended 31 December 2024 Million	Year ended 31 December 2023 Million
Weighted average number of Ordinary Shares	1,404	1,404
Own shares including those held in consolidated funds and employee benefit trusts	(60)	(54)
Basic weighted average number of Ordinary Shares	**1,344**	**1,350**
Adjustment for dilutive share awards and options	48	24
Diluted weighted average number of Ordinary Shares	**1,392**	**1,374**

12(b): Basic and diluted EPS (IFRS and adjusted profit)

	Notes	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
(Loss)/profit after tax		(34)	42
Total adjusting items before tax	7(a)	256	155
Tax on adjusting items	11(c)	16	(6)
Less: policyholder tax adjustments	11(c)	(90)	(62)
Adjusted profit after tax		**148**	**129**

	Post-tax profit measure used	Year ended 31 December 2024 Pence	Year ended 31 December 2023 Pence
Basic EPS	IFRS profit	(2.5)	3.1
Diluted EPS[1]	IFRS profit	(2.5)	3.1
Adjusted basic EPS	Adjusted profit	11.0	9.6
Adjusted diluted EPS	Adjusted profit	10.6	9.4

[1] The adjustment for share awards and options would be antidilutive and as such has not been included in the calculation of diluted EPS in accordance with the requirements of IFRS.

12(c): Headline earnings per share

	Year ended 31 December 2024		Year ended 31 December 2023	
	Gross £m	Net of tax £m	Gross £m	Net of tax £m
(Loss)/profit		**(34)**		**42**
Adjusted for:				
– add back of impairment of investments in associates	1	1	–	–
– add back of impairment loss on intangible assets	–	–	1	1
Headline earnings		**(33)**		**43**
Headline basic EPS (pence)		**(2.5)**		**3.2**
Headline diluted EPS (pence)[1]		**(2.5)**		**3.1**

[1] The adjustment for share awards and options would be antidilutive and as such has not been included in the calculation of diluted HEPS in accordance with the requirements of The South African Institute of Chartered Accountants Circular 1/2023.

13: Dividends

	Payment date	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
2022 Final Dividend paid — 3.3p per Ordinary Share	22 May 2023	–	45
2023 Interim Dividend paid — 1.5p per Ordinary Share	18 September 2023	–	20
2023 Final Dividend paid — 3.7p per Ordinary Share	28 May 2024	50	–
2024 Interim Dividend paid — 1.7p per Ordinary Share	23 September 2024	23	–
Dividends paid to Ordinary Shareholders		**73**	**65**

On 5 March 2025, the Group announced a proposed Final Dividend for 2024 of 4.2 pence per Ordinary Share amounting to £57 million in total. Subject to approval by shareholders at the Annual General Meeting, the dividend will be paid on 27 May 2025. In compliance with the rules issued by the Prudential Regulation Authority ("PRA") in relation to the UK Solvency II regime and other regulatory requirements to which the Group is subject, the dividend is required to remain cancellable at any point prior to it becoming due and payable on 27 May 2025 and to be cancelled if, prior to payment, the Group ceases to hold capital resources equal to or in excess of its solvency capital requirement, or if that would be the case if the dividend was paid. The Directors have no intention of exercising this cancellation right, other than where required to do so by the PRA or for regulatory capital purposes.

Final and Interim Dividends paid to Ordinary Shareholders are calculated using the number of shares in issue at the record date less own shares held in employee benefit trusts.

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14: Goodwill and intangible assets

14(a): Analysis of goodwill and intangible assets

The table below shows the movements in cost and amortisation of goodwill and intangible assets.

	Goodwill £m	Other intangible assets £m	Software £m	Total £m
Gross amount				
1 January 2023	306	425	30	761
Disposals	–	–	(21)	(21)
31 December 2023	306	425	9	740
Acquisitions through business combinations[1]	1	–	7	8
31 December 2024	**307**	**425**	**16**	**748**
Accumulated amortisation and impairment losses				
1 January 2023	–	(324)	(24)	(348)
Amortisation charge for the year	–	(38)	(2)	(40)
Disposals	–	–	21	21
Impairment of other intangibles	–	(1)	–	(1)
31 December 2023	–	(363)	(5)	(368)
Acquisitions through business combinations[1]	–	–	(1)	(1)
Amortisation charge for the year	–	(38)	(2)	(40)
31 December 2024	**–**	**(401)**	**(8)**	**(409)**
Carrying amount				
31 December 2023	306	62	4	372
31 December 2024	**307**	**24**	**8**	**339**

[1] Relates to the acquisition of NuWealth Limited as explained in note 6. Total gross amount includes £1 million goodwill and £7 million software, which consists of £2 million of NuWealth's net assets and £5 million recognised by the Group on acquisition of the business. Total accumulated amortisation of £1 million relates to software in NuWealth's net assets.

14(b): Analysis of other intangible assets and software

	31 December 2024 £m	31 December 2023 £m	Average estimated useful life	Average period remaining
Net carrying value				
Other intangible assets				
Distribution channels — Quilter Financial Planning	1	2	8 years	< 1 year
Customer relationships				
Quilter Cheviot	4	32	10 years	< 1 year
Quilter Financial Planning	12	17	8 years	2 years
Quilter Cheviot Financial Planning	7	10	8 years	2 years
Other	–	1	7 years	–
	24	**62**		
Software				
NuWealth	6	–	5 years	5 years
Quilter Financial Planning	2	4	5 years	1 year
	8	**4**		
Total other intangible assets and software	**32**	**66**		

14(c): Allocation of goodwill to cash-generating units ("CGUs") and consideration of the need for an impairment review

Goodwill is monitored by management at the level of the Group's two operating segments: Affluent and High Net Worth. Both operating segments represent a group of CGUs.

	31 December 2024 £m	31 December 2023 £m
Goodwill (net carrying amount)		
Affluent	224	223
High Net Worth	83	83
Total goodwill	**307**	**306**

14: Goodwill and intangible assets *continued*

14(c): Allocation of goodwill to cash-generating units ("CGUs") and consideration of the need for an impairment review *continued*

Consideration of the need for an impairment review

Goodwill in both the Affluent and High Net Worth CGU groups is tested for impairment annually, or earlier if an indicator of impairment exists, by comparing the carrying value of the CGU group to which the goodwill relates to the recoverable value of that CGU group, being the higher of that CGU group's value-in-use or fair value less costs to sell. If applicable, an impairment charge is recognised when the recoverable amount is less than the carrying value. Goodwill impairment indicators include sudden stock market falls, the absence of positive Net Client Cash Flows ("NCCF"), significant falls in profits and significant increases in the discount rate.

The goodwill balance has been tested for impairment at 31 December 2024 and continues to demonstrate a surplus of the recoverable amount over the carrying value of the CGUs. As a result, no impairment is required.

The following table shows the percentage change required in each key assumption before the carrying value would exceed the recoverable amount, assuming all other variables remain the same. This highlights that further adverse movements in the key assumptions used in the CGU value-in-use calculation would be required before an impairment would need to be recognised.

	Affluent	High Net Worth
Reduction in forecast cash flows	65%	81%
Percentage point increase in the discount rate	42%	48%

Forecast cash flows are impacted by movements in underlying assumptions, including equity market levels, revenue margins and NCCF. The Group considers that forecast cash flows are most sensitive to movements in equity markets because they have a direct impact on the level of the Group's fee income.

The principal sensitivity within equity market level assumptions relates to the estimated growth in equity market indices included in the three-year cash flow forecasts. Management forecasts equity market growth for each business using estimated asset-specific growth rates that are supported by internal research, historical performance, Bank of England forecasts and other external estimates.

The Group has considered and assessed reasonably possible changes for other key assumptions and has not identified any other instances that could cause the carrying amount of CGUs to exceed its recoverable amount.

Value-in-use methodology

The cash flows used to determine the value in use of the groups of CGUs are based on the most recent management approved three-year profit forecasts, which are contained in the Group's Business Plan. These profit forecasts incorporate anticipated equity market growth on the Group's future cash flows and take into account climate-related risks and opportunities affecting operations, investments, advice and distribution, and their impact on specific projects and initiatives, estimates and judgements. After the three-year forecast period, the growth rate used to determine the terminal value of the groups of CGUs in the annual assessment was 2.0% (31 December 2023: 2.0%).

The Group uses a single cost of capital (post tax) of 9.0% (31 December 2023: 10.0%) to discount expected future cash flows across its two groups of CGUs. The single cost of capital is based on the Group's consideration of the level of risk that each group of CGUs represents. Capital is provided to the Group predominantly by shareholders with a relatively small amount of debt financing.

15: Property, plant and equipment

	Right-of-use assets £m	Plant and equipment £m	Assets under construction[3] £m	Total £m
Gross amount				
1 January 2023	131	75	–	206
Additions	1	2	–	3
Disposals	(14)	(24)	–	(38)
Transfer to investment property[1]	(13)	–	–	(13)
Reclassification[2]	(3)	–	–	(3)
31 December 2023	102	53	–	155
Additions	3	4	4	11
Disposals	(7)	(3)	–	(10)
31 December 2024	**98**	**54**	**4**	**156**
Accumulated depreciation and impairment losses				
1 January 2023	(59)	(35)	–	(94)
Depreciation charge for the year	(7)	(5)	–	(12)
Disposals	14	23	–	37
Transfer to investment property[1]	3	–	–	3
Reclassification[2]	2	–	–	2
31 December 2023	(47)	(17)	–	(64)
Depreciation charge for the year	(6)	(5)	–	(11)
Disposals	7	3	–	10
31 December 2024	**(46)**	**(19)**	**–**	**(65)**
Carrying value				
31 December 2023	55	36	–	91
31 December 2024	**52**	**35**	**4**	**91**

[1] In 2023, a right-of-use property with a cost of £13 million and an accumulated depreciation of £3 million was transferred to Investment property as a result of the Group subletting the property under an operating lease.
[2] Reclassification of a lease incentive previously presented within Trade, other receivables and other assets to Right-of-use assets in line with IFRS 16 requirements.
[3] The Group recognised £4 million of assets that were under construction at 31 December 2024 (31 December 2023: £nil). These assets, relating to improvements to leased office property, are expected to be completed and brought into use during 2025.

The carrying value of right-of-use assets at 31 December 2024 relates to £52 million of property leases (31 December 2023: £55 million).

16: Investment property

In June 2023, the Group entered into a contract to sublet a property to a tenant under an operating lease with rentals payable monthly. The sublet relates to one floor of a leased property which has a useful economic life of eleven years. There is a break clause in the sublease agreement after five years and the Group cannot reasonably expect the tenant to continue to lease beyond 2028.

The fair value of the sublet floor can only be reliably measured with the use of a surveyor. The Group believes the cost of measuring the fair value would be uneconomical when compared to the value of the sublet and therefore the investment property is valued under the cost model. This is consistent with the valuation of all of the Group's leased properties. The carrying amount of the investment property approximates to the fair value.

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the sublease term. Lease income for 2024 is £1 million (2023: £1 million). Expenses relating to the property are immaterial to the Group.

There are no contractual obligations to purchase, construct, develop or dispose of investment property. Standard terms and conditions of leasing are included in the sublease arrangements.

	2024 £m	2023 £m
Gross amount		
At beginning of the year	10	–
Transfer from property, plant and equipment	–	10
At end of the year	**10**	**10**
Accumulated depreciation		
At beginning of the year	–	–
Depreciation[1]	(1)	–
At end of the year	**(1)**	**–**
Carrying value		
At end of the year	**9**	**10**

[1] Depreciation in 2023, being the first year of the sublease arrangement, was immaterial.

16(a): Maturity analysis

Undiscounted cash flows under the sublease are £1 million per annum for each of the four years to the end of 2028.

17: Investments in associates

The Group has an interest in each of the following associates, all of which are accounted for using the equity method. None of these associates are market traded. The UK is the country of incorporation and principal place of business for each associate. All of the material associates have a reporting year ending 31 March.

	% of ownership interest		Carrying amount	
Associates	2024 %	2023 %	2024 £m	2023 £m
Material associate:				
Beals Mortgage and Financial Services Limited	35%	–	12	–
Immaterial associates			4	2
Total equity-accounted associates			**16**	**2**

17(a): Summarised financial information for material associate

The information disclosed reflects the amounts presented in the financial statements of the material associate and not the Group's share of those amounts.

Beals Mortgage and Financial Services Limited	31 December 2024 £m
Summarised statement of financial position	
Total current assets	7
Total non-current assets	3
Total current liabilities	–
Total non-current liabilities	–
Net assets	**10**
Reconciliation to carrying amounts:	
Opening net assets at 1 April	9
Profit for the period	1
Dividend paid	–
Closing net assets at 31 December	10
% of Group share	35%
Group share of closing net assets	4
Notional goodwill[1]	8
Carrying amount	**12**
Summarised statement of comprehensive income	
Profit for the period from 1 April to 31 December 2024	1
Total comprehensive income	**1**

[1] The goodwill forms part of the investment in associates balance in the Group's statement of financial position.

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17: Investments in associates *continued*

17(a): Summarised financial information for material associate *continued*

In 2024, the Group acquired a 35% direct ownership interest in Beals Mortgage and Financial Services Limited ("Beals") and an equal proportion of the voting rights. Beals is an Appointed Representative which offers financial advice. For the period to 31 December 2024, Beals had generated revenue of £3 million. As at 31 December 2024, Beals had no contingent liabilities.

17(b): Summarised financial information for immaterial associates

The Group also has interests in two immaterial associates: 360 Dot Net Limited and Clinton Kennard Associates Ltd. The Group's share of profit from these two associates was immaterial for 2023 and 2024. The aggregate carrying amounts of immaterial associates are disclosed above. In 2024, the Group recognised £1 million (2023: £nil) impairment for an immaterial associate as the Group could no longer support the carrying value.

18: Loans and advances

This note analyses the loans and advances the Group has made. The carrying amounts of loans and advances were as follows:

	31 December 2024 £m	31 December 2023 £m
Loans to advisers	59	40
Gross loans and advances	**59**	**40**
Expected credit loss	(3)	(2)
Total net loans and advances	**56**	**38**
To be recovered within 12 months	5	11
To be recovered after 12 months	51	27
Total net loans and advances	**56**	**38**

Loans to advisers are made on individually negotiated commercial terms. The loan agreement with the adviser details the dates on which the repayments of the loan are to be made. Where an adviser is due commission payments from Quilter, these commission payments are offset against the loan repayments due from the adviser. In certain circumstances, the loan agreement period may be extended where agreed by both Quilter and the adviser. Should the adviser terminate their terms of business agreement with Quilter, the loan balance becomes immediately repayable in full. The carrying amount of loans to advisers measured at amortised cost approximates to their fair value which is measured as the principal amount receivable under the loan agreements net of expected credit losses.

19: Financial investments

The table below analyses the investments and securities that the Group invests in, either on its own proprietary behalf (shareholder funds) or on behalf of third parties (policyholder funds).

	31 December 2024 £m	31 December 2023 £m
Government and government-guaranteed securities	171	202
Other debt securities, preference shares and debentures	2,644	2,175
Equity securities	11,034	8,488
Pooled investments	45,510	39,462
Short-term funds and securities treated as investments	–	1
Other	1	1
Total financial investments	**59,360**	**50,329**

The financial investments are recoverable within 12 months, apart from £6 million (2023: £nil) which is recoverable after 12 months. The financial investments recoverability profile is based on the intention with which the financial assets are held. The assets held on behalf of policyholders cover the liabilities for linked investment contracts, all of which can be withdrawn by policyholders on demand.

20: Derivatives – assets and liabilities

The Group has limited involvement with derivatives and does not use them for the purposes of speculation.

The derivatives included within the statement of financial position at 31 December 2024 and 31 December 2023 relate to instruments included as a consequence of the consolidation of investment funds, and therefore the Group does not anticipate any material adverse effect on its financial position resulting from such contracts, nor does it anticipate non-performance by counterparties. Investors in funds have the option to end their investment in the funds at any time and therefore derivative liabilities are classified as having a maturity of less than three months.

Notes to the consolidated financial statements
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21: Categories of financial instruments

The analysis of financial assets and liabilities into categories as defined in IFRS 9 Financial Instruments is set out in the following tables. Assets and liabilities of a non-financial nature, or financial assets and liabilities that are specifically excluded from the scope of IFRS 9, are reflected in the non-financial assets and liabilities category.

For information about the methods and assumptions used in determining fair value, refer to note 22. The Group's exposure to various risks associated with financial instruments is discussed in note 38.

31 December 2024

Measurement basis	Fair value: Mandatorily at FVTPL £m	Fair value: Designated at FVTPL £m	Amortised cost £m	Non-financial assets and liabilities £m	Total £m
Assets					
Loans and advances	–	–	56	–	56
Financial investments	59,359	1	–	–	59,360
Trade, other receivables and other assets	–	–	370	48	418
Derivative assets	26	–	–	–	26
Cash and cash equivalents	1,215	–	734	–	1,949
Total assets that include financial instruments	60,600	1	1,160	48	61,809
Total other non-financial assets	–	–	–	639	639
Total assets	**60,600**	**1**	**1,160**	**687**	**62,448**
Liabilities					
Investment contract liabilities	–	51,758	–	–	51,758
Third-party interests in consolidated funds	8,225	–	–	–	8,225
Borrowings and lease liabilities	–	–	275	–	275
Trade, other payables and other liabilities	–	1	399	106	506
Derivative liabilities	53	–	–	–	53
Total liabilities that include financial instruments	8,278	51,759	674	106	60,817
Total other non-financial liabilities	–	–	–	208	208
Total liabilities	**8,278**	**51,759**	**674**	**314**	**61,025**

31 December 2023

Measurement basis	Fair value: Mandatorily at FVTPL £m	Fair value: Designated at FVTPL £m	Amortised cost £m	Non-financial assets and liabilities £m	Total £m
Assets					
Loans and advances	–	–	38	–	38
Financial investments	50,329	–	–	–	50,329
Trade, other receivables and other assets	–	–	404	43	447
Derivative assets	57	–	–	–	57
Cash and cash equivalents	1,091	–	768	–	1,859
Total assets that include financial instruments	51,477	–	1,210	43	52,730
Total other non-financial assets	–	–	–	615	615
Total assets	**51,477**	**–**	**1,210**	**658**	**53,345**
Liabilities					
Investment contract liabilities	–	43,396	–	–	43,396
Third-party interests in consolidated funds	7,444	–	–	–	7,444
Borrowings and lease liabilities	–	–	279	–	279
Trade, other payables and other liabilities	1	–	476	93	570
Derivative liabilities	25	–	–	–	25
Total liabilities that include financial instruments	7,470	43,396	755	93	51,714
Total other non-financial liabilities	–	–	–	112	112
Total liabilities	**7,470**	**43,396**	**755**	**205**	**51,826**

22: Fair value methodology

This section explains the judgements and estimates made in determining the fair values of financial instruments that are recognised and measured at fair value in the financial statements. Classifying financial instruments into the three levels of the fair value hierarchy (see note 22(b)) provides an indication of the reliability of inputs used in determining fair value.

22(a): Determination of fair value

The fair value of financial instruments that are actively traded in organised financial markets is determined by reference to quoted market exit prices for assets and offer prices for liabilities, at the close of business on the reporting date, without any deduction for transaction costs:

- for units in unit trusts and shares in open-ended investment companies, fair value is determined by reference to published quoted prices representing exit values in an active market;
- for equity and debt securities not actively traded in organised markets and where the price cannot be retrieved, the fair value is determined by reference to similar instruments for which market observable prices exist;
- for assets that have been suspended from trading on an active market, the last published price is used. Many suspended assets are still regularly priced. At the reporting date, all suspended assets are assessed for impairment; and
- where the assets are private equity investments or within consolidated investment funds, the valuation is based on the latest available set of audited financial statements, or if more recent is available, reports from Investment Managers or professional valuation experts on the value of the underlying assets of the private equity investment or fund.

There have been no significant changes in the valuation techniques applied when valuing financial instruments. Where assets are valued by the Group, the general principles applied to those instruments measured at fair value are outlined below:

Financial investments

Financial investments include government and government-guaranteed securities, listed and unlisted debt securities, preference shares and debentures, listed and unlisted equity securities, listed and unlisted pooled investments (see below), short-term funds and securities treated as investments and certain other securities.

Pooled investments represent the Group's holdings of shares/units in open-ended investment companies, unit trusts, mutual funds and similar investment vehicles. Pooled investments are recognised at fair value. The fair values of pooled investments are based on widely published prices that are regularly updated.

Other financial investments that are measured at fair value use observable market prices where available. In the absence of observable market prices, these investments and securities are fair valued using various approaches including valuations based on discounted cash flows and earnings before interest, tax, depreciation and amortisation multiples.

Derivatives

The fair value of derivatives is determined with reference to the exchange-traded prices of the specific instruments. The fair value of over-the-counter forward foreign exchange contracts is determined by reference to the relevant exchange rates.

Investment contract liabilities

The fair value of the investment contract liabilities is determined with reference to the underlying funds that are held by the Group.

Third-party interests in consolidated funds

Third-party interests in consolidated funds are measured at the attributable net asset value of each fund.

22(b): Fair value hierarchy

Fair values are determined according to the following hierarchy:

Description of hierarchy	Types of instruments classified in the respective levels
Level 1 – quoted market prices: financial assets and liabilities with quoted prices for identical instruments in active markets.	Listed equity securities, government securities and other listed debt securities and similar instruments that are actively traded, actively traded pooled investments, certain quoted derivative assets and liabilities and investment contract liabilities directly linked to Level 1 financial assets.
Level 2 – valuation techniques using observable inputs: financial assets and liabilities with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial assets and liabilities valued using models where all significant inputs are observable.	Unlisted equity and debt securities where the valuation is based on models involving no significant unobservable data. Over-the-counter derivatives, certain privately placed debt instruments and third-party interests in consolidated funds which meet the definition of Level 2 financial instruments.
Level 3 – valuation techniques using significant unobservable inputs: financial assets and liabilities valued using valuation techniques where one or more significant inputs are unobservable.	Unlisted equity and securities with significant unobservable inputs, securities where the market is not considered sufficiently active, including certain inactive pooled investments.

The judgement as to whether a market is active may include, for example, consideration of factors such as the magnitude and frequency of trading activity, the availability of prices and the size of bid/offer spreads. In inactive markets, obtaining assurance that the transaction price provides evidence of fair value or determining the adjustments to transaction prices that are necessary to measure the fair value of the asset or liability requires additional work during the valuation process.

The majority of valuation techniques employ only observable data and so the reliability of the fair value measurement is high. Certain financial assets and liabilities are valued on the basis of valuation techniques that feature one or more significant inputs that are unobservable and, for them, the derivation of fair value is more judgemental. A financial asset or liability in its entirety is classified as valued using significant unobservable inputs if a significant proportion of that asset or liability's carrying amount is driven by unobservable inputs.

22: Fair value methodology *continued*

22(b): Fair value hierarchy *continued*

In this context, 'unobservable' means that there is little or no current market data available from which to determine the price at which an arm's length transaction would be likely to occur. It generally does not mean that there is no market data available at all upon which to base a determination of fair value. Furthermore, in some cases the majority of the fair value derived from a valuation technique with significant unobservable data may be attributable to observable inputs.

22(c): Transfer between fair value hierarchies

The Group deems a transfer to have occurred between Level 1 and Level 2 or Level 3 when an actively traded primary market ceases to exist for that financial instrument. A transfer between Level 2 and Level 3 occurs when one or more of the significant inputs used to determine the fair value of the instrument become unobservable. Transfers from Levels 3 or 2 to Level 1 are also possible when assets become actively priced.

There were no transfers of financial investments between Level 1 and Level 2 during the year to 31 December 2024 (31 December 2023: £nil).

See note 22(e) for the reconciliation of Level 3 financial instruments.

22(d): Financial assets and liabilities measured at fair value, classified according to the fair value hierarchy

The majority of the Group's financial assets are measured using quoted market prices for identical instruments in active markets (Level 1) and there have been no significant changes during the year.

The linked assets are held to cover the liabilities for linked investment contracts. The difference between the value of linked assets and that of linked liabilities is mainly due to short-term timing differences between policyholder premiums being received and invested in advance of policies being issued, and tax liabilities within funds which are reflected within the Group's tax liabilities.

Differences between assets and liabilities within the respective levels of the fair value hierarchy also arise due to the mix of underlying assets and liabilities within consolidated funds. In addition, third-party interests in consolidated funds are classified as Level 2.

The tables below analyse the Group's financial assets and liabilities measured at fair value by the fair value hierarchy described in note 22(b).

31 December 2024	Level 1 £m	Level 2 £m	Level 3 £m	Total £m
Financial investments	49,052	10,292	16	59,360
Cash and cash equivalents	1,215	–	–	1,215
Derivative assets	–	26	–	26
Total financial assets measured at fair value through profit or loss	**50,267**	**10,318**	**16**	**60,601**
Third-party interests in consolidated funds	–	8,225	–	8,225
Derivative liabilities	–	53	–	53
Investment contract liabilities	51,745	–	13	51,758
Other liabilities	–	1	–	1
Total financial liabilities measured at fair value through profit or loss	**51,745**	**8,279**	**13**	**60,037**

31 December 2023	Level 1 £m	Level 2 £m	Level 3 £m	Total £m
Financial investments	41,691	8,605	33	50,329
Cash and cash equivalents	1,091	–	–	1,091
Derivative assets	–	57	–	57
Total financial assets measured at fair value through profit or loss	**42,782**	**8,662**	**33**	**51,477**
Third-party interests in consolidated funds	–	7,444	–	7,444
Derivative liabilities	–	25	–	25
Investment contract liabilities	43,372	–	24	43,396
Other liabilities	–	1	–	1
Total financial liabilities measured at fair value through profit or loss	**43,372**	**7,470**	**24**	**50,866**

22(e): Level 3 fair value hierarchy disclosure

The majority of the assets classified as Level 3 are held within linked policyholder funds. Where this is the case, all of the investment risk associated with these assets is borne by policyholders and the value of these assets is exactly matched by a corresponding liability due to policyholders. The Group bears no risk from a change in the market value of these assets except to the extent that it has an impact on management fees earned.

Level 3 assets also include investments within consolidated funds attributable to the third-party interest in those funds. The Group bears no risk from a change in the market value of these assets except to the extent that it has an impact on management fees earned. Any changes in market value are matched by a corresponding Level 2 liability within third-party interests in consolidated funds.

22: Fair value methodology *continued*

22(e): Level 3 fair value hierarchy disclosure *continued*

The table below reconciles the opening balance of Level 3 financial assets to the closing balance at each year end:

	2024 £m	2023 £m
At beginning of the year	33	29
Fair value gains/(losses) credited/(charged) to profit or loss[1]	4	(1)
Sales	(17)	(1)
Transfers in	8	27
Transfers out	(12)	(21)
Total Level 3 financial assets at the end of the year	**16**	**33**
Unrealised fair value (losses)/gains recognised in profit or loss relating to assets held at the year end	(3)	2

[1] Included in Investment return.

All of the assets that are classified as Level 3 are suspended funds for 2023 and 2024.

Transfers into Level 3 assets in the current year total £8 million (2023: £27 million). This is mainly due to funds from Level 1 being suspended and moved to Level 3. Suspended funds are valued based on external valuation reports received from fund managers. Transfers out of Level 3 assets in the current year of £12 million (2023: £21 million) result from a transfer to Level 1 assets relating to assets that are now being actively repriced (that were previously stale) and where fund suspensions have been lifted.

The table below reconciles the opening balance of Level 3 financial liabilities to the closing balance at each year end:

	2024 £m	2023 £m
At beginning of the year	24	25
Fair value gains credited to profit or loss[1]	(2)	–
Transfers in	–	20
Transfers out	(9)	(21)
Total Level 3 financial liabilities at the end of the year	**13**	**24**
Unrealised fair value losses recognised in profit or loss relating to liabilities at the year end	(2)	–

[1] Included in Investment return.

22(f): Effect of changes in significant unobservable assumptions to reasonable alternatives

Details of the valuation techniques applied to the different categories of financial instruments can be found in note 22(a) above, including the valuation techniques applied when significant unobservable assumptions are used to value Level 3 assets.

For Level 3 assets and liabilities, no reasonable alternative assumptions are applicable and the Group therefore performs a sensitivity test of an aggregate 10% (2023: 10%), which is a reasonably possible change in the value of the financial asset or liability. It is therefore considered that the impact of this sensitivity will be in the range of £2 million (2023: £3 million) to the reported fair value of Level 3 assets, and £1 million (2023: £3 million) to the reported fair value of Level 3 liabilities, both favourable and unfavourable.

22(g): Fair value hierarchy for assets and liabilities not measured at fair value

Certain financial instruments of the Group are not carried at fair value. The carrying values of these are considered reasonable approximations of their respective fair values as they are either short term in nature or are repriced to current market rates at frequent intervals.

23: Structured entities

Structured entities are defined as entities that have been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements. The Group has interests in both consolidated and unconsolidated structured entities.

23(a): Group's involvement in structured entities

The Group invests in collective investment vehicles, including OEICs and unit trusts, in order to match unit-linked investment contract liabilities. This means that all of the investment risk associated with these assets is borne by policyholders and any change in the value of these assets is closely matched by a corresponding change in liability due to policyholders. As the Group earns management fees based on the market value of unit-linked assets, any change in asset values will increase or decrease the Group's revenues. The Group has not provided any non-contractual support to any consolidated or unconsolidated structured entities during 2023 or 2024.

As at 31 December 2023 and 31 December 2024, the Group has no obligation or intention to provide financial support to structured entities that could expose the Group to a loss.

Shareholder funds are invested in collective investment vehicles, principally in respect of money market funds as an alternative to bank deposits.

The Group's holdings in collective investment vehicles are subject to the terms and conditions of the respective investment vehicles' offering documentation and are susceptible to market price risk arising from uncertainties about the future values of those investment vehicles. All of the investment vehicles in the investment portfolios are managed by portfolio managers who are compensated by the respective investment vehicles for their services. Such compensation generally consists of an asset-based fee and a performance-based incentive fee and is reflected in the valuation of the investment vehicles.

These structured entities are not consolidated where the Group determines that it does not have control.

23: Structured entities *continued*

23(b): Interests in unconsolidated structured entities

The Group invests in unconsolidated structured entities as part of its normal investment and trading activities. The Group's total interest in unconsolidated structured entities is classified as financial investments held mandatorily at fair value through profit or loss. The table below provides a summary of the carrying value of the Group's interests in unconsolidated structured entities:

	31 December 2024 £m	31 December 2023 £m
Financial investments	40,599	34,147
Cash and cash equivalents	1,215	1,091
Total Group interest in unconsolidated structured entities	**41,814**	**35,238**

The Group's maximum exposure to loss with regard to the Group's interests in unconsolidated structured entities presented above, before consideration of the reduction in unit-linked liabilities, is the carrying amount of the Group's investments (2024: £41,814 million; 2023: £35,238 million). The majority of the exposure relates to unit-linked products and therefore any movement in the Group's investment will be offset by a corresponding movement in investment contract liabilities. Once the Group has disposed of its shares or units in a fund, it ceases to be exposed to any risk from that fund. The Group's holdings in the above unconsolidated structured entities are less than 50% and as such the net asset value of these structured entities is significantly higher than the carrying value of the Group's interest. The net assets of the structured entities are equivalent to the AuM value of these funds.

23(c): Consolidation considerations for structured entities managed by the Group

The Group acts as the fund manager for a number of investment funds. Determining whether the Group controls such an investment fund usually focuses on the assessment of decision-making rights as fund manager, the investor's rights to remove the fund manager and the aggregate economic interests of the Group in the fund in the form of the interest held and exposure to variable returns.

In most instances, the Group's decision-making authority, in its capacity as fund manager, with regard to these funds is regarded to be well-defined. Discretion is exercised when decisions regarding the relevant activities of these funds are being made. For funds managed by the Group, where the investors have the right to remove the Group as fund manager without cause, the fees earned by the Group are considered to be market related. These agreements include only terms, conditions or amounts that are customarily present in arrangements for similar services and levels of skill negotiated on an arm's length basis. The Group has concluded that it acts as agent on behalf of the investors in such cases.

The Group is considered to be acting as principal where the Group is the fund manager and is able to make the investment decisions on behalf of the unit holders and earn a variable fee, and there are no kick out rights that would remove the Group as fund manager.

There have been no changes in facts or circumstances in the year which have changed the Group's conclusion on its approach to the consolidation of funds.

24: Trade, other receivables and other assets

This note analyses total trade, other receivables and other assets.

	31 December 2024 £m	31 December 2023 £m
Outstanding settlements	202	267
Other receivables	106	76
Accrued interest	8	7
Accrued income	53	49
Other accruals and prepayments	31	33
Contract assets	14	11
Management fees receivable	4	4
Total trade, other receivables and other assets	**418**	**447**
To be settled within 12 months	415	446
To be settled after 12 months	3	1
Total trade, other receivables and other assets	**418**	**447**

Other receivables mainly relate to trade debtors, tax debtors and other debtors.

There have been no non-performing receivables. Information about the Group's impairment allowances in relation to trade receivables are disclosed in note 38(b). None of the receivables reflected above have been subject to the renegotiation of terms.

25: Contract costs

Contract costs (on investment contracts, asset management services and advice business) relate to costs that the Group incurs to obtain new business. These acquisition costs are capitalised in the statement of financial position and are amortised over the life of the contracts. The table below analyses the movements in these balances.

	Investment contracts £m	Asset management and advice £m	Total £m
1 January 2023	7	3	10
New business	1	7	8
Amortisation	(2)	–	(2)
31 December 2023	6	10	16
New business	3	8	11
Amortisation	(1)	(1)	(2)
Impairment[1]	–	(1)	(1)
31 December 2024	**8**	**16**	**24**

[1] The impairment of contract costs resulted from the impairment of specific acquired adviser business assets held within the Affluent operating segment as the Group could no longer support the carrying value.

25: Contract costs *continued*

	31 December 2024 £m	31 December 2023 £m
To be recovered within 12 months	13	6
To be recovered after 12 months	11	10
Total contract costs	**24**	**16**

26: Cash and cash equivalents

26(a): Analysis of cash and cash equivalents

	31 December 2024 £m	31 December 2023 £m
Cash at bank	369	444
Money market funds	1,215	1,091
Cash and cash equivalents in consolidated funds	365	324
Total cash and cash equivalents per statement of cash flows	**1,949**	**1,859**

The Group's management does not consider that the cash and cash equivalents balance arising due to consolidation of funds of £365 million (2023: £324 million) is available for use in the Group's day-to-day operations. The remainder of the Group's cash and cash equivalents balance of £1,584 million (2023: £1,535 million) is considered to be available for general use by the Group for the purposes of the disclosures required under IAS 7 Statement of Cash Flows. This balance includes policyholder cash as well as cash and cash equivalents held by regulated subsidiaries to meet their capital and liquidity requirements.

26(b): Analysis of net cash flows from operating activities

	Notes	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Cash flows from operating activities			
Profit before tax		35	88
Adjustments for			
Depreciation of property, plant and equipment	15	11	12
Depreciation of investment property	16	1	–
Movement on contract costs	25	(8)	(6)
Amortisation and impairment of intangibles	14	40	41
Fair value and other movements in financial assets		(3,891)	(3,200)
Fair value movements in investment contract liabilities	29	3,153	2,528
Other changes in investment contract liabilities		5,209	2,682
Other movements		41	47
		4,556	2,104
Net changes in working capital			
Decrease/(increase) in derivatives position		59	(12)
Increase in loans and advances	18	(18)	(4)
Increase/(decrease) in provisions	30	65	(23)
Movement in other assets and other liabilities		(43)	(16)
		63	(55)
Taxation paid		(69)	(26)
Net cash flows from operating activities		**4,585**	**2,111**

Notes to the consolidated financial statements
For the year ended 31 December 2024

26: Cash and cash equivalents *continued*

26(c): Cash flows from financing activities is further analysed below:

Year ended 31 December 2024	Liabilities Borrowings and lease liabilities £m	Equity[1] Changes in equity £m	Total £m
	Note 32		
Opening balance at 1 January 2024	**279**	**1,519**	**1,798**
Cash flows from financing activities			
Liability related:			
Finance costs on external borrowings	(18)	–	(18)
Payment of lease liabilities	(10)	–	(10)
Equity related:			
Dividends paid	–	(73)	(73)
Exchange rate movements passed to shareholders	–	(1)	(1)
Repurchase of own Ordinary Shares for use within the Group's employee share scheme	–	(6)	(6)
Cash flows from financing activities	**(28)**	**(80)**	**(108)**
Other changes			
External debt interest accrual	18	–	18
Changes in lease liabilities	6	–	6
Liability related	24	–	24
Equity related	–	(16)	(16)
31 December 2024	**275**	**1,423**	**1,698**

[1] Full details of changes in equity are shown in the statement of changes in equity.

Year ended 31 December 2023	Liabilities Borrowings and lease liabilities £m	Equity[1] Changes in equity £m	Total £m
	Note 32		
Opening balance at 1 January 2023	**290**	**1,548**	**1,838**
Cash flows from financing activities			
Liability related:			
Finance costs on external borrowings	(18)	–	(18)
Proceeds from issue of subordinated and other debt	199	–	199
Subordinated and other debt repaid	(200)	–	(200)
Payment of lease liabilities	(12)	–	(12)
Equity related:			
Dividends paid	–	(65)	(65)
Exchange rate movements passed to shareholders	–	2	2
Repurchase of own Ordinary Shares under Odd-lot Offer	–	(14)	(14)
Repurchase of own Ordinary Shares for use within the Group's employee share scheme	–	(15)	(15)
Cash flows from financing activities	**(31)**	**(92)**	**(123)**
Other changes			
External debt interest accrual	18	–	18
Changes in lease liabilities	3	–	3
Other changes in liabilities	(1)	–	(1)
Liability related	20	–	20
Equity related	–	63	63
31 December 2023	**279**	**1,519**	**1,798**

[1] Full details of changes in equity are shown in the statement of changes in equity.

27: Ordinary Share capital

At 31 December 2023 and 31 December 2024, the Company's equity capital comprises 1,404,105,498 Ordinary Shares of 8 1/6 pence each with an aggregated nominal value of £114,668,616. All Ordinary Shares have been called up and fully paid.

All Ordinary Shares issued carry equal voting rights. The holders of the Company's Ordinary Shares are entitled to receive dividends as declared and are entitled to one vote per share at shareholder meetings of the Company.

28: Share-based payments reserve

During 2024, the Group participated in a number of share-based payment arrangements. This note describes the nature of the plans and how the share options and awards are valued.

28(a): Description of share-based payment arrangements

The Group operates the following share-based payment schemes with awards over Quilter plc shares:

	Description of award			Vesting conditions		
Scheme	Conditional shares	Options	Dividend entitlement[1]	Contractual life (years)	Typical service (years)	Performance (measure)
Quilter plc Performance Share Plan	–	✔	✔	Up to 10	3	AP EPS CAGR[2] and Relative Total Shareholder Return
Quilter plc Performance Share Plan	✔	–	✔	Not less than 3	3	Conduct, Risk & Compliance Underpins
Quilter plc Share Reward Plan	✔	–	✔	Typically, 3	3	–
Quilter plc Sharesave Plan[3]	–	✔	–	3½ – 5½	3 and 5	–

[1] Participants are entitled to dividend equivalents.
[2] Adjusted profit earnings per share compound annual growth rate ("CAGR").
[3] The Quilter plc Sharesave Plan is linked to a savings plan.

28(b): Reconciliation of movements in options

The movement in options outstanding under the Performance Share Plans and Sharesave Plan arrangements during the year is detailed below:

	Year ended 31 December 2024		Year ended 31 December 2023	
Options over Ordinary Shares (LSE)	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Outstanding at beginning of the year	**27,895,577**	**£0.48**	**17,048,538**	**£0.63**
Granted during the year	8,672,404	£0.31	22,817,549	£0.55
Exercised during the year	(1,849,519)	£0.29	(1,019,420)	£0.00
Expired/forfeited during the year	(1,735,725)	£0.33	(2,946,806)	£0.20
Cancelled during the year	(982,993)	£0.82	(8,004,284)	£1.14
Outstanding at end of the year	**31,999,744**	**£0.44**	**27,895,577**	**£0.48**
Exercisable at end of the year	**–**	**–**	**–**	**–**

Options outstanding at the end of 2024 include 989,097 dividend equivalent shares (2023: 711,184) relating to current and prior year schemes.

The weighted average fair value of options at the measurement date for options granted during 2024 is £0.76 (2023: £0.32). The weighted average share price at the dates of exercise for options exercised during the year was £1.10 (2023: £0.95).

The options outstanding at 31 December 2024 have exercise prices of £nil (2023: £nil) for the Quilter plc Performance Share Plan, and between £0.69 (2023: £0.69) and £1.31 (2023: £1.31) for the Quilter plc Sharesave Plan, with a weighted average remaining contractual life of 1.9 years (2023: 2.4 years).

28(c): Reconciliation of movements in share grants

The movement in awards outstanding under the Performance Share Plans, Conditional Shares and Share Reward Plan and Conditional Shares arrangements during the year is detailed below:

	Year ended 31 December 2024	Year ended 31 December 2023
Awards of Ordinary Shares (LSE)	Number of conditional share awards	Number of conditional share awards
Outstanding at beginning of the year	**36,400,131**	**31,021,730**
Granted during the year	12,123,597	21,179,290
Exercised during the year	(12,948,064)	(14,314,199)
Expired during the year	(1,062,686)	(1,486,690)
Outstanding at end of the year	**34,512,978**	**36,400,131**
Exercisable at end of the year	**–**	**–**

28: Share-based payments reserve *continued*

28(c): Reconciliation of movements in share grants *continued*

Awards outstanding at the end of 2024 include 3,229,413 dividend equivalent shares (2023: 2,740,711) relating to current and prior year schemes.

The weighted average fair value of Conditional Share award grants for the year ended 31 December 2024 was £1.05 (2023: £0.84). The weighted average share price at the dates of exercise for awards exercised during the year was £1.04 (2023: £0.82).

Share awards outstanding at 31 December 2024 have exercise prices of £nil (2023: £nil), with a weighted average remaining contractual life of 1.0 years (2023: 1.2 years).

28(d): Measurements and assumptions

In determining the fair value of equity-settled share-based awards and the related charge to profit or loss, the Group makes assumptions about future events and market conditions. Specifically, management makes estimates of the likely number of shares that will vest and the fair value of each award granted which is valued and 'locked in' at the grant date.

The fair value of services received in return for share options granted is measured by reference to the fair value of share options granted. The estimate of fair value of share options granted is measured using either a Black-Scholes option pricing model or a Monte Carlo simulation.

The inputs used in the measurement of fair values at the grant date for awards granted during 2024 were as follows:

Scheme	Weighted average share price £	Weighted average exercise price £	Weighted average expected volatility	Weighted average expected life (years)	Weighted average risk-free interest rate	Weighted average expected dividend yield	Expected forfeitures per annum
Quilter plc Performance Share Plan – Share Options (Nil cost options)	1.12	0.00	34%	2.8	4.1%	0.0%	0%
Quilter plc Performance Share Plan – Conditional Shares	1.05	0.00	34%	3.0	4.1%	0.0%	4%
Quilter plc Share Reward Plan – Conditional Shares	1.05	0.00	35%	2.0	4.3%	0.0%	4%
Quilter plc Sharesave Plan	1.14	0.83	33%	3.7	4.1%	4.6%	5%

The expected volatility used was based on the historical volatility of the share price over the period for which trading history is available. The risk-free interest rate was based on the yields available on UK Government bonds as at the date of grant. The bonds chosen were those with a similar remaining term to the expected life of the share awards.

28(e): Financial impact

The share-based payment reserve of £42 million (2023: £42 million) represents the cumulative expense of the Group for the unsettled portion of equity awarded schemes.

The total expense recognised in the year arising from equity compensation plans was £14 million (2023: £18 million). All expenses recognised in the current and prior year arose from equity-settled share and share option plans.

29: Investment contract liabilities

The following table provides a summary of the Group's investment contract liabilities:

	2024 £m	2023 £m
Carrying amount at 1 January	**43,396**	**38,186**
Fair value movements	3,153	2,528
Investment income	912	785
Movements arising from investment return	4,065	3,313
Contributions received	8,222	5,358
Withdrawals and surrenders	(3,661)	(3,212)
Claims and benefits	(260)	(245)
Other movements	(4)	(4)
Change in liability	**8,362**	**5,210**
Investment contract liabilities at end of the year	**51,758**	**43,396**

For unit-linked investment contracts, movements in asset values are offset by corresponding changes in liabilities, limiting the net impact on profit.

The benefits offered under the unit-linked investment contracts are based on the risk appetite of policyholders and the return on their selected investments and collective fund investments, whose underlying investments include equities, debt securities, property and derivatives. This investment mix is unique to each individual policyholder.

For unit-linked business, the unit liabilities are determined as the value of units credited to policyholders. Since these liabilities are determined on a retrospective basis, no assumptions for future experience are required. Assumptions for future experience are required for unit-linked business in assessing whether the total of the contract costs asset and contract liability is greater than the present value of future profits expected to arise on the relevant blocks of business (the "recoverability test"). If this is the case, then the contract costs asset is restricted to the recoverable amount. For linked contracts, the assumptions are on a best estimate basis.

30: Provisions

Year ended 31 December 2024	Customer remediation exercise provision £m	Compensation provisions £m	Sale of subsidiaries provision £m	Property provisions £m	Clawback and other provisions £m	Total £m
Balance at beginning of the year	–	17	3	10	16	46
Charge to profit or loss	76	10	–	–	4	90
Used during the year	–	(5)	(2)	(2)	(6)	(15)
Unused amounts reversed	–	(8)	–	(1)	(1)	(10)
Balance at 31 December 2024	**76**	**14**	**1**	**7**	**13**	**111**

Year ended 31 December 2023	Customer remediation exercise provision £m	Compensation provisions £m	Sale of subsidiaries provision £m	Property provisions £m	Clawback and other provisions £	Total £m
Balance at beginning of the year	–	23	15	12	19	69
Charge to profit or loss	–	17	–	–	6	23
Used during the year	–	(14)	(12)	(2)	(8)	(36)
Unused amounts reversed	–	(9)	–	–	(1)	(10)
Balance at 31 December 2023	**–**	**17**	**3**	**10**	**16**	**46**

Customer remediation exercise provision

Based on the results to date of the Skilled Person Review, which is not yet complete, together with other evidence available, the Group considers that a customer remediation exercise in relation to ongoing advice will likely be required. As such, a present obligation exists and a provision of £76 million has been recognised at 31 December 2024 (31 December 2023: £nil) relating to potential remediation following the review of the delivery of ongoing advice services by the Appointed Representative firms in the Quilter Financial Planning network. A reasonable estimate of the provision has been determined based upon a potential customer remediation exercise, whereby the population of customers who are at the highest likelihood of having not received the expected level of service from their adviser would be identified. These customers would be invited to join the Review if they believe that they have not received ongoing advice and if they wish to have their situation reviewed by Quilter. Appropriate and proportionate redress would be paid to impacted customers. Following the initial draft results of the statistically reliable representative cohort of customers undertaken by the Skilled Person, together with other available evidence, the Group has determined a reasonable estimate of a provision for potential cost to settle the obligation based upon this approach, considering uncertainties and based upon key assumptions. The draft results from the Skilled Person Review have been extrapolated from their sample to the population of all customers who paid an ongoing advice charge between 2018 and 2023 (inclusive of both years). An independent expert has reviewed the results of the Skilled Person Review on a sample basis to determine, based on the available evidence, the cases where the expected level of service from their adviser may not have been received, and these results have been considered in determining the provision. An estimate of the response rate of customers to join the Review, and of the associated administrative costs has been determined based upon experience from previous past business reviews performed by the Group, and assumptions on the number of customers who may be subject to the review process.

The provision recognised, based upon the approach described above, includes an estimate of the refund of ongoing advice charges for customers impacted, interest payable to customers at rates in line with the Financial Ombudsman Service interest rates, and administrative costs, both internal and external, to perform the potential customer remediation exercise. Customer redress is expected to be calculated and paid to relevant customers over a two-year period to December 2026. Of the total £76 million provision outstanding, £33 million is estimated to be payable within one year. Where amounts are estimated to be payable after 12 months, these payments have been discounted to their present value. The discount rate used is not a significant estimate given the short time period over which payments are expected to be made.

The following table presents the potential change to the provision balance at 31 December 2024 as a result of movements in the key assumptions:

	31 December 2024	
	Increase £m	Decrease £m
Percentage point change in proportion of population where satisfactory service evidence is unavailable of 10%	16	(16)
Percentage point change in response rate of 10%	14	(14)
Change in administrative costs of 10%	3	(3)

Significant uncertainty exists regarding the scope and method of a potential remediation exercise, which will be informed by the final results of the Skilled Person Review and follow further discussions with the FCA, including the customer cohorts to be involved within the Review and the customer and Appointed Representative firm contact strategies, the proportion of the population of customers charged a fee where satisfactory evidence of servicing is unavailable, the response rate of customers contacted and the administrative costs. The financial impact could be materially higher or lower than the amount of the provision.

Separate to the Skilled Person Review and the related provision for the potential customer remediation exercise, where the Group's regular adviser oversight controls have determined, based on the available evidence, that a customer may not have received the servicing that they have paid for, or where the Group has received complaints from customers regarding ongoing servicing, this has been investigated, and, where appropriate, remediation has been undertaken and recognised as a normal business as usual expense.

30: Provisions *continued*

Compensation provisions
At 31 December 2024, compensation provisions total £14 million (31 December 2023: £17 million). The net reduction of £3 million during the year consists of additional charges to profit or loss of £10 million, compensation and professional fees payments of £5 million and £8 million release of unused amounts following further review work completed during the year. Compensation provisions comprise the following:

Lighthouse pension transfer advice provision of £1 million (31 December 2023: £6 million)
A further review of a sample of Lighthouse DB to DC pension transfer advice cases not relating to the British Steel Pension Scheme is being conducted by an independent expert to identify any cases of unsuitable DB to DC pension transfer advice. The review is being conducted under a Group managed past business review process, and the sample has been selected on a risk-based approach. The review of this sample has identified some additional cases where customer redress is required. Until the review of the relevant sample has been completed, uncertainty exists as to the number of cases where this will be required and the value of total redress which may be payable. A provision for redress relating to the review of this further sample of cases was increased at 31 December 2023, based upon the suitability review of cases, and the anticipated number of cases required to be reviewed. Payments of £1 million were made to customers during 2023. Anticipated costs associated with the redress activity of £2 million were included within the provision at 31 December 2023.

During 2024, redress payments of £1 million were made to customers, £1 million of professional fees were paid, and £3 million of the provision related to customer redress was unused and reversed, as a result of the redress calculations performed for customers being lower than forecast at 31 December 2023, due to changes in the assumptions used to perform the calculations and market movements of the pension scheme values during 2024. Given that the review is nearing completion, the Group's estimate of the remaining liability is expected to be utilised in full and settled within the next 12 months.

Compensation provisions (other) of £13 million (31 December 2023: £11 million)
Other compensation provisions of £13 million include amounts relating to internally conducted past business reviews, the cost of correcting deficiencies in policy administration systems, including redress, any associated litigation costs and the related costs to compensate current and former policyholders and customers. This provision represents management's best estimate of expected outcomes based upon past experience, and a review of the details of each case. Due to the nature of the provision, the timing of the expected cash outflows is uncertain. The best estimate of the timing of outflows is that the majority of the balance is expected to be settled within 12 months.

A provision of £7 million, included within the balance, has been recognised at 31 December 2024 (31 December 2023: £nil) relating to internally conducted past business reviews of ongoing servicing within Quilter Financial Planning, as part of the Group's normal business operations. The estimate of the provision has been determined for the current status of the past business reviews and redress estimated based upon an initial analysis of adviser servicing records. Customer redress is expected to be calculated and paid to relevant customers during 2025.

A provision of £2 million, included within the balance, has been recognised at 31 December 2024 (31 December 2023: £3 million) relating to potentially unsuitable DB to DC pension transfer advice provided by adviser businesses other than Lighthouse. The estimate of the provision has been updated for the current status of the past business reviews and redress estimated based upon the Group's experience of past business reviews. Customer redress is expected to be calculated and paid to relevant customers during the first half of 2025.

The Group estimates a reasonably possible change of +/- £4 million from the £13 million balance, based upon a review of the cases and the range of potential outcomes for the customer redress payments.

Sale of subsidiaries provision
The sale of subsidiaries provision totals £1 million at 31 December 2024 (31 December 2023: £3 million), and includes the following:

Provisions arising on the sale of Quilter International of £nil (31 December 2023: £2 million)
Quilter International was sold in November 2021, resulting in provisions totalling £17 million being established in respect of costs related to the disposal including the costs of business separation and data migration activities.

The costs of business separation arise from the process required to separate Quilter International's infrastructure, which was complex and covered a wide range of areas including people, IT systems, data, contracts and facilities. A programme team was established to ensure the transition of these areas to the acquirer. These provisions were based on external quotations and estimates, together with estimates of the incremental time and resource costs required to achieve the separation, which was expected to occur over a two-to-three-year period from the date of the sale.

The most significant element of the provision was the cost of migration of IT systems and data to the acquirer. Calculation of the provision was based on management's best estimate of the work required, the time it was expected to take, the number and skills of the staff required and their cost, and the cost of related external IT services to support the work. In reaching these judgements and estimates, management made use of its past experience of previous IT migrations following business disposals.

During the year, £2 million (31 December 2023: £9 million) of the provision related to decommissioning works has been used, and the project has been completed.

Provision for tax warranty claim £1 million (31 December 2023: £1 million)
This provision is for warranty claims relating to the sale of former subsidiaries. The amount is expected to be realised within one year.

30: Provisions *continued*

Property provisions

Property provisions total £7 million (31 December 2023: £10 million). Property provisions represent the discounted value of expected future costs of reinstating leased property to its original condition at the end of the lease term, and any onerous commitments which may arise in cases where a leased property is no longer fully used by the Group. The estimate is based upon property location, size of property and an estimate of the cost per square foot. Property provisions are used or released when the reinstatement obligations are satisfied. The associated asset for the property provisions relating to the cost of reinstating property is included within Property, plant and equipment.

Of the £7 million provision outstanding, £1 million (31 December 2023: £3 million) is estimated to be payable within one year. The majority of the balance relates to leased properties which have a lease term maturity of more than five years.

Clawback and other provisions

Clawback and other provisions total £13 million (31 December 2023: £16 million) and include amounts for the resolution of legal uncertainties and the settlement of other claims raised by contracting parties and indemnity commission provisions. Where the impact of discounting is material, provisions are discounted at discount rates specific to the risks inherent in the liability. The timing and final amounts of payments, particularly those in respect of litigation claims and similar actions against the Group, are uncertain and could result in adjustments to the amounts recorded.

Included within the balance at 31 December 2024 is £10 million (31 December 2023: £12 million) of clawback provisions in respect of potential refunds due to product providers on indemnity commission within the Quilter Financial Planning business. This provision, which is estimated and charged as a reduction of revenue at the point of sale of each policy, is based upon assumptions determined from historical experience of the proportion of policyholders cancelling their policies, which requires Quilter to refund a portion of commission previously received to the product provider. Reductions to the provision result from the payment of cash to product providers as refunds or the recognition of revenue where a portion of the indemnity commission is assessed as no longer payable. The provision has been assessed at the reporting date and adjusted for the latest cancellation information available. At 31 December 2024, an associated balance of £6 million recoverable from brokers is included within Trade, other receivables and other assets (31 December 2023: £8 million).

The Group estimates a reasonably possible change of +/- £3 million, based upon the potential range of outcomes for the proportion of cancelled policies within the clawback provision, and a detailed review of the other provisions.

Of the total £13 million provision outstanding, £6 million is estimated to be payable within one year (31 December 2023: £7 million).

31: Tax assets and liabilities

Deferred tax is calculated on all temporary differences at the tax rate applicable in the country in which the differences arise.

Deferred tax summary

	31 December 2024 £m	31 December 2023 £m
Deferred tax assets	115	91
Less: deferred tax liabilities	(96)	(64)
Net deferred tax asset	**19**	**27**

31(a): Deferred tax assets

Deferred tax assets are recognised for tax attributes carried forward only to the extent that the realisation of the related tax benefit is probable. Realisation of the tax benefit is considered to be probable where on the basis of all available evidence, it is more likely than not that there will be suitable taxable profits against which the tax loss or other tax attribute can be relieved or utilised.

The movements on recognised deferred tax assets are explained below:

2024	At beginning of the year £m	Credit/(charge) to profit or loss £m	Credit to equity £m	At end of the year £m
Tax losses carried forward	52	24	–	76
Accelerated depreciation	21	(6)	–	15
Accrued interest expense and other temporary differences	16	1	–	17
Share-based payments	8	1	4	13
Deferred expenses	4	(1)	–	3
Netted against deferred tax liabilities	(10)	1	–	(9)
Deferred tax assets	**91**	**20**	**4**	**115**

2023	At beginning of the year £m	(Charge)/credit to profit or loss £m	Credit to equity £m	At end of the year £m
Tax losses carried forward	16	36	–	52
Accelerated depreciation	21	–	–	21
Accrued interest expense and other temporary differences	31	(15)	–	16
Share-based payments	7	–	1	8
Deferred expenses	50	(46)	–	4
Netted against deferred tax liabilities	(31)	21	–	(10)
Deferred tax assets	**94**	**(4)**	**1**	**91**

31: Tax assets and liabilities *continued*

31(a): Deferred tax assets *continued*

As disclosed in note 1, deferred tax assets are recognised to the extent they are supported by the Group's Business Plan. The Group considers that forecast and estimated profits are most sensitive to movements in AuM because they have a direct impact on the level of the Group's fee income.

The principal sensitivity within AuM are equity market level assumptions including estimated growth in equity market indices included in the three year Business Plan. Management forecasts equity market growth for each business using estimated asset-specific growth rates that are supported by internal research, historical performance, Bank of England forecasts and other external estimates.

The Group has considered and assessed reasonably possible changes in the forecast and estimated profits over the medium term and has determined that a reduction of 30% in profits is the point at which the carrying amount of deferred tax assets exceeds the recoverable amount.

The movements in unrecognised deferred tax assets note below contain an explanation of the increase in deferred tax assets on carried forward losses.

Unrecognised deferred tax assets

The amounts for which no deferred tax asset has been recognised consist of:

	31 December 2024		31 December 2023	
	Gross amount £m	Tax £m	Gross amount £m	Tax £m
Pre-April 2017 UK tax losses	141	35	188	47
Post-April 2017 UK tax losses	5	1	–	–
Capital losses	347	87	347	87
Total unrecognised deferred tax assets[1]	**493**	**123**	**535**	**134**

[1] None of the unrecognised deferred tax assets have a set expiry date in tax law.

Movements in unrecognised deferred tax assets

Under UK tax law, UK brought forward non-capital tax losses that arose after 1 April 2017 ("Post-April 2017 UK tax losses") may be offset against current year UK taxable profits arising in any company within Group, subject to a restriction of 50% of profits each year. Consequently, as described above, the recognition of deferred tax assets on Post-April 2017 UK tax losses is assessed by reference to the Group's Business Plan.

With the exception of any ringfenced pre-acquisition losses which can only be offset against profits of the same company, the Group has full recognition of deferred tax assets in respect of Post-April 2017 UK tax losses. This is supported by profits over the Business Plan period and the expectation that the Group will continue to be profitable beyond the normal three-year planning cycle. In addition, the Group has recognised a further £40 million of Pre-April 2017 UK tax losses in the year in Quilter Investment Platform Limited. This results in full recognition of these losses which are fully supported by the Business Plan. Recoverability of losses will continue to be assessed as the Group progresses through the Business Plan period.

All other non-capital UK tax losses within the Group ("Pre-April 2017 UK tax losses") can only be used against taxable profits arising in the same company as the loss. It is therefore less likely that a deferred tax asset will be recognised in the foreseeable future in respect of the currently unrecognised portion of these tax losses.

The recognition of deferred tax assets on these losses is expected to remain a critical accounting estimate as described in these financial statements in the foreseeable future.

Capital losses are in Quilter Life & Pensions Limited. There is currently insufficient evidence to forecast future chargeable gains in that company on which to justify recognition of a deferred tax asset for any of these losses.

31(b): Deferred tax liabilities

The movement on deferred tax liabilities is as follows:

Year ended 31 December 2024	At beginning of the year £m	Charge/(credit) to profit or loss £m	Acquisition of subsidiaries £m	At end of the year £m
Other acquired intangibles	15	(9)	1	7
Other temporary differences	1	(1)	–	–
Investment gains	58	40	–	98
Netted against deferred tax assets	(10)	1	–	(9)
Deferred tax liabilities	**64**	**31**	**1**	**96**

Year ended 31 December 2023	At beginning of the year £m	Charge/(credit) to profit or loss £m	Acquisition of subsidiaries £m	At end of the year £m
Other acquired intangibles	24	(9)	–	15
Other temporary differences	1	–	–	1
Investment gains	30	28	–	58
Netted against deferred tax assets	(31)	21	–	(10)
Deferred tax liabilities	24	40	–	64

Movements in deferred tax liabilities

Deferred tax liabilities in relation to investment gains have increased by £40 million (2023: £28 million increase) due to market movements in the year, as disclosed in note 11.

31(c): Current tax receivables and payables

Current tax receivables and current tax payables at 31 December 2024 were £45 million (2023: £33 million) and £1 million (2023: £2 million), respectively.

Notes to the consolidated financial statements
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32: Borrowings and lease liabilities
The following table analyses the Group's borrowings and lease liabilities:

	Notes	31 December 2024 £m	31 December 2023 £m
Subordinated debt: fixed rate loan at 8.625%	32(a)	198	198
Lease liabilities	32(b)	77	81
Total borrowings and lease liabilities		**275**	**279**

32(a): Borrowings
Borrowed funds are repayable on demand and categorised as "Financial liabilities at amortised cost". The carrying value of the Group's borrowings is considered to be materially in line with the fair value. All amounts outstanding at 31 December 2024 are payable to a number of relationship banks.

In January 2023, the Company issued £200,000,000 8.625% Fixed Rate Reset Subordinated Notes (due April 2033) and received net cash proceeds of £199 million. After deducting structuring costs and professional fees, the retained cash proceeds were £197 million. The Notes are listed and regulated under the terms of the LSE.

In addition, the Group has entered into a £125 million revolving credit facility which remains undrawn and is being held for contingent funding purposes.

32(b): Lease liabilities
The Group has entered into commercial non-cancellable leases on certain property, plant and equipment where it is not in the best interest of the Group to purchase these assets. Such leases have varying terms, escalation clauses and renewal rights.

Termination options are included in a number of property leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. In most cases, the termination options are only exercisable only by the Group and not by the lessor.

As at 31 December 2024, future undiscounted cash outflows of £nil (2023: £nil) have been included in the lease liability which will occur beyond termination option dates on none (2023: none) of the Group's principal property leases. The lease term is reassessed if an option is exercised or can no longer be exercised or if the Group becomes obliged to exercise it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

Lease liabilities represent the obligation to pay lease rentals and are categorised as financial liabilities at amortised cost.

	2024 £m	2023 £m
Opening balance at 1 January	81	90
Additions	3	1
Disposals and adjustments to lease liabilities	–	(1)
Interest charge for the year	3	3
Payment of the interest portion of lease liabilities	(2)	(3)
Payment of the principal portion of lease liabilities	(8)	(9)
Closing balance at 31 December	**77**	**81**
To be settled within 12 months	6	6
To be settled after 12 months	71	75
Total lease liabilities	**77**	**81**
Maturity analysis — undiscounted		
Within one year	10	10
One to five years	38	37
More than five years	45	52
Total lease liabilities — undiscounted	**93**	**99**

33: Trade, other payables and other liabilities

	31 December 2024 £m	31 December 2023 £m
Amounts payable to policyholders	63	82
Outstanding settlements	223	286
Accruals	90	78
Trade creditors	34	46
Other liabilities	96	78
Total trade, other payables and other liabilities	**506**	**570**
To be settled within 12 months	505	567
To be settled after 12 months	1	3
Total trade, other payables and other liabilities	**506**	**570**

34: Post-employment benefits

The Group operates a number of defined contribution and defined benefit pension schemes in the UK, the Channel Islands and Ireland.

Defined contribution pension schemes

The Group's defined contribution schemes require contributions to be made to funds held in trust, separate from the assets of the Group. Participants receive either a monthly pension supplement to their salaries or contributions to personal pension plans. For the defined contribution schemes, the Group pays contributions to separately administered pension schemes. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as staff costs and other employee-related costs when they are due.

Defined benefit schemes

The Group operates two defined benefit schemes: in the UK, the Quilter Cheviot Limited Retirement Benefits Scheme and in the Channel Islands, the Quilter Cheviot Channel Islands Retirement Benefits Scheme which are both closed to new members. The assets of these schemes are held in separate trustee administered funds. Pension costs and contributions relating to defined benefit schemes are assessed in accordance with the advice of qualified actuaries. Actuarial advice confirms that the current level of contributions payable to each pension scheme, together with existing assets, are adequate to secure members' benefits over the remaining service lives of participating employees. The Group's policy is to fund at least the amounts sufficient to meet minimum funding requirements under applicable employee benefit and tax regulations. The schemes are reviewed at least on a triennial basis or in accordance with local practice and regulations. In the intervening years, the actuary reviews the continuing appropriateness of the assumptions applied.

The principal plan is the Quilter Cheviot Limited Retirement Benefits scheme and in 2019 the Trustees of the plan purchased a bulk annuity from Aviva to de-risk the defined benefit pension scheme obligation. This investment strategy was intended to equally match the assets and liabilities of the scheme. This covers all remaining insured scheme benefits following previous bulk annuity transactions in 2013, 2014 and 2015. The scheme has 175 members, 112 of whom are claiming benefits.

The Quilter Cheviot Channel Islands Retirement Benefits Scheme has 14 members, 5 of whom are claiming benefits, and is immaterial to the Group.

Employee benefits disclosures

This note provides the employee benefits disclosures for the above schemes.

34(a): Liability for defined benefit obligations

The IFRS value of the assets and the scheme obligations are as follows:

	2024 £m	2023 £m
Changes in retirement benefit obligations		
Total retirement benefit obligation at 1 January	(26)	(25)
Interest cost on benefit obligation	(1)	(1)
Effect of changes in actuarial financial assumptions	2	(1)
Benefits paid	2	1
Total retirement benefit obligations at 31 December	**(23)**	**(26)**
Change in plan assets		
Total fair value of scheme assets at 1 January	27	26
Interest income	1	1
Actual return on plan assets	(2)	1
Benefits paid	(2)	(1)
Total fair value of scheme assets at 31 December	**24**	**27**
Net asset recognised in statement of financial position		
Funded status of plan	1	1
Unrecognised assets	(1)	(1)
Net amount recognised in statement of financial position as at 31 December	**–**	**–**

Contributions for the year to the defined benefit schemes totalled £nil (2023: £nil), and £1 million was accrued at 31 December 2024 (2023: £1 million). The Group expects to contribute £nil in the next financial year (the year to 31 December 2025), based upon the current funded status and the expected return assumption for the next financial year.

	2024 £m	2023 £m
Changes in the asset ceiling		
Opening unrecognised asset due to asset ceiling at 1 January	1	1
Closing unrecognised asset due to the asset ceiling at 31 December	**1**	**1**

34(b): Income and expenses recognised

The total pension charge to staff costs for all of the Group's defined benefit schemes for 2024 was £nil (2023: £nil).

Actuarial gains and losses and the effect of the limit to the pension asset have been reported in other comprehensive income.

The cumulative amount of actuarial losses is £33 million (2023: £33 million).

34: Post-employment benefits *continued*

34(b): Income and expenses recognised *continued*

Assumptions used in the defined benefit schemes

In order to calculate the liabilities, the trustees of the scheme need to make assumptions about various factors that affect the cost of the benefits provided by the scheme, including discount rate, future level of inflation, and life expectancy. The Group has agreed that the assumptions that the trustees have used are appropriate. The assumptions are determined in consideration that the Group has secured the benefits with an insurance company.

The liabilities of the Scheme are calculated projecting forward all of the future benefit cash flows and discounting them back to the reporting date, using these assumptions.

The value placed on the scheme's liabilities has been based on the buyout pricing due to the bulk annuity purchase, with the assets set to match.

The weighted average duration of the defined benefit obligation is 12.0 years (2023: 12.5 years), based upon actual cash flows.

The following table presents the principal actuarial assumptions of the UK scheme at the end of the reporting year, the Quilter Cheviot Channel Islands Retirement Benefits Scheme is immaterial to the Group and the assumptions are not included:

	31 December 2024 %	31 December 2023 %
Discount rate	5.5	4.8
Rate of increase in defined benefit funds	3.7	3.6
Price inflation rate (RPI inflation)	3.1	3.0

The mortality assumptions used give the following life expectancy at 65:

		Life expectancy at 65 for male member currently		Life expectancy at 65 for female member currently	
	Mortality table	Aged 65	Aged 40	Aged 65	Aged 40
31 December 2024	SPA*A, CMI 2020 with Long-term improvement 1.5% pa	23.80	25.80	25.30	27.40
31 December 2023	SPA*A, CMI 2020 with Long-term improvement 1.5% pa	23.70	25.70	25.20	27.30

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, inflation rate and rate of mortality.

The sensitivities regarding the principal assumptions used to measure the defined benefit obligations are described below. Reasonably possible changes at the reporting date to one of the principal actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation as follows:

	31 December 2024		31 December 2023	
	Increase £m	Decrease £m	Increase £m	Decrease £m
Discount rate (0.5% movement)	(1.2)	1.3	(1.5)	1.6
Inflation rate (0.1% movement)	0.1	(0.1)	0.1	(0.2)
Post-retirement rate of mortality (increase in life expectancy of one year)	0.7	N/A	0.8	N/A

34(c): Scheme assets allocation

Scheme assets are stated at their fair values. Information on the composition of scheme assets is provided below:

	31 December 2024 %	31 December 2023 %	31 December 2024 £m	31 December 2023 £m
Equity securities	–	4	–	1
Debt securities	8	4	2	1
Assets held by insurance company	92	88	22	24
Cash and other assets	–	4	–	1
Total fair value of scheme assets	**100**	**100**	**24**	**27**

Equity securities have a quoted market price. Debt securities and the assets held by an insurance company, which comprise the value of the bulk annuity policy, do not have a quoted market price. The bulk annuity policy, where assets are matched to the value of liabilities, is included at values provided by the actuary in accordance with relevant guidelines.

35: Master netting and similar agreements

The Group offsets financial assets and liabilities in the statement of financial position when it has a legally enforceable right to do so and intends to settle on a net basis. Currently, the only such offsetting within the Group relates to bank accounts, where in some circumstances a bank account that is overdrawn is offset against a bank account that is not.

The following tables present information on the potential effect of offsetting arrangements after taking into consideration these types of agreements.

31 December 2024	Gross amounts £m	Amounts offset in the statement of financial position £m	Net amounts reported in the statement of financial position £m
Financial assets			
Cash and cash equivalents	1,997	(48)	1,949
Financial liabilities			
Trade, other payables and other liabilities — amounts owed to banks	48	(48)	–

31 December 2023	Gross amounts £m	Amounts offset in the statement of financial position £m	Net amounts reported in the statement of financial position £m
Financial assets			
Cash and cash equivalents	1,907	(48)	1,859
Financial liabilities			
Trade, other payables and other liabilities — amounts owed to banks	48	(48)	–

36: Contingent liabilities

The Group, in the ordinary course of business, enters into transactions that expose it to tax, legal, regulatory and business risks. The Group recognises a provision when it has a present obligation as a result of past events, it is probable that a transfer of economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made (see note 30). Possible obligations and known liabilities where no reliable estimate can be made, or it is considered improbable that an outflow would result, are reported as contingent liabilities.

The Group routinely monitors and assesses contingent liabilities arising from matters such as business reviews, litigation, warranties and indemnities relating to past acquisitions and disposals.

Tax

The Group is committed to conducting its tax affairs in accordance with the tax legislation of the countries in which it operates and this includes compliance with legislation related to levies, sales taxes and payroll deductions.

The tax authorities in the countries in which the Group operates routinely review historical transactions undertaken and tax law interpretations made by the Group. All interpretations made by the Group are made with reference to the specific facts and circumstances of the transaction and the relevant legislation.

There are occasions where the Group's interpretation of tax law may be challenged by the tax authorities. The consolidated financial statements include provisions that reflect the Group's assessment of liabilities which might reasonably be expected to materialise as part of their review. The Group is satisfied that adequate provisions have been made to allow for the resolution of tax uncertainties.

Due to the level of estimation required in determining tax provisions, amounts eventually payable may differ from the provision recognised.

DB to DC pension transfer advice redress

As set out in note 30, a sample of Lighthouse DB to DC pension transfer advice cases not relating to the British Steel Pension Scheme is being reviewed under a Group-managed past business review process. Until the review has finalised, which is expected during the first half of 2025, uncertainty exists as to the value of total redress that will be payable.

Customers have the legal right to challenge the outcome of the review in respect of their case via a complaint to the Financial Ombudsman Service. The review is being undertaken by a party who is independent from the Group and has run a robust process overseen by the FCA. The Financial Ombudsman Service may uphold further challenges, which may lead to further redress payable by the Group.

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36: Contingent liabilities *continued*

It is possible that further material costs of redress may be incurred in relation to past business reviews. Further customer redress costs may also be incurred for other potential unsuitable DB to DC pension transfer advice provided across the Group.

Any further redress costs, and any differences between the provision and the final payment to be made for any unsuitable DB to DC pension transfer cases, will be recognised as an expense or credit in profit or loss.

Complaints, disputes and regulations

The Group is committed to treating customers fairly and remains focused on delivering good outcomes for customers to support them in meeting their lifetime goals. During the normal course of business, from time to time, the Group receives complaints and claims from customers including, but not limited to, complaints to the Financial Ombudsman Service and legal proceedings, enters into commercial disputes with service providers and other parties, and is subject to discussions and reviews with regulators. The costs, including legal costs, of these issues as they arise can be significant and, where appropriate, provisions have been established.

Ongoing Advice Review

As disclosed in note 30, the Group has recognised a provision for a reasonable estimate of the cost of a potential customer remediation exercise in relation to ongoing advice. However, until the results of the Skilled Person Review are finalised and further discussions with the FCA are progressed, there is significant uncertainty as to the nature, scope and form of any potential future customer remediation exercise. This includes consideration of the customer cohorts to be involved within a potential customer remediation exercise, and the customer and Appointed Representative firm contact strategies.

In addition, where redress payments are made to customers, the Group has the ability to seek appropriate reimbursement from the relevant Appointed Representative firms, who have been unable to demonstrate that the ongoing advice service paid for by the client was provided. Should the Group make payments to customers, recompense to the Group can be sought from the relevant Appointed Representative firm who has benefited from the majority of the revenue recognised over the period of the servicing agreement. Any reimbursement would not be recognised as an asset until such time as recoverability became virtually certain, and would only be disclosed, but not recognised, as a contingent asset if and when a cash inflow becomes probable.

37: Commitments

The Group has contractual commitments in respect of funding arrangements which will be payable in future periods. These commitments are not recognised in the Group's statement of financial position.

£2 million of capital expenditure is contracted for property refurbishment at 31 December 2024 (2023: £nil) but not recognised as liabilities.

38: Capital and financial risk management

38(a): Capital management

The Group manages its capital with a focus on capital efficiency and effective risk management. The capital management objectives are to maintain the Group's ability to continue as a going concern while supporting the optimisation of return relative to the risks. The Group ensures that it can meet its expected capital and financing needs at all times having regard to the Group's Business Plans, forecasts, strategic initiatives and the regulatory requirements applicable to Group entities.

The Group's overall capital risk appetite is set with reference to the requirements of the relevant stakeholders and seeks to:

– maintain sufficient, but not excessive, financial strength to support stakeholder requirements;
– optimise debt to equity structure to enhance shareholder returns; and
– retain financial flexibility by maintaining liquidity including unutilised committed credit lines.

The primary sources of capital used by the Group are equity shareholders' funds of £1,423 million (2023: £1,519 million) and subordinated debt which was issued at £200 million in January 2023. Alternative resources are utilised where appropriate. Risk appetite has been defined for the level of capital, liquidity and debt within the Group. The risk appetite includes long-term targets, early warning thresholds and risk appetite limits. The dividend policy sets out the target dividend level in relation to profits.

The regulatory capital for the Group is assessed under UK Solvency II requirements.

38: Capital and financial risk management *continued*

38(a): Capital management *continued*

38(a)(i): Regulatory capital (unaudited)

The Group is subject to UK Solvency II group supervision by the Prudential Regulation Authority. The Group is required to measure and monitor its capital resources under the UK Solvency II regulatory regime. The UK Solvency II regime replaced Solvency II with effect from 31 December 2024 reporting. Comparative figures for regulatory capital for 2023 are presented on a Solvency II basis.

The Group's UK life insurance undertaking is included in the Group solvency calculation on a UK Solvency II basis. Other regulated entities are included in the Group solvency calculation according to the relevant sectoral rules. The Group's UK Solvency II surplus is the amount by which the Group's capital on a UK Solvency II basis (own funds) exceeds the UK Solvency II capital requirement (solvency capital requirement or "SCR").

The Group's UK Solvency II surplus is £851 million at 31 December 2024 (2023: £972 million), representing an SCR coverage ratio of 219% (2023: 271%) calculated under the standard formula. The UK Solvency II regulatory position at 31 December 2024 allows for the impact of the recommended Final Dividend payment of £57 million (2023: £50 million).

The UK Solvency II position as at 31 December 2024 (unaudited estimate) and 31 December 2023 is presented below:

	31 December 2024[1] £m	31 December 2023[2] £m
Own funds	1,566	1,540
Solvency capital requirement	715	568
UK Solvency II surplus	851	972
UK Solvency II coverage ratio	**219%**	**271%**

[1] Filing of annual regulatory reporting forms due by 27 May 2025.
[2] As reported in the Group Solvency and Financial Condition Report for the year ended 31 December 2023.

The Group's own funds include the Quilter plc issued subordinated debt security which qualifies as capital under UK Solvency II. The composition of own funds by tier is presented in the table below.

Group own funds	31 December 2024 £m	31 December 2023 £m
Tier 1[1]	1,366	1,336
Tier 2[2]	200	204
Total Group UK Solvency II own funds	**1,566**	**1,540**

[1] All Tier 1 capital is unrestricted for tiering purposes.
[2] Comprises a UK Solvency II compliant subordinated debt security in the form of a Tier 2 bond, which was issued at £200 million in January 2023.

The Group's UK life insurance undertaking is also subject to UK Solvency II at entity level. Other regulated entities in the Group are subject to the locally applicable entity-level capital requirements in the countries in which they operate. In addition, the Group's asset management and advice businesses are subject to group supervision by the FCA under the UK Investment Firms Prudential Regime ("IFPR").

During 2024, the capital requirements for the Group and its regulated subsidiaries were reported and monitored through regular Group Financial Risk Management Committee meetings. Throughout 2024, the Group has complied with the regulatory requirements that apply at a consolidated level and Quilter's insurance undertakings and investment firms have complied with the regulatory capital requirements that apply at entity level.

38(a)(ii): Loan covenants

Under the terms of the revolving credit facility agreement, the Group is required to comply with the following financial covenant: the ratio of total net borrowings to consolidated equity shareholders' funds shall not exceed 0.5.

	Note	31 December 2024 £m	31 December 2023 £m
Total external borrowings of the Company	32	198	198
Less: cash and cash equivalents of the Company		(135)	(110)
Total net external borrowings of the Company		63	88
Total shareholders' equity of the Group		1,423	1,519
Tier 2 bond	32	198	198
Total Group equity (including Tier 2 bond)		1,621	1,717
Ratio of Company net external borrowings to Group equity		**0.039**	**0.051**

The Group has complied with the covenant since the facility was originally created in 2018.

38(a)(iii): Own Risk and Solvency Assessment ("ORSA") and Internal Capital Adequacy and Risk Assessment ("ICARA")

The Group ORSA process is an ongoing cycle of risk and capital management processes which provides an overall assessment of the current and future risk profile of the Group and demonstrates the relationship between business strategy, risk appetite, risk profile and solvency needs. These assessments support strategic planning and risk-based decision making.

The underlying ORSA processes cover the Group and consider how risks and solvency needs may evolve over the planning period. The ORSA includes stress and scenario tests, which are performed to assess the financial and operational resilience of the Group.

The Group ORSA report is produced annually. This summarises the analysis, insights and conclusions from the underlying risk and capital management processes in respect of the Group. The ORSA report is submitted to the PRA as part of the normal supervisory process and may be supplemented by ad hoc assessments where there is a material change in the risk profile of the Group outside the usual reporting cycle.

38: Capital and financial risk management *continued*

38(a): Capital management *continued*

38(a)(iii): Own Risk and Solvency Assessment (“ORSA”) and Internal Capital Adequacy and Risk Assessment (“ICARA”) *continued*

In addition to the Group ORSA process, an entity-level ORSA process is performed for Quilter Life & Pensions Limited, with its results included in the Group ORSA report.

The Group ICARA process is an ongoing cycle of risk and capital management processes, similar to the ORSA process. The Group ICARA process is performed for the prudential consolidation of Quilter’s investment and advice firms under IFPR requirements. The ICARA process is also performed at an entity level for Quilter’s UK investment firms, which are Quilter Investment Platform Limited, Quilter Investors Limited, Quilter Cheviot Limited and NuWealth Limited.

The Group ICARA report is produced annually. This summarises the analysis, insights and conclusions from the underlying risk and capital management processes in respect of Quilter’s IFPR prudential consolidation group.

The conclusions of the ORSA and ICARA processes are reviewed by management and the Board throughout the year.

38(b): Credit risk

Overall exposure to credit risk

Credit risk is the risk of adverse movements in credit spreads (relative to the reference yield curve), credit ratings or default rates leading to a deterioration in the level or volatility of assets, liabilities or financial instruments resulting in loss of earnings or reduced solvency. This includes counterparty default risk, counterparty concentration risk and spread risk.

The Group has established a Credit Risk Framework that includes a Credit Risk Policy and Credit Risk Appetite Statement. This framework applies to all activities where the Group is exposed to credit risk, either directly or indirectly, ensuring appropriate identification, measurement, management, monitoring and reporting of the Group’s credit risk exposures.

The credit risk arising from all exposures is mitigated by ensuring that the Group only enters into relationships with appropriately robust counterparties, adhering to the Group Credit Risk Policy. For each asset, consideration is given as to:

- the credit rating of the counterparty, which is used to derive the probability of default;
- the loss given default;
- the potential recovery which may be made in the event of default;
- the extent of any collateral that the Group has in respect of the exposures; and
- any second order risks that may arise where the Group has collateral against the credit risk exposure.

The credit risk exposures of the Group are monitored regularly to ensure that counterparties remain creditworthy, that there is appropriate diversification of counterparties and that exposures are within approved limits. At the end of 2024, the Group’s material credit exposures were to financial institutions (primarily through the investment of shareholder funds), corporate entities (including external fund managers) and individuals (primarily through fund management trade settlement activities).

There is no direct exposure to non-UK sovereign debt within the shareholder investments. The Group has no significant concentrations of credit risk exposure.

Other credit risks

The Group is exposed to financial adviser counterparty risk through a number of loans that it makes to its financial advisers and the payment of upfront commission on the sale of certain types of business. The risk of default by financial advisers is managed through monthly monitoring of loan and commission debt balances.

The Group is also exposed to the risk of default by fund management groups in respect of settlements. This risk is managed through the due diligence process which is completed before entering into any relationship with a fund group. Amounts due to and from fund groups are monitored for prompt settlement and appropriate action is taken where settlement is not timely.

Legal contracts are maintained where the Group enters into credit transactions with a counterparty.

Impact of credit risk on fair value

Due to the limited exposure that the Group has to credit risk, credit risk does not have a material impact on the fair value movement of financial instruments for the year under review. The fair value movements on these instruments are mainly due to changes in market conditions.

Maximum exposure to credit risk

The Group’s maximum exposure to credit risk does not differ from the carrying value disclosed in the relevant notes to the consolidated financial statements.

Loans and advances subject to 12-month expected credit losses are £56 million (2023: £38 million) and other receivables subject to lifetime expected credit losses are £268 million (2023: £297 million). Those balances represent the pool of counterparties that do not require a rating. These counterparties individually generate no material credit exposure and this pool is highly diversified, monitored and subject to limits.

Exposure arising from financial instruments not recognised on the statement of financial position is measured as the maximum amount that the Group would have to pay, which may be significantly greater than the amount that would be recognised as a liability. The Group does not have any significant exposure arising from items not recognised on the statement of financial position.

38: Capital and financial risk management *continued*

38(b): Credit risk *continued*

The table below represents the Group's exposure to credit risk from cash and cash equivalents.

	Credit rating relating to cash and cash equivalents £m						
31 December 2024	**AAA**	**AA**	**A**	**B**	**<BBB**	**Not rated[1]**	**Carrying value**
Cash at amortised cost, subject to 12-month ECL	–	73	296	–	–	365	734
Money market funds at FVTPL	1,215	–	–	–	–	–	1,215
Total cash and cash equivalents	**1,215**	**73**	**296**	**–**	**–**	**365**	**1,949**

	Credit rating relating to cash and cash equivalents £m						
31 December 2023	**AAA**	**AA**	**A**	**B**	**<BBB**	**Not rated[1]**	**Carrying value**
Cash at amortised cost, subject to 12-month ECL	–	63	381	–	–	324	768
Money market funds at FVTPL	1,091	–	–	–	–	–	1,091
Total cash and cash equivalents	**1,091**	**63**	**381**	**–**	**–**	**324**	**1,859**

[1] Cash included in the consolidation of funds is categorised as not rated (see note 26(a)).

Impairment allowance

Assets that are measured and classified at amortised cost are monitored for any expected credit losses on either a 12-month or lifetime ECL model. The majority of such assets within the Group are measured on the lifetime ECL model, with the exception of some specific loans that are on the 12 month ECL model.

Impairment allowance	**£m**
Balance at 1 January 2023	(1.1)
Change due to change in counterparty balance	(0.4)
Additional impairment in the year[1]	(4.3)
31 December 2023	(5.8)
Change due to change in counterparty balance	(0.8)
Change due to change in counterparty credit rating	(0.1)
Additional impairment in the year	(2.4)
Write-offs	0.2
31 December 2024	**(8.9)**

[1] The 2023 additional impairment figure was presented as £1.5 million in the 2023 financial statements and has now been presented as £4.3 million due to the reclassification of a credit against loan receivables. This reclassification, which had no net impact on loan receivables, was made in order to ensure comparability between the figures presented for 2023 and 2024.

38(c): Market risk

Market risk is the risk of an adverse change in the level or volatility of market prices of assets or liabilities resulting in loss of earnings or reduced solvency. Market risk arises from changes in equity, bond and property prices, interest rates and foreign exchange rates. Market risks are linked to wider economic and geopolitical conditions and may be driven by the crystallisation of climate¬ related financial risks. Market risk arises differently across the Group's businesses depending on the types of financial assets and liabilities held.

The Group has a market risk policy which sets out the Group's requirements for the management of market risk.

The Group does not undertake any principal trading for its own account. The Group's revenue is however affected by the value of assets under management and administration and consequently the Group has exposure to equity market levels and economic conditions. Scenario testing is undertaken to test the resilience of the business to severe but plausible events, including assessment of the potential implications of climate-related risks and opportunities, and to assist in the identification of management actions.

38(c)(i): Equity risk

In accordance with the market risk policy, the Group does not generally invest shareholder assets in equity, or related collective investments, except where the exposure arises due to:

- mismatches between unitised fund assets and liabilities. These mismatches are permitted, subject to maximum limits, to avoid excessive dealing costs; and
- seed capital investments. Seed capital is invested within new unitised or other funds within the Group at the time when these funds are launched. The seed capital is then withdrawn from the funds as policyholders and customers invest in the funds.

The above exposures are not material to the Group.

The Group derives fees (e.g. annual management charges) and incurs costs (e.g. in respect of outsourced service providers) which are linked to the performance of the underlying assets. Therefore, future earnings will be affected by equity market performance.

Equity sensitivity testing

A movement in equity would impact the fee income that is based on the market value of the investments held by or on behalf of customers. The sensitivity is applied as an instantaneous shock to equity at the start of the year. The sensitivity analysis is not limited to the unit-linked business and therefore reflects the sensitivity of the Group as a whole.

Impact on profit after tax and net assets	**31 December 2024 £m**	**31 December 2023 £m**
Impact of 10% increase in equity	26	26
Impact of 10% decrease in equity	(26)	(26)

38: Capital and financial risk management *continued*

38(b): Credit risk *continued*

38(c)(ii): Interest rate risk

Interest rate risk arises primarily from bank balances held with financial institutions.

A rise in interest rates would also cause an immediate fall in the value of investments in fixed income securities within clients' investment funds, resulting in a fall in fund-based revenues.

Conversely, a reduction in interest rates would cause a rise in the value of investments in fixed income securities within clients' investment funds. It would also reduce the interest rate earned on cash deposits and money market funds.

Exposure of the financial statements to interest rates are summarised below.

Interest rate sensitivity testing

The impact of an increase and decrease in market interest rates of 1% is tested (e.g. if the current interest rate is 5%, the test allows for the effects of an instantaneous change to 4% and 6% from the start of the year). The test allows consistently for similar changes in investment returns and movements in the market value of any fixed interest assets backing the liabilities. The sensitivity of profit to changes in interest rates is provided.

Impact on profit after tax and net assets	31 December 2024 £m	31 December 2023 £m
Impact of 1% increase in interest rates	9	9
Impact of 1% decrease in interest rates	(9)	(9)

38(c)(iii): Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's functional currency is pounds sterling, which accounts for the majority of the Group's transactions. The Group has minor exposure to Euros, through the Group's Irish subsidiary and to the South African Rand, due to the listing on the Johannesburg Stock Exchange and the payment of a proportion of shareholder dividends in Rand. During 2024, the Group had limited exposure to foreign currency risk in respect of other currencies due to its non-UK operations and foreign currency transactions.

38(d): Liquidity risk

Liquidity risk is the risk that there are insufficient assets or that assets cannot be realised in order to settle financial obligations as they fall due or that market conditions preclude the ability of the Group to trade in illiquid assets in order to maintain its asset and liability matching ("ALM") profile. The Group manages liquidity on a daily basis through:

- maintaining adequate high-quality liquid assets and banking facilities, the level of which is informed through appropriate liquidity stress testing;
- continuously monitoring forecast and actual cash flows; and
- monitoring a number of key risk indicators to help in the identification of a liquidity stress.

Individual businesses maintain and manage their local liquidity requirements according to their business needs within the overall Group Liquidity Risk Framework that includes a Group Liquidity Risk Policy and Group Liquidity Risk Appetite Statement. The Group framework is applied consistently across all businesses in the Group to identify, manage, measure, monitor and report on all liquidity risks that have a material impact on liquidity levels. This framework considers both short-term liquidity and cash management considerations and longer-term funding risk considerations.

Liquidity is monitored centrally by Group Treasury, with management actions taken at a business level to ensure each business has sufficient liquidity to cover its minimum liquidity requirement, with an appropriate buffer set in line with the Group Liquidity Risk Appetite Statement.

During 2024, Quilter plc and its subsidiaries have operated above their individual liquidity targets and there were no material liquidity stresses identified during the year. Daily liquidity monitoring continues across the Group to enable timely identification of any emerging issues.

The Group maintains contingency funding arrangements to provide liquidity support to businesses in the event of liquidity stresses. Contingency Funding Plans are in place for each individual business under a Group Consolidated Contingent Funding Plan in order to set out the approach and management actions that would be taken should liquidity levels fall below liquidity thresholds which have been set to reflect the liquidity risk appetite of each business. The plans undergo a periodic review and testing cycle to ensure they are fit for purpose and can be relied upon during a liquidity stress.

Information on the nature of the investments and securities held is given in note 19.

The Group has a £125 million five-year revolving credit facility with a five-bank club that provides a form of contingency liquidity for the Group. No drawdown on this facility has been made since its original inception in February 2018. The Group entered into a five-year arrangement in January 2024 with the option to extend the facility for a further two-year period, to January 2031, and has continued to meet all the covenants attached to its financing arrangements. The first one-year extension has been exercised in January 2025 and approved by the bank club. This takes the current expiration date of the arrangement to January 2030. No drawdown on this facility has been made since its inception.

The financing arrangements are considered sufficient to maintain the target liquidity levels of the Group and offer coverage for appropriate stress scenarios identified within the liquidity stress testing undertaken across the Group.

Further details, together with information on the Group's borrowed funds, are given in note 32.

Notes to the consolidated financial statements
For the year ended 31 December 2024

38: Capital and financial risk management *continued*

38(e): Insurance risk

38(e)(i): Overview

Insurance risk covers risks arising under products provided by Quilter's life insurance firm, Quilter Life & Pensions Limited. These products do not meet the IFRS definition of insurance contracts.

Insurance risk covers risk of adverse experience of withdrawal, overrun in expenses or higher than expected mortality experience.

The sensitivity of the Group's earnings and capital position to insurance risks is monitored through the Group's capital management processes.

The Group manages its insurance risks through the following mechanisms:

- Management of expense levels relative to approved budgets.
- Analysis and monitoring of experience relative to the assumptions used to determine technical provisions.

Persistency

Persistency risk is the risk that the level of surrenders or withdrawals on products offered by Quilter Life & Pensions Limited occurs at levels that are different to the levels assumed in the determination of technical provisions. Persistency statistics are monitored monthly and a detailed persistency analysis at a product group level is carried out on an annual basis. Management actions may be triggered if persistency statistics indicate significant adverse movement or emerging trends in experience.

Expenses

Expense risk is the risk that actual expenses and expense inflation differ from the levels assumed in the determination of technical provisions. Expense levels are monitored on a quarterly basis against budgets and forecasts. Expense drivers are used to allocate expenses to entities and products. Some product structures include maintenance charges. These charges are reviewed annually in light of changes in maintenance expense levels and the market rate of inflation. This review may result in changes in charge levels.

Mortality

Mortality risk is not material as the Group does not provide material mortality insurance on its products.

38(e)(ii): Sensitivity analysis

Sensitivity analysis has been performed by applying the following parameters to the financial statements for 2023 and 2024. Interest rate and equity and property price sensitivities are included within the Group market sensitivities above.

Expenses

The increase in expenses is assumed to apply to the costs associated with the maintenance and acquisition of contracts within the unit-linked business. It is assumed that these expenses are increased by 10% from the start of the year, so is applied as an expense shock rather than a gradual increase. The only administrative expenses that are deferrable are sales bonuses but as new business volumes are unchanged in this sensitivity, sales bonuses and the associated deferrals have not been increased. Administrative expenses have been allocated equally between life and pensions.

An increase in expenses of 10% would have decreased profit by £5 million after tax (2023: £5 million).

38(f): Operational risk

Operational risk is the risk of loss arising from inadequate or failed internal processes, or from personnel and systems, or from external events, resulting in an adverse impact to earnings or reduced solvency. Operational risk includes all risks resulting from operational activities, excluding the risks already described above and excluding strategic risks.

Operational risk includes, but is not limited to, the effects of failure of oversight and administration processes, IT and Information Security maintenance and development processes, advice processes (including oversight of ongoing servicing provided by financial advisers), investment processes (including settlements with fund managers, fund pricing and matching and dealing), people and HR processes, product development and management processes, legal risks (e.g. risk of inadequate legal contracts with third parties), change delivery risks (including poorly managed responses to regulatory change), physical and certain transitional financial risks arising from climate change, risks relating to the relationship with outsourced service providers and other suppliers, and the consequences of financial crime and business interruption events.

In accordance with Group policies, management has primary responsibility for the identification, measurement, assessment, management and monitoring of risks, and the escalation and reporting on issues to Executive Management.

The Group's Executive Management has responsibility for implementing the Group Operational Risk Framework and for the development and implementation of action plans designed to manage risk levels within acceptable tolerances and to resolve issues identified.

38(g): Contractual maturity analysis

Investment contract policyholders have the option to terminate or transfer their contracts at any time and to receive the surrender or transfer value of their policies, and these liabilities are therefore classified as having a maturity of less than three months. Although these liabilities are payable on demand, the Group does not expect that all liabilities will be settled within a short time period.

39: Fiduciary activities

The Group provides custody, trustee, corporate administration and investment management and advisory services to external parties that involve the Group making allocation, purchase and sales decisions in relation to a wide range of financial instruments. Those assets that are held in a fiduciary capacity are not included in these financial statements. Some of these arrangements involve the Group accepting targets for benchmark levels of returns for the assets under the Group's management and administration. These services give rise to the risk that the Group may be accused of misadministration or underperformance.

Certain Quilter investment firms hold client money and other assets on behalf of clients and related activities are subject to the rules set out in the FCA's Client Assets Sourcebook ("CASS"). The Group is not beneficially entitled to those assets and therefore neither the assets nor the related amounts due to clients are recognised in the Group's statement of financial position.

40: Related party transactions

In the normal course of business, the Group enters into transactions with related parties. Loans to related parties are conducted on an arm's length basis and are not material to the Group's results. There were no transactions with related parties during the current year or the prior year which had a material effect on the results or financial position of the Group.

40(a): Transactions with key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including any Director (whether executive or otherwise) of Quilter plc. Details of the compensation paid to the Board of Directors as well as their shareholdings in the Company are disclosed in the Directors' Remuneration Report.

40(a)(i): Key management personnel compensation

	31 December 2024 £'000	31 December 2023 £'000
Salaries and other short-term employee benefits	7,292	7,471
Post-employment benefits	98	83
Share-based payments	4,393	2,650
Termination benefits	365	–
Total compensation of key management personnel	**12,148**	**10,204**

40(a)(ii): Key management personnel transactions

Key management personnel and members of their close family have undertaken transactions with the Group in the normal course of business.

The Group's products are available to all employees of the Group on preferential staff terms, the impact of which is immaterial to the Group's financial statements. During 2024, key management personnel and their close family members contributed £1 million (2023: £2 million) to Group pensions and investments (in both internal and external funds). The total value of investments in Group pensions and investment products by key management personnel serving at any point during the year and their close family members was £13 million at the end of the year (2023: £11 million).

As disclosed in the Directors' Report, the Company maintains Directors' and Officers' Liability Insurance and third-party indemnity provisions are in place for the benefit of the Company's Directors.

40(b): Associates

During 2023 and 2024, IT services were provided to the Group by 360 Dot Net Limited, an associate of the Group. During 2024, Beals Mortgage and Financial Services Limited, and its subsidiary, Clinton Kennard Associates Ltd became associates of the Group. Beals Mortgage and Financial Services Limited and Clinton Kennard Associates Ltd are also Appointed Representatives of the Group. Transactions between the Group and its associates took place in the normal course of business and had no material impact on the Group's financial statements.

40(c): Other related parties

Details of the Group's staff pension schemes are provided in note 34. Transactions between the Group and the Group's staff pension schemes are made in the normal course of business.

41: Parent company guarantee audit exemption

The below subsidiary undertakings will apply the parent guarantee audit exemption under section 479A of the Companies Act 2006 for the purposes of their reporting for the year ended 31 December 2024. Quilter plc issued the relevant guarantee in relation to the liabilities of these subsidiaries in February 2025.

Company name	Company number
Quilter UK Holding Limited	01752066
Quilter Perimeter (GGP) Limited	02019022
Quilter Perimeter Holdings Limited	03087634
Quilter Perimeter Limited	03456361

42: Events after the reporting date

Final Dividend

Note 13 provides information on the Group's Final Dividend in respect of 2024.

Appendix
For the year ended 31 December 2024

Appendix A: Related undertakings

The Companies Act 2006 requires disclosure of certain information about the Group's related undertakings which is set out in this note. Related undertakings comprise subsidiaries, joint ventures, associates and other significant holdings. Significant holdings are where the Group either has a shareholding greater than or equal to 20% of the nominal value of any share class, or a book value greater than 20% of the company's assets (or of the group's net assets if the company prepares group accounts).

The definition of a subsidiary undertaking in accordance with the Companies Act 2006 is different from the definition under IFRS. As a result, the related undertakings included within the list below may not be the same as the undertakings consolidated in the Group IFRS financial statements. Refer to accounting policies note 5(a) Group Accounting for further detail on the principles of consolidation.

The Group's related undertakings along with the country of incorporation, the registered address, the classes of shares held and the effective percentage of equity owned at 31 December 2024 are disclosed below.

Quilter plc is the ultimate parent of the Group.

Company name	Share class	% Held
United Kingdom		
Senator House, 85 Queen Victoria Street, London, EC4V 4AB		
Charles Derby Group Limited	Ordinary	100
Charles Derby Wealth Management Limited	Ordinary	100
Cheviot Capital (Nominees) Limited	Ordinary	100
Falcon Financial Advice Limited	Ordinary	100
Lighthouse Advisory Services Limited	Ordinary	100
Lighthouse Corporate Services Limited	Ordinary	100
Lighthouse Financial Advice Limited	Ordinary	100
Lighthouse Group Limited	Ordinary	100
LighthouseWealth Limited	Ordinary	100
NuWealth Ltd	Ordinary	100
Quilpep Nominees Limited	Ordinary	100
Quilter Business Services Limited*	Ordinary	100
Quilter Cheviot Holdings Limited	Ordinary	100
Quilter Cheviot Limited	Ordinary	100
Quilter CoSec Services Limited*	Ordinary	100
Quilter Financial Advisers Limited	Ordinary	100
Quilter Financial Limited	Ordinary	100
Quilter Financial Planning Limited	Ordinary	100
Quilter Financial Planning Solutions Limited	Ordinary	100
Quilter Financial Services Limited	Ordinary	100
Quilter Holdings Limited*	Ordinary	100

Company name	Share class	% Held
Quilter Investment Platform Limited	Ordinary	100
Quilter Investment Platform Nominees Limited	Ordinary	100
Quilter Investors Limited*	Ordinary	100
Quilter Life & Pensions Limited	Ordinary	100
Quilter Mortgage Planning Limited	Ordinary	100
Quilter Nominees Limited	Ordinary	100
Quilter Pension Trustees Limited	Ordinary	100
Quilter Perimeter (GGP) Limited	Ordinary	100
Quilter Perimeter Holdings Limited*	Ordinary	100
Quilter Perimeter Limited	Ordinary	100
Quilter Private Client Advisers Limited	Ordinary	100
Quilter UK Holding Limited	Ordinary	100
Quilter Wealth Limited	Ordinary	100
Violet No.2 Limited	Ordinary	100
1 More London Place, London, SE1 2AF		
Blueprint Distribution Limited (in liquidation – 25 October 2023)	Ordinary	100
Blueprint Financial Services Limited (in liquidation – 7 March 2024)	Ordinary	100
Blueprint Organisation Limited (in liquidation – 7 March 2024)	Ordinary	100
Caerus Capital Group Limited (in liquidation – 7 March 2024)	Ordinary	100
Caerus Holdings Limited (in liquidation – 7 March 2024)	Ordinary	100
Caerus Wealth Limited (in liquidation – 7 March 2024)	Ordinary	100
Caerus Wealth Solutions Limited (in liquidation – 7 March 2024)	Ordinary	100
Charles Derby Private Clients Limited (dissolved – 6 February 2025)	Ordinary	100
Forward Thinking Wealth Management Limited (dissolved – 6 February 2025)	Ordinary	100
IFA Services Holdings Company Limited (in liquidation – 13 October 2023)*	Ordinary A	0.2
	Ordinary B	99.8
Lighthouse Benefits Limited (dissolved – 2 February 2025)	Ordinary	100
Lighthouse Support Services Limited (dissolved – 2 February 2025)	Ordinary	100
Lighthouse Wealth Management Limited (in liquidation – 25 October 2023)	Ordinary	100
LighthouseXpress Limited (dissolved – 2 February 2025)	Ordinary	100
Luceo Asset Management Limited (dissolved – 6 February 2025)	Ordinary	100
Quilter Investors Portfolio Management Limited (in liquidation – 7 March 2024)*	Ordinary	100
Quilter Perimeter UK Limited (in liquidation – 13 October 2023)	Ordinary	100
Think Synergy Limited (in liquidation – 26 March 2024)	Ordinary	100
C/O Teneo Financial Advisory Limited, The Colmore Building, 20 Colmore Circus Queensway, Birmingham, B4 6AT		
The Falcon Group Limited (in liquidation – 10 November 2022)	Ordinary	100
Atria One, 144 Morrison Street, Edinburgh, EH3 8EX		
Financial Services Advice & Support Limited (in liquidation – 25 October 2023)	Ordinary	100

* Direct subsidiary undertakings of Quilter plc.

Appendix A: Related undertakings *continued*

Company name	Share class	% Held
Ireland		
Hambleden House, 19-26 Lower Pembroke Street, Dublin 2, D02 WV96		
Pembroke Quilter (Ireland) Nominees Limited	Ordinary	100
Quilter Cheviot Europe Limited	Ordinary	100
Isle of Man		
33-37 Athol Street, Douglas, IM1 1LB		
Quilter Perimeter (IOM) Limited	Ordinary	100
Third Floor, St George's Court, Upper Hill Street, Douglas, IM1 1EE		
Quilter Insurance Company Limited	Ordinary	100
Guernsey		
1 Royal Plaza, Royal Avenue, St Peter Port, GY1 2HL		
Quilter Cheviot PCC Limited	Ordinary	100
Jersey		
3rd Floor, Windward House, La Route de la Liberation, St Helier, JE1 1QJ		
C.I.P.M. Nominees Limited	Ordinary	100
QGCI Nominees Limited	Ordinary	100
Quilter Cheviot International Limited	Ordinary	100
Germany		
Wiesenhüttenstraße 11, 60329 Frankfurt am Main		
Old Mutual Europe GmbH (in liquidation – 1 September 2022)	Ordinary	100
Skandia Retail Europe Holding GmbH (in liquidation – 1 September 2022)	Ordinary	100
United Kingdom – associates		
12-14 Upper Marlborough Road, St Albans, Hertfordshire, AL1 3UR		
360 Dot Net Limited	Ordinary A	25.5
Unit 1 Fulcrum, 2 Solent Business Park, Whiteley, Fareham, Hampshire, PO15 7FN		
Beals Mortgage and Financial Planning Services Limited	Ordinary	35.0
Clinton Kennard Associates Ltd	Ordinary	35.0

The Quilter Foundation (registered charity no. 1175555) is an independent charity. The Quilter Foundation's sole member, Quilter Holdings Limited appoints the trustees of the charity.

In addition, the following funds are consolidated and constitute related undertakings, as described in note 5(a). The funds are consolidated as part of the Group's financial statements based on the Group's holding and in accordance with the requirements of IFRS that may not be regarded as part of the Group for other purposes.

Some of the funds in the table below are subfunds of umbrella funds. The following umbrella funds are operated or represented by Quilter entities: Quilter Investors Charity Authorised Investment Funds, Quilter Investors Cirilium OEIC, Quilter Investors ICAV, Quilter Investors Multi-Asset OEIC, Quilter Investors OEIC, Quilter Investors Series I and Quilter Investors Trust.

Share Class
A Accumulation
B Income

Fund name	Share class	% Held
United Kingdom		
Senator House, 85 Queen Victoria Street, London, EC4V 4AB		
Quilter Investors Absolute Return Bond Fund	A	66
Quilter Investors Asia Pacific (ex Japan) Equity Fund	A	67
Quilter Investors Asia Pacific (ex Japan) Large-Cap Equity Fund	A	65
Quilter Investors Asia Pacific Fund	A	69
Quilter Investors Bond 3 Fund	B	97
Quilter Investors China Equity Fund	A	48
Quilter Investors Cirilium Adventurous Blend Portfolio	A	35
Quilter Investors Cirilium Adventurous Portfolio	A	42
Quilter Investors Cirilium Adventurous Passive Portfolio	A	51
Quilter Investors Cirilium Balanced Passive Portfolio	A	44
Quilter Investors Cirilium Balanced Portfolio	A	33
Quilter Investors Cirilium Conservative Blend Portfolio	A	37
Quilter Investors Cirilium Conservative Passive Portfolio	A	41
Quilter Investors Cirilium Conservative Portfolio	A	37
Quilter Investors Cirilium Dynamic Blend Portfolio	A	38
Quilter Investors Cirilium Dynamic Passive Portfolio	A	46
Quilter Investors Cirilium Moderate Passive Portfolio	A	44
Quilter Investors Corporate Bond Fund	A	76
Quilter Investors Creation Adventurous Portfolio	A	39
Quilter Investors Creation Balanced Portfolio	A	32
Quilter Investors Creation Conservative Portfolio	A	28
Quilter Investors Creation Dynamic Portfolio	A	31
Quilter Investors Creation Moderate Portfolio	A	31
Quilter Investors Dynamic Bond Fund	A	67
Quilter Investors Diversified Bond Fund	A	64
Quilter Investors Emerging Markets Equity Fund	A	78
Quilter Investors Emerging Markets Equity Growth Fund	A	64
Quilter Investors Emerging Markets Equity Income Fund	A	68
Quilter Investors Europe (ex UK) Equity Fund	A	63
Quilter Investors Europe (ex UK) Equity Growth Fund	A	66
Quilter Investors Europe (ex UK) Equity Income Fund	A	68
Quilter Investors Global Equity Absolute Return Fund	A	66
Quilter Investors Global Equity Value Fund	A&B	74
Quilter Investors Investment Grade Corporate Bond Fund	A&B	57
Quilter Investors Japanese Equity Fund	A	65

Appendix
For the year ended 31 December 2024

Appendix A: Related undertakings *continued*

Fund name	Share class	% Held
Quilter Investors Monthly Income & Growth Portfolio	A&B	44
Quilter Investors Monthly Income Portfolio	A&B	43
Quilter Investors Natural Resources Equity Fund	A	64
Quilter Investors North American Equity Fund	A	67
Quilter Investors Precious Metals Equity Fund	A	65
Quilter Investors Sterling Corporate Bond Fund	A&B	76
Quilter Investors Sterling Diversified Bond Fund	A&B	63
Quilter Investors Timber Equity Fund	A	68
Quilter Investors UK Equity Fund	A	67
Quilter Investors UK Equity 2 Fund	A	100
Quilter Investors UK Equity Growth Fund	A	61
Quilter Investors UK Equity Income Fund	A	67
Quilter Investors UK Equity Large-Cap Income Fund	A&B	63
Quilter Investors UK Equity Opportunities Fund	A	64
Quilter Investors US Equity Growth Fund	A	72
Quilter Investors US Equity Income Fund	A	66
Quilter Investors US Equity Small/Mid-Cap Fund	A	63
C/o Investment Fund Services Limited, Marlborough House, 59 Chorley New Road, Bolton, BL1 4QP		
IFSL Titan Square Mile Alternative Strategies	A	79
IFSL Titan Square Mile Global Equities	A	78
IFSL Titan Square Mile International Fixed Interest	A	80
IFSL Titan Square Mile UK Equity	A	75
C/o Margetts Fund Management Limited, 1 Sovereign Court, Graham Street, Birmingham, B1 3JR		
MGTS Aequitas Defensive	A	71
MGTS Progeny Systematic ProFolio 40	A	59
Prima Cautious	A	73

Company statement of financial position
At 31 December 2024

	Notes	31 December 2024 £m	31 December 2023 £m
Non-current assets			
Investments in subsidiary undertakings	3	2,187	2,162
Loans and advances	4	487	486
Deferred tax assets	5	26	23
Total non-current assets		**2,700**	**2,671**
Current assets			
Current tax assets		4	10
Other receivables and other assets	6	9	6
Cash and cash equivalents	7	135	110
Total current assets		**148**	**126**
Current liabilities			
Other payables	10	4	4
Total current liabilities		**4**	**4**
Net current assets		**144**	**122**
Non-current liabilities			
Borrowings	9	199	202
Total non-current liabilities		**199**	**202**
Net assets		**2,645**	**2,591**
Equity			
Ordinary Share capital		115	115
Ordinary Share premium reserve		58	58
Capital redemption reserve		346	346
Merger reserve	8	1,359	1,359
Share-based payments reserve		41	42
Retained earnings (including profit for the financial year of £104 million (2023: £99 million))		726	671
Total equity		**2,645**	**2,591**

Approved by the Board of Quilter plc on 5 March 2025.

Steven Levin
Chief Executive Officer

Mark Satchel
Chief Financial Officer

Company registered number: 06404270.

Company statement of changes in equity
For the year ended 31 December 2024

For the year ended 31 December 2024	Ordinary Share capital £m	Ordinary Share premium £m	Capital redemption reserve £m	Merger reserve £m	Share-based payments reserve £m	Retained earnings £m	Total share-holders' equity £m
Balance at 1 January 2024	**115**	**58**	**346**	**1,359**	**42**	**671**	**2,591**
Profit for the year	–	–	–	–	–	104	104
Total comprehensive income	–	–	–	–	–	104	104
Dividends[1]	–	–	–	–	–	(73)	(73)
Exchange rate movement (ZAR/GBP)[2]	–	–	–	–	–	(1)	(1)
Equity-settled share-based payment transactions	–	–	–	–	(1)	25	24
Total transactions with the owners of the Company	–	–	–	–	(1)	(49)	(50)
Balance at 31 December 2024	**115**	**58**	**346**	**1,359**	**41**	**726**	**2,645**

For the year ended 31 December 2023	Ordinary Share capital £m	Ordinary Share premium £m	Capital redemption reserve £m	Merger reserve £m	Share-based payments £m	Retained earnings £m	Total share-holders' equity £m
Balance at 1 January 2023	**115**	**58**	**346**	**1,359**	**41**	**637**	**2,556**
Profit for the year	–	–	–	–	–	99	99
Total comprehensive income	**–**	**–**	**–**	**–**	**–**	**99**	**99**
Dividends[1]	–	–	–	–	–	(65)	(65)
Other movements	–	–	–	–	–	(2)	(2)
Exchange rate movement (ZAR/GBP)[2]	–	–	–	–	–	2	2
Equity-settled share-based payment transactions	–	–	–	–	1	–	1
Total transactions with the owners of the Company	**–**	**–**	**–**	**–**	**1**	**(65)**	**(64)**
Balance at 31 December 2023	**115**	**58**	**346**	**1,359**	**42**	**671**	**2,591**

[1] Details of dividends proposed and paid during the year are disclosed in the notes to the Group's financial statements. Please refer to the Group statement of changes in equity for further information.

[2] For shares registered on the Johannesburg Stock Exchange, the amounts of proposed dividends are set in South African Rand on the relevant Market Announcement date which is prior to the date of payment. The impact of exchange rate movements between these dates is recognised directly in equity. The Company held cash in South African Rand equal to the expected cash outflows and therefore was economically hedged for these payments.

Notes to the financial statements of the Company
For the year ended 31 December 2024

1: General Information

Quilter plc (the "Company") is a public limited company, limited by shares, incorporated in England and Wales and domiciled in the United Kingdom with registration number 06404270.

The Company's Registered Office is Senator House, 85 Queen Victoria Street, London EC4V 4AB.

2: Basis of preparation

The financial statements of Quilter plc for the year ended 31 December 2024 have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' ("FRS 101"). These financial statements have been prepared on a going concern basis and under the historical cost convention, as modified by the revaluation of certain financial instruments which have been recognised at fair value through profit or loss, and in accordance with the Companies Act 2006. The financial statements are presented in pounds sterling, which is the currency of the primary economic environment in which the Company operates and are rounded to the nearest million. Quilter's employee benefit trusts are regarded as separate reporting entities and therefore their assets, liabilities, income and expenses are excluded from the standalone financial statements of the Company.

The format of the statement of financial position has been changed for 2024 reporting to present subtotals for current and non-current assets and for current and non-current liabilities. This change has been made in order to provide additional information within the primary statements and to ensure consistency with schedule 1 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008. The prior year figures in respect of 2023 have been re-presented in the new format to ensure comparability.

The accounting policies adopted are the same as those set out in note 5 to the Group's financial statements to the extent that these are relevant to the Company's standalone financial statements except for the disclosure exemptions noted below. These accounting policies have been applied consistently.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in the critical accounting estimates and judgements section below.

The Company has taken advantage of the disclosure exemptions available under FRS 101 in relation to the presentation of a cash flow statement, disclosures relating to capital management, contracts with customers, fair value measurement, financial instruments, impairments, related party transactions, share based payments, share capital and comparative information for certain types of assets. The Company has also taken advantage of the exemption from the requirement to disclose information when the Company has not applied a new accounting standard that has been issued but is not yet effective. Where required equivalent disclosures are included in the consolidated financial statements of Quilter plc.

The Company has also taken advantage of the exemption in section 408 of the Companies Act 2006 not to present its own income statement in these financial statements.

Critical accounting estimates and judgements

The preparation of financial statements requires management to exercise judgement in applying accounting policies and make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements. Critical accounting estimates and judgements are those that involve the most complex or subjective assessments and assumptions. Management uses its knowledge of current facts and circumstances and applies estimation and assumption setting techniques that are aligned with the relevant accounting standards and guidance to make predictions about future actions and events. Actual results may differ significantly from those estimates.

There are no critical accounting estimates or judgements for the year to 31 December 2024.

Other accounting judgements

Area	Accounting judgements	Note
Investments in subsidiaries – measurement	Management has applied judgement in its impairment assessment in respect of determining the cash-generating unit, which is the level at which largely independent cash inflows occur. The Company's investments in Quilter Holdings Limited and Quilter Investors Limited each contain cash flows generated from within the Affluent segment and management has taken the judgement that aggregating cash flows from these investments represents the lowest level at which largely independent cash inflows are generated. Management does not consider Quilter Investors Limited's gross cash inflows to be largely independent of those of Quilter Holdings Limited, primarily because of the nature of the ongoing relationship between a substantial proportion of Quilter Investors Limited's customers with the Quilter Investment Platform and Quilter Financial Planning businesses, both of which are subsidiaries of Quilter Holdings Limited. The investments in Quilter Holdings Limited and Quilter Investors Limited are therefore considered together for the purpose of the Parent Company's impairment assessment, rather than at the individual subsidiary level. This judgement is not representative of a critical accounting judgement in 2024 since in the current year, the estimated discounted future cash flows at a subsidiary level do not indicate that an impairment is required, and therefore applying this judgement does not have a significant effect on the amounts recognised in the financial statements.	3

Other principal estimates

The Company's assessment of its investment in subsidiaries for impairment uses the latest cash flow forecasts from the Group's three-year Business Plan to calculate the recoverable value of its trading subsidiaries. These forecasts include estimates relating to equity market levels and growth in AuMA in future periods, together with levels of new business growth, net client cash flow, revenue margins, and future expenses and discount rates (see note 14 to the Group's financial statements). Management does not believe that the use of these estimates has a significant risk of causing a material adjustment to the carrying amount of the assets within the next financial year.

Notes to the financial statements of the Company
For the year ended 31 December 2024

3: Investments in subsidiary undertakings

Investments in subsidiaries are stated at cost, less impairment in value. All shares held are Ordinary Shares.

	2024 £m	2023 £m
Balance at the beginning of the year	2,162	2,150
Investment in subsidiary undertakings	–	14
Investment in subsidiary undertaking in relation to share-based payments	25	1
Impairment of subsidiary undertakings	–	(3)
Balance at the end of the year	**2,187**	**2,162**

Investment in subsidiary undertakings in relation to share-based payments

Quilter plc grants rights to its equity instruments to employees of its subsidiaries under various share based payment arrangements. Under these arrangements, the subsidiaries receive services from employees that are paid for by Quilter plc, thereby increasing the investment that Quilter plc holds in those subsidiaries. Quilter plc recognises the equity settled share based payment in equity, with a corresponding increase in its investment in the subsidiaries. The amount recognised as an additional investment is based on the grant date fair value of the share options granted and is recognised by Quilter plc over the vesting period of the respective share schemes. A decrease to the investment in subsidiary undertakings is recognised when each share award vests, and shares are delivered to the employees.

Impairments of investments in subsidiary undertakings

In accordance with the requirements of IAS 36 Impairment of Assets, the investments in subsidiaries are tested annually for impairment by comparing the carrying value of the underlying investments to the recoverable value, being the higher of the value-in-use or fair value less costs to sell. If applicable, an impairment charge is recognised when the recoverable amount is less than the carrying value.

During 2023, in preparation for Quilter Investors Portfolio Management Limited being placed into liquidation, a dividend was made to its parent, Quilter plc. Subsequently, Quilter plc fully impaired its investment in its subsidiary to recognise the reduction in the net asset value of the subsidiary.

2024 impairment to investment in subsidiary

In both 2023 and 2024, there were no other impairments required to the Company's subsidiaries.

4: Loans and advances

This note analyses the loans and advances the Company has made. The carrying amounts of loans and advances were as follows:

	31 December 2024 £m	31 December 2023 £m
Loans to subsidiary undertakings	487	486
Total net loans and advances	**487**	**486**

All loans are held at amortised cost and repayable on demand. The loans to subsidiary undertakings are with Quilter Holdings Limited and are charged at base rate plus 0.5% and 10%, Quilter Perimeter Holdings Limited, which is charged at base rate plus 0.5%, and the Employee Benefit Trust, which attracts no interest. Given the profitability and net assets of these subsidiaries, the credit risk associated with these loans is considered minimal. There have been no non-performing loans, loans subject to renegotiations or material expected credit losses on loans and advances recognised in the year.

5: Deferred tax assets

Recognised deferred tax assets and liabilities

Deferred income taxes are calculated on all temporary differences at the tax rate applicable to the country in which the timing differences arise.

The following are the deferred tax balances recognised by the Company and the movements thereon, during the current and prior reporting period.

	Tax losses £m	Closing deferred tax asset £m
Assets at 1 January 2023	**4**	**4**
Credit to profit or loss	19	19
Assets at 31 December 2023	**23**	**23**
Credit to profit or loss	3	3
Assets at 31 December 2024	**26**	**26**

Deferred tax assets or liabilities are recognised to the extent that temporary differences are expected to reverse in the foreseeable future. The timing of reversals is estimated based on the Company's annual Business Plan. Deferred tax assets are recognised to the extent that they are supported by the Company's Business Plan or where appropriate the Group's Business Plan.

Deferred tax assets are recognised for tax losses carried forward only to the extent that realisation of the related tax benefit is probable, being where, on the basis of all available evidence, it is considered more likely than not that there will be suitable taxable profits against which the reversal of the deferred tax asset can be deducted.

Sensitivity analysis demonstrates headroom in the recoverable amount of the deferred tax asset over the taxable profits contained within the business plan period. The impacts of a 20% decrease in profitability have been assessed and do not give rise to concerns over recoverability.

Notes to the financial statements of the Company
For the year ended 31 December 2024

5: Deferred tax assets *continued*

Unrecognised deferred tax assets

The amounts for which no deferred tax asset has been recognised comprises:

	31 December 2024		31 December 2023	
	Gross amount £m	Tax £m	Gross amount £m	Tax £m
Pre-April 2017 UK tax losses	16	4	16	4
Total unrecognised deferred tax assets	**16**	**4**	**16**	**4**

A deferred tax asset has not been recognised as there is sufficient uncertainty to the extent it is probable there will be future taxable profits to utilise the relevant losses. Unrecognised losses are available to carry forward with no expiry date, subject only to the continuation of the business.

6: Other receivables and other assets

The note analyses total other receivables and other assets.

	31 December 2024 £m	31 December 2023 £m
Due from subsidiary undertakings	8	6
Other receivables	1	–
Total other receivables and other assets	**9**	**6**

All amounts due from Group companies are unsecured, interest-free and settled on demand. Other receivables are current, interest-free and recognised at amortised cost. The Directors consider that the carrying amount of other receivables approximate their fair value.

7: Cash and cash equivalents

	31 December 2024 £m	31 December 2023 £m
Cash at bank	8	9
Money market funds	127	101
Total cash and cash equivalents per the statement of financial position	**135**	**110**

All cash and cash equivalents are current, and recognised at amortised cost, apart from money market investments which are recognised mandatorily at FVTPL.

Investments in money market funds are classified as cash and cash equivalents. Management holds these investment funds for short-term liquidity purposes. The funds are highly liquid, have a strong credit rating and a very low risk of reduction in value.

8: Merger reserve and retained earnings

There have been no changes to the merger reserve during 2024 (2023: no changes).

Within retained earnings, as at 31 December 2024, there is an amount of £21 million (2023: £21 million) relating to a partial reversal, in 2022, of an impairment made in an earlier period. The Company considers this amount to be non-distributable.

9: Borrowings

	31 December 2024 £m	31 December 2023 £m
Subordinated debt		
Subordinated loan at 8.625%	199	198
Funding — intercompany payables	–	4
Total borrowings	**199**	**202**

Amounts borrowed are held at amortised cost.

On 18 January 2023, the Company issued £200 million 8.625% Fixed Rate Reset Subordinated Notes (due 18 April 2033) in the form of a 10.25-year Tier 2 bond with a one-time issuer call option after 5.25 years to J.P. Morgan Securities plc, paying a semi-annual coupon of 8.625% (the "Tier 2 Bond"). Net cash proceeds of £199 million were received. After deducting structuring costs and professional fees, the retained cash proceeds were £197 million. The bond is held at amortised cost of £199 million at 31 December 2024 (2023: £198 million). The Notes are listed and regulated under the terms of the London Stock Exchange.

On 28 February 2023, the Company repaid the existing £200 million 4.478% Fixed Rate Reset Subordinated Notes (due 28 February 2028).

In addition, the Company has entered into a £125 million revolving credit facility which remains undrawn and is being held for contingent funding purposes across the Group.

10: Other payables

	31 December 2024 £m	31 December 2023 £m
Accruals	4	4
Total other payables	**4**	**4**

Accruals are current and short term i.e. repayable within one year.

Notes to the financial statements of the Company
For the year ended 31 December 2024

11: Related party transactions

Key management personnel transactions

Key management personnel and members of their close family have undertaken transactions with the Group in the normal course of business.

The Directors and key management personnel of the Company are considered to be the same as for the Group. See note 40 to the Group's financial statements for further information.

Other related party transactions

There were no other related party transactions to disclose for 2023 or 2024 other than those referenced in note 40 to the Group's financial statements.

12: Loan covenants

Under the terms of the revolving credit facility, the Company is required to comply with certain financial covenants. Note 38 to the Group's financial statements contains further information relating to the facility.

13: Events after the reporting date

There are no events that have occurred, between the reporting date and the date when the financial statements have been authorised for issue, that require disclosure except as disclosed within note 42 to the Group's financial statements.

Other information

Shareholder information

Information for all shareholders

2025 key dates
The key dates for shareholders are:

8 April 2025	Last day for shares to trade cum dividend in South Africa
9 April 2025	Shares start trading ex-dividend in South Africa
10 April 2025	Shares start trading ex-dividend in the UK
11 April 2025	Final Dividend Record Date – shareholders on the register are eligible for the Final Dividend
22 May 2025	Annual General Meeting ("AGM") at 11:00am (UK time)
27 May 2025	Final Dividend Payment Date
6 August 2025	Publication of 2025 half year results, including any information regarding the Interim Dividend

Dates may be subject to change. Please check our website at **plc.quilter.com** for further information.

Dividends

Dividend information
The Directors are recommending the payment of a Final Dividend of 4.2 pence per share. Subject to shareholder approval at the AGM, the Final Dividend will be paid on Tuesday 27 May 2025 to shareholders on the share register on Friday 11 April 2025.

Dividend policy
The Quilter Board targets a dividend pay-out ratio of 50% to 70% of post-tax, post-interest adjusted profit.

We expect to pay an Interim and a Final Dividend each financial year. It is expected that the Final and Interim Dividends will be paid in the approximate proportions of one-third (Interim Dividend) and two-thirds (Final Dividend) of the total dividends payable in respect of a financial year, taking into account the underlying cash generation, cash resources, capital position, distributable reserves and market conditions at the time.

All key dividend dates such as ex-dividend date, Record Date and Payment Date will be published on our website as soon as they are announced.

Dividends – shareholders on the UK share register

Quilter only pays dividends to shareholders on the UK share register by direct credit. Paying dividends straight into your bank or building society account is a safer, quicker and easier way for shareholders to receive their dividends. There is no fee charged by Quilter or our Registrar, Equiniti, for the direct credit service. If you have not yet provided your bank details, it is important that you take action as soon as possible so that you receive your dividend payments.

You can do this:

Online
You can provide and maintain your UK bank or building society account details via Shareview. Please visit **www.shareview.co.uk** for details on how to register.

Telephone
You can provide your UK bank or building society account details by telephoning Equiniti.

Post
You can download a Bank Mandate Form from plc.quilter.com. Alternatively, please telephone Equiniti using the contact details on page 185 and they will send a form to you for completion.

If you have any questions, please contact Equiniti using the contact details on page 185.

Dividends – shareholders on the South African share register

For your security, Quilter will only pay your dividends to the bank account currently registered with our Registrar, JSE Investor Services. To register your bank details please contact JSE Investor Services using the contact details on page 185.

Dividend currency
All dividends will be declared in pounds sterling for shareholders on the UK register and Rand for shareholders on the South African register. The foreign exchange rate is determined the day before the Directors declare the dividend.

Did you know?
You do not need to hold a paper share certificate. By holding your shares electronically, you can buy and sell shares more easily and protect your holding to help prevent fraud. You can find out more by contacting JSE Investor Services using the contact details on page 185.

Quilter 2025 AGM

AGM key dates
The key AGM dates for shareholders are:

16 May 2025 By no later than 5:00pm (UK time)	Written shareholder questions to be received by the Company Secretary
20 May 2025 By no later than 11:00am (UK time)	Proxy Forms to be received by our Registrar* and requests to join the AGM by telephone to be received by the Company Secretary
22 May 2025 11:00am (UK time)	AGM to be held

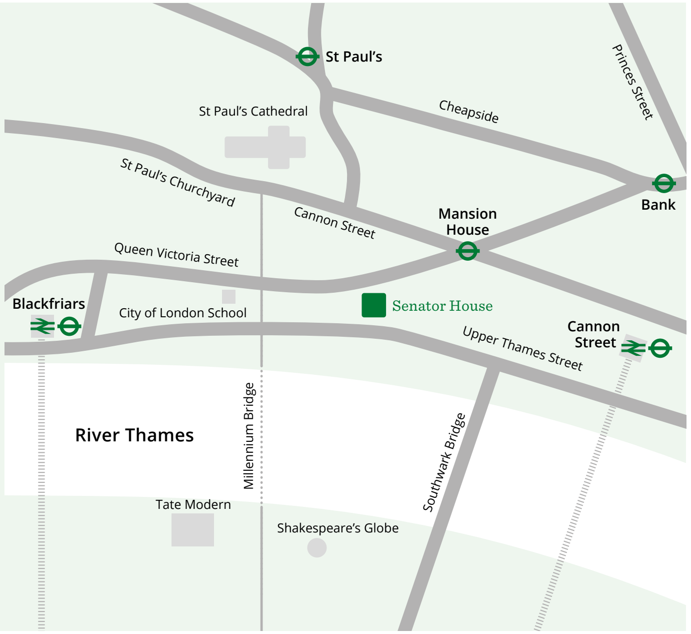
*Voting deadlines may vary depending on how you hold your shares. If you hold your shares via a CSDP, broker or nominee, please contact them to confirm their voting deadline.

Attending the AGM
We are pleased to invite you to Quilter plc's 2025 AGM to be held at 11:00am (UK time) on Thursday 22 May 2025 at Senator House, 85 Queen Victoria Street, London EC4V 4AB. We look forward to welcoming you to our meeting and value the opportunity to engage with our shareholders to review our performance and to answer questions on the business of the meeting.

How to get to the AGM

Senator House is within walking distance of the following train and underground stations:
- Bank (Central, DLR, Northern and Waterloo & City lines).
- Blackfriars (Southeastern Railway, Thameslink and Circle and District lines).
- Cannon Street (Southeastern Railway and Circle and District lines).
- Mansion House (Circle and District lines).
- St Paul's (Central line).

The venue can also be accessed via bus routes 4, 11, 15, 17, 26, 76, 388 and 521.



Asking a question
You can submit any questions you may have on the business of the meeting to the Board ahead of the AGM by emailing the Company Secretary at **companysecretary@quilter.com** by 5:00pm (UK time) on Friday 16 May 2025. If you do not plan to attend the AGM in person, this will enable you to have your questions answered before you vote your shares. The questions and answers will be published on our GM Hub at **plc.quilter.com/gm** in advance of the voting deadline. If you submit a question after this time, we will respond to you as soon as possible.

If you attend the AGM in person or join the meeting by telephone, you will also have the opportunity to ask a question on the day.

Joining the meeting by telephone
Shareholders can join the meeting by telephone. You will be able to listen to the meeting and also have the opportunity to ask the Board any questions relating to the business of the meeting. Please note that shareholders joining by telephone will not be able to vote on the day. We recommend that shareholders appoint the Chair of the meeting as their proxy and register a voting instruction ahead of the meeting.

How to join the AGM by telephone
If you would like to join the AGM by telephone, please contact the Company Secretary at **companysecretary@quilter.com** to request your individual secure dial in details. Requests must be received no later than 11:00am (UK time) on Tuesday 20 May 2025. The telephone line will open shortly before 11:00am (UK time) on the day of the meeting.

Voting results and AGM information available to shareholders
The final voting results are expected to be released to the London Stock Exchange and Johannesburg Stock Exchange on Thursday 22 May 2025 as soon as practical after the AGM and will be published on our GM Hub at **plc.quilter.com/gm**. We will also make available the Chair's statement. Please ensure you check the GM Hub regularly for up to date information about our AGM arrangements.

More information about the AGM
Detailed information on the AGM arrangements and how you can have your say is set out in the 2025 Notice of AGM which is available at **plc.quilter.com/gm.**

Information for UK shareholders

Managing your shares and staying in touch
You do not have to receive paper shareholder documentation. Many shareholders choose to receive their communications electronically. Equiniti provide a free, convenient online service, Shareview, where you can access your shareholding quickly and easily. If you have not already done so, you can register for Shareview by visiting **www.shareview.co.uk**. All you need is your Quilter Shareholder Reference Number, which can be found on your share certificate or dividend confirmation. We will email you a notification when any shareholder statements are available and when we announce our full and half year results. You can also use Shareview to submit a voting instruction for any general meetings and to find out when any dividends are due.

Keeping your personal information up to date
It is important that you keep the personal information we hold up to date. That way correspondence advising you of any changes that might affect your shareholding reaches you and any dividends are paid to you promptly. You can do this online at **www.shareview.co.uk**, via the Quilter Shareholder Helpline or by post. Contact details are on page 185.

Fraud warning
Shareholders should be wary of any unsolicited calls or documents offering unsolicited investment advice and offers to buy shares at a discounted price. Fraudsters can use persuasive and high-pressure tactics to lure shareholders into scams. You are advised not to give out any personal details or to hand over any money without ensuring that the organisation is authorised by the UK Financial Conduct Authority ("FCA") and doing further research. If you are unsure, or think you may have been targeted, you should report the organisation to the FCA using the share fraud reporting form available at **www.fca.org.uk/scams**. You can also report suspected share fraud through the FCA Helpline on +44 (0)800 111 6768 or through Action Fraud on +44 (0)300 123 2040.

Useful information

Quilter plc share register
Quilter plc listed on the London and Johannesburg Stock Exchanges on 25 June 2018. Quilter plc has a primary listing on the London Stock Exchange and a secondary listing on the Johannesburg Stock Exchange. The shares track under the QLT ticker.

Information for African shareholders

Managing your shares and staying in touch
You can go online to manage your shareholding at **investorcentre.jseinvestorservices.co.za**. This enables you to view your holding, check your dividend history and update how you want us to communicate with you.

Quilter would like to send you information about your shares by text message or email. We will text you a notification when your biannual shareholder statement is available; when we announce our results; when you can vote at any general meetings; and when any dividends are due. If you have not already done so, you can quickly and easily register your mobile phone and email address with us as follows:

By email
Write to **investorenquiries@jseinvestorservices.co.za**. Please include your email address and mobile phone number and state that these should be used for all future communications.

Telephone
Call your Quilter Shareholder Helpline number provided on page 185 and ask for your email and mobile number to be recorded.

Contact information

Contact our UK Registrar, Equiniti

If you have a question about your shareholding, please contact Equiniti.

Post
Equiniti Limited
Aspect House
Spencer Road
Lancing
West Sussex
BN99 6DA

Online
help.shareview.co.uk

Telephone
+44 (0)333 207 5953*

*Lines are open Monday to Friday between 8:30am and 5:30pm (UK time), excluding public holidays in England and Wales.

Contact our African Registrars

Shareholders on the South Africa Register

Post
JSE Investor Services (Pty) Limited
PO Box 10462, Johannesburg, 2000, South Africa

By email
investorenquiries@jseinvestorservices.co.za

Telephone
086 140 0110/086 154 6566* (calling from South Africa)
+27 11 029 0251/+27 11 029 0253* (calling from overseas)

Shareholders in Namibia

Post
Transfer Secretaries (Pty) Limited
PO Box 2401
Windhoek, Namibia

By email
ts@nsx.com.na

Telephone
+264 (0)61 227 647*

* Lines open 8:00am to 4:30pm, Monday to Friday, excluding public holidays.

Shareholders in Malawi

Post
National Bank of Malawi plc
Legal Department
PO Box 945
Blantyre, Malawi

By email
legal@natbankmw.com

Telephone
+265 (0)182 0622/+265 (0)182 0054*

Shareholders in Zimbabwe

Post
Corpserve Registrars (Pvt) Ltd
PO Box 2208
Harare, Zimbabwe

By email
corpserve@escrowgroup.org

Telephone
+263 (0)242 751 559/+263 (0)242 751 561*

Alternative performance measures

We assess our financial performance using a variety of alternative performance measures ("APMs"). APMs are not defined under IFRS but we use them to provide further insight into the financial performance, financial position and cash flows of the Group and the way it is managed. APMs should be read together with the Group's consolidated financial statements, which include the Group's statement of comprehensive income, statement of financial position and statement of cash flows, which are presented on pages 118 to 121. Further details of APMs used by the Group in its Financial review are provided below.

APM	Definition
Adjusted profit before tax	Adjusted profit before tax represents the Group's IFRS profit, adjusted for specific items that management consider to be outside of the Group's normal operations or one-off in nature, as detailed in note 7(a) in the consolidated financial statements. The exclusion of certain adjusting items may result in adjusted profit before tax being materially higher or lower than the IFRS profit after tax. Adjusted profit before tax does not provide a complete picture of the Group's financial performance, which is disclosed in the IFRS consolidated statement of comprehensive income, but is instead intended to provide additional comparability and understanding of the financial results. A detailed reconciliation of the adjusted profit before tax metrics presented, and how these reconcile to IFRS, is provided on page 34 of the Financial review. Adjusted profit before tax is referred to throughout the Chief Executive Officer's statement and Financial review, with comparison to the prior year explained on page 32. A reconciliation from each line item of the Group's IFRS income and expenses to adjusted profit before tax is provided in note 7(c) to the consolidated financial statements.
Adjusted profit after tax	Adjusted profit after tax represents the post-tax equivalent of the adjusted profit before tax measure, as defined above.
Revenue margin (bps)	Revenue margin represents net management fees, divided by average AuMA. Management use this APM as it represents the Group's ability to earn revenue from AuMA. Revenue margin by segment and for the Group is explained on page 32 of the Financial review.
Operating margin	Operating margin represents adjusted profit before tax divided by total net revenue. Management use this APM as this is an efficiency measure that reflects the percentage of total net revenue that becomes adjusted profit before tax. Operating margin is referred to in the Chief Executive Officer's statement and Financial review, with comparison to the prior year explained in the adjusted profit section on page 32.

APM	Definition
Gross flows	Gross flows are the gross client cash inflows received from customers during the period and represent our ability to increase AuMA and revenue. Gross flows are referred to in the Financial review on page 32.
Net flows	Net flows are the difference between money received from and returned to customers during the relevant period for the Group or for the business indicated. This measure is a lead indicator of total net revenue. Net flows is referred to throughout this document, with a separate section in the Financial review on page 32.
Assets under Management and Administration ("AuMA")	AuMA represents the total market value of all financial assets managed and administered on behalf of customers. AuMA is referred to throughout this document, with a separate section in the Financial review on page 32.
Average AuMA	Average AuMA represents the average total market value of all financial assets managed and administered on behalf of customers. Average AuMA is calculated using a 7-point average (half year) and 13-point average (full year) of monthly closing AuMA.
Non-core AuMA	Non-core AuMA and associated gross and net flows represents assets managed on behalf of businesses we have sold together with some legacy funds which are in run-off and remain in outflow.
Total net revenue	Total net revenue represents revenue earned from net management fees, investment revenue and other revenue listed below and is a key input into the Group's operating margin. Further information on total net revenue is provided on page 33 of the Financial review and note 7(c) in the consolidated financial statements.
Net management fees	Net management fees consist of revenue generated from AuMA, fixed fee revenues including charges for policyholder tax contributions, interest earned on client holdings, less trail commissions payable. Net management fees are presented net of trail commission payable as trail commission is a variable cost directly linked to revenue, which is a treatment and presentation commonly used across our industry. Net management fees are a part of total net revenue and is a key input into the Group's operating margin. Further information on net management fees is provided on page 33 of the Financial review and note 7(c) in the consolidated financial statements.
Other revenue	Other revenue represents revenue not directly linked to AuMA (e.g. encashment charges, closed book unit-linked policies, adviser initial fees and adviser fees linked to AuMA in Quilter Financial Planning (recurring fees)). Other revenue is a part of total net revenue, which is included in the calculation of the Group's operating margin. Further information on other revenue is provided on page 33 in the Financial review and note 7(c) in the consolidated financial statements.

Alternate performance *continued*

APM	Definition
Investment revenue	Investment revenue includes interest on shareholder cash balances (including cash at bank and money market funds). Further information on investment revenue is provided on page 33 in the Financial review and note 7(c) in the consolidated financial statements.
Operating expenses	Operating expenses represent the costs for the Group, which are incurred to earn total net revenue and excludes the impact of specific items that management considers to be outside of the Group's normal operations or one-off in nature. Operating expenses are included in the calculation of adjusted profit before tax and impact the Group's operating margin. A reconciliation of operating expenses to the applicable IFRS line items is included in note 7(c) to the consolidated financial statements, and the adjusting items excluded from operating expenses are explained in note 7(b). Operating expenses are explained on page 33 of the Financial review.
Asset retention	The asset retention rate measures our ability to retain assets from delivering good customer outcomes and investment performance. Asset retention reflects the annualised gross outflows of the AuMA during the period as a percentage of opening AuMA. Asset retention is calculated as: 1 – (annualised gross outflow divided by opening AuMA). Asset retention is provided for the Group on page 31 and by segment on page 32.
Net inflows/opening AuMA	This measure is calculated as total net flows annualised (as described above) divided by opening AuMA presented as a percentage. This metric is provided on page 31.
Quilter channel gross sales per Quilter Adviser	This measure represents the value created by our Quilter distribution channel and is an indicator of the success of our multi-channel business model. The measure is calculated as gross flows generated by the Quilter channel through the Quilter Investment Platform, Quilter Investors or Quilter Cheviot (annualised) per average Restricted Financial Planner in both segments. This metric is provided on page 31.
Return on Equity ("RoE")	Return on equity calculates how many pounds of profit the Group generates with each pound of shareholder equity. This measure is calculated as adjusted profit after tax annualised divided by average equity. Equity is adjusted for the impact of discontinued operations, if applicable. Return on equity is provided on page 31.

APM	Definition
Adjusted diluted earnings per share	Adjusted diluted earnings per share is calculated as adjusted profit after tax divided by the diluted weighted average number of shares. A view of adjusted diluted earnings per share and the calculation of all EPS metrics, is shown in note 12 to the consolidated financial statements.
Headline earnings per share	The Group is required to calculate headline earnings per share in accordance with the Johannesburg Stock Exchange Listing Requirements, determined by reference to the South African Institute of Chartered Accountants' circular 1/2023 Headline Earnings. This is calculated on a basic and diluted basis. For details of the calculation, refer to note 12 of the consolidated financial statements.
Dividend pay-out ratio	The dividend pay-out ratio is an indicator of the total amount of dividends paid to shareholders in relation to the Group's profits expressed as a percentage. It is calculated by dividing the recommended total dividend (in £ millions) by the post-tax, post-interest adjusted profit (in £ millions).

Glossary

Term	Definition
Affluent	Quilter's business operations which provide solutions for customers with at least £50,000 of assets to invest
AuA	Assets under administration, which unless stated otherwise, reflects gross AuA before intra-group eliminations
AuM	Assets under management, which unless stated otherwise, reflects gross AuM before intra-group eliminations
AuMA	Assets under management and administration – for more details see alternative performance measures on page 186
CAGR	Compound annual growth rate
Client Facing Individuals ("CFIs")	Individuals who provide discretionary investment management services to clients and/or advisers who are licensed to advise clients of Quilter Cheviot in line with individual circumstances and investment objectives
Company	Quilter plc
FCA	Financial Conduct Authority
FRC	Financial Reporting Council
GHG	Greenhouse gas
Group	Quilter plc and its subsidiaries
High Net Worth	Predominantly customers with over £250,000 of investable assets
HMRC	His Majesty's Revenue & Customs
ICARA	Internal Capital Adequacy and Risk Assessment
IFAs	Independent Financial Advisers, meaning advisers who provide advice on an independent basis, based on a comprehensive analysis of the whole market and free from any restriction
IFRS	The International Financial Reporting Standards as adopted by the United Kingdom
Investment Manager ("IM")	Individual who provides investment advice and investment management services to private clients of Quilter Cheviot in line with individual circumstances and investment objectives
ISA	Individual Savings Accounts
JSE	Johannesburg Stock Exchange
Lighthouse	Lighthouse Group plc was acquired on 12 June 2019. The Company changed its name to Lighthouse Group Limited on 19 February 2021
Listing	Reference to Quilter plc listing on the London and Johannesburg Stock Exchanges on 25 June 2018
LSE	London Stock Exchange
OECD	Organisation for Economic Co-operation and Development

Term	Definition
ORSA	Own Risk and Solvency Assessment
Own funds	Capital resources determined on the basis of the Solvency II balance sheet
PRA	Prudential Regulation Authority
Productivity	Also referred to as "gross flows per adviser". For definition, see alternative performance measures on page 187
Quilter channel	Advisers who are part of Quilter Financial Advisers, Quilter Financial Planning or Quilter Cheviot Financial Planning
Restricted Financial Planners ("RFPs")	Advisers who advise on a defined range of products and investment solutions, including investment solutions offered by the Group and by third parties that have been pre-researched by the Group
Revenue generating role	Colleagues in roles which generate revenue for the Group. These roles include but are not limited to Restricted Financial Planners, Investment Managers and fund managers
Scope 1, 2 & 3 GHG emissions	Greenhouse gas emissions are categorised into three groups or "scopes" by the most widely-used international accounting tool, the Greenhouse Gas ("GHG") Protocol. Scope 1 and 2 cover direct emissions sources (e.g., fuel used in company vehicles and purchased electricity), Scope 3 emissions cover all indirect emissions due to the activities of an organisation
SCR	Solvency Capital Requirement, the regulatory capital requirement under UK Solvency II
SMCR	Senior Managers and Certification Regime
Standard Formula	The regulatory formula used to determine capital requirements for insurance entities under UK Solvency II. This formula broadly represents the potential loss of own funds calibrated to a 1-in-200 likelihood level
Subordinated debt	A fixed interest debt instrument that ranks below other debt in order of priority for repayment in the event of liquidation
Total Shareholder Return ("TSR")	The difference between the opening and closing share price over the period, plus any dividends paid during that period. Performance shown for Quilter as traded on the London Stock Exchange
UK Solvency II	The Solvency II capital regime as it applies in the United Kingdom

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plc.quilter.com