

**QUILTER PLC**

Incorporated under the Companies Act 1985 with registered number 06404270 and re-registered as a public limited company under the Companies Act 2006)

ISIN CODE: GB00BDCXV269

JSE SHARE CODE: QLT

Quilter plc (the "Company")

25 March 2021

**Quilter plc****Annual Report and Accounts 2020 and Notice of Annual General Meeting 2021**

Quilter plc (the "Company") announces that copies of the following documents have been submitted to the National Storage Mechanism and will shortly be available for inspection at <http://data.fca.org.uk/#/nsm/nationalstoragemechanism>:

1. Annual Report and Accounts 2020 (the "2020 Annual Report");
2. Notice of Annual General Meeting 2021 (the "Notice"); and
3. Forms of Proxy for the Annual General Meeting 2021.

These documents will be posted to shareholders on Thursday 8 April 2021. The 2020 Annual Report is also available to view online at [quilter.com/annualreport](http://quilter.com/annualreport) and the Notice is available online at [quilter.com/agm](http://quilter.com/agm).

The Company's Annual General Meeting 2021 (the "2021 AGM") will be held on Thursday 13 May 2021 at 11:00am (UK time) at Senator House, 85 Queen Victoria Street, London EC4V 4AB.

**Impact of COVID-19**

Due to the unprecedented challenges caused by COVID-19, we have significantly changed the way our AGM will be held this year. Regrettably, in light of current UK Government guidance, and with the health and safety of our shareholders, colleagues and the wider community in mind, we are requesting that shareholders do not attend the AGM in person, unless the current situation changes. We value the opportunity to engage with our shareholders and details on how shareholders can participate in the meeting are provided in our Notice which is available on our AGM Hub at [quilter.com/agm](http://quilter.com/agm). We strongly urge shareholders to read the 2020 Annual Report available on our website at [quilter.com/annualreport](http://quilter.com/annualreport) and the Notice available on our AGM Hub at [quilter.com/agm](http://quilter.com/agm).

We will continue to provide up to date information about our AGM arrangements on our AGM Hub at [quilter.com/agm](http://quilter.com/agm).

**Key dates for shareholders**

The table below shows the key dates for shareholders in respect of the 2021 AGM.

	Posting record date	Posting date	Last day to trade*	Proxy date for registered holders	Record date to attend and vote	Date of 2021 AGM
<b>Holdings on the London Stock Exchange</b>	Friday 26 March 2021	Thursday 8 April 2021	-	Tuesday 11 May 2021 at 11:00am (UK time)	Tuesday 11 May 2021 at 6:30pm (UK time)	Thursday 13 May 2021 at 11:00am (UK time)
<b>Holdings on the Johannesburg Stock Exchange</b>	Friday 26 March 2021	Thursday 8 April 2021	Thursday 6 May 2021	Tuesday 11 May 2021 at 12:00pm (SA time)	Tuesday 11 May 2021 at 7:30pm (SA time)	Thursday 13 May 2021 at 12:00pm (SA time)

\*Last Day to Trade is applicable only to holders on the Johannesburg Stock Exchange. Holders can trade their shares up to the close of business on this date and thereafter the register is closed for the purposes of determining which holders are entitled to vote in respect of the 2021 AGM.

### Market purchase of own shares

Pursuant to Listing Rule 12.4.4, in addition to renewing the Company's existing authority to make market purchases of its own shares, the Company announces that it intends to propose a resolution at the 2021 AGM seeking authorisation to enter into contingent purchase contracts with each of: (a) J.P. Morgan Equities South Africa Proprietary Limited; and (b) Goldman Sachs International. The commercial purpose of this authority is to enable the Company to purchase up to a maximum of 176,961,074 ordinary shares of the Company which are currently listed on the Johannesburg Stock Exchange (such maximum to be reduced by any purchases made pursuant to any general authority of the Company to make market purchases of its own shares).

Full details in respect of the proposed resolution are set out in the Notice.

### Additional information

The following information is extracted from the 2020 Annual Report (page references are to pages in the 2020 Annual Report) and should be read in conjunction with the Quilter plc 2020 Full Year Results announcement issued on Wednesday 10 March 2021. Both documents can be found at [quilter.com/investor-relations](http://quilter.com/investor-relations) and together constitute the material required by DTR 6.3.5 to be communicated to the media in unedited full text through a Regulatory Information Service. This material is not a substitute for reading the 2020 Annual Report in full.

### Principal risks and uncertainties

The Directors 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 those risks that are non-financial in nature. The articulation of these principal risks and uncertainties are consistent with Quilter's Enterprise Risk Framework categorisation, and with the Top Risk reporting that is undertaken quarterly to the Board.

The Board requires management to put in place actions to mitigate these risks, and controls to maintain risk exposures within acceptable levels defined by Quilter's risk appetite. 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 residual risk trend (risk after the application of mitigants) during 2020.

<b>Business and strategic risks</b>			
<b>Economic environment</b> Quilter's principal revenue streams are asset value-related and as such Quilter is exposed to the condition of global	<b>Risk owner</b> Chief Financial Officer	<b>2020 risk trend</b> Residual risk increased during 2020	<b>Mitigation</b> <ul style="list-style-type: none"> <li>Annual stress and scenario analysis exercise</li> </ul>

<p>economic markets. The evolving COVID-19 pandemic continues to have significant impacts on economic activity resulting in market volatility. These conditions are expected to continue into 2021, alongside residual uncertainty in relation to the full impacts of the implementation of the UK-EU Trade and Cooperation Agreement. Volatility in debt, equity and currency markets may adversely impact customer investment portfolios which in turn impacts Quilter's ability to generate fee-based revenue.</p>			<ul style="list-style-type: none"> <li>Strength of balance sheet</li> </ul>
<p><b>Business financial performance</b> The challenging external environment experienced in 2020 is set to continue to impact net flows, revenues and profitability into 2021, with margin compression also set to be expedited by the current conditions. Prudent cost management, both through tactical in year savings, and longer-term Optimisation initiatives has reduced the cost base, though increasing Financial Services Compensation Scheme levies present a further cost challenge. An unmitigated negative impact on earnings, share price and/or capital position could have a resulting adverse effect on Quilter's market credibility and financial standing.</p>	<p><b>Risk owner</b> Chief Financial Officer</p>	<p><b>2020 risk trend</b> Residual risk increased during 2020</p>	<p><b>Mitigation</b></p> <ul style="list-style-type: none"> <li>Ongoing cost efficiency focus</li> <li>Optimisation initiatives</li> <li>Financial risk policies, standards and limits</li> </ul>
<p><b>Investment performance</b> Strong investment performance within Quilter Investors' fund management proposition and within Quilter Cheviot's discretionary fund management proposition are key to enable Quilter to meet customer expectations and to grow its customer base, and assets under management. Weaker short-term performance of Quilter Investors' Cirilium Active range was noted during volatile markets in the first quarter of 2020, with a range of management actions ongoing to support stronger performance. Stronger performance has been observed for the remainder of the year as these management actions have been implemented, reducing the residual risk profile. Longer term under-performance of core investment management propositions could have a material</p>	<p><b>Risk owner</b> Chief Executive Officer – Quilter Investors  Chief Executive Officer – Quilter Cheviot</p>	<p><b>2020 risk trend</b> Residual risk decreased during 2020</p>	<p><b>Mitigation</b></p> <ul style="list-style-type: none"> <li>Bolstered Quilter Investors' leadership team, including a new Chief Investment Officer</li> <li>Enhanced Quilter Investors' performance and investment risk oversight and monitoring</li> </ul>

effect on Quilter's business, financial performance and reputation.			
<b>Change</b> Quilter continues to be subject to material change programmes, as a series of long-running programmes are due to be completed during 2021, including the Platform Transformation Programme ("PTP"). The scale of change is reducing, in particular, as PTP nears completion. A series of new business change programmes including the work to strengthen controls at Quilter Financial Planning, and several key digital and data initiatives will be ongoing in 2021. This delivery profile carries a delivery risk, a risk of implementation issues, and a dependence on key individuals. As 2021 progresses there will be a need to ensure these projects remain on track to deliver the intended benefits, without risking disruption to continuing operations and the control environment.	<b>Risk owner</b> Chief Operating Officer  Chief Executive Officer – Quilter Investment Platform (PTP)	<b>2020 risk trend</b> Residual risk decreased during 2020	<b>Mitigation</b> <ul style="list-style-type: none"> <li>• Successful PTP migration preparation and migration events in 2020, with final migration on track for Q1 2021</li> <li>• Active management and prioritisation of the change portfolio</li> <li>• Enhanced executive oversight and change assurance</li> <li>• Programme and portfolio governance arrangements</li> </ul>
<b>Operational and regulatory risks</b>			
<b>Advice</b> Quilter's financial advice services are subject to fundamental regulatory conduct requirements to assure suitability of advisory recommendations. Failure to operate effective arrangements to support the delivery of suitable advice could expose Quilter to risks associated with customer detriment, regulatory censure and remediation programmes, and consequential impacts to the Group's business, financial condition and reputation. The current scrutiny of the defined benefit transfer advice provided by Lighthouse has increased the risk profile during 2020 given the need to remediate impacted cases where relevant and deliver fair outcomes for customers.	<b>Risk owner</b> Chief Executive Officer – Quilter Financial Planning	<b>2020 risk trend</b> Residual risk increased during 2020	<b>Mitigation</b> <ul style="list-style-type: none"> <li>• Ongoing work to enhance the advice and adviser control framework within Quilter Financial Planning</li> <li>• Enhanced suitability monitoring and oversight arrangements</li> </ul>
<b>Information technology</b> Quilter's business is highly dependent on its technology infrastructure and applications to perform necessary business functions, including to	<b>Risk owner</b> Chief Operating Officer	<b>2020 risk trend</b> Residual risk decreased during 2020	<b>Mitigation</b> <ul style="list-style-type: none"> <li>• Technology strategy to support the transition to modern applications</li> </ul>

support the provision of services to customers. COVID-19 has required adaptation to mass home working, which has been successfully achieved across Quilter. Much of Quilter's legacy IT estate is currently being replaced, with a move to Software as a Service ("SAAS") applications reducing the Group's internal technology complexity, though increasing reliance on third-parties. Failure to manage technology risk could have a material adverse impact on Quilter's business, its resilience capabilities, financial condition, operations and its reputation.			<p>and retirement of legacy technology</p> <ul style="list-style-type: none"> <li>• Infrastructure Transformation Programme to deliver technology enhancement across Quilter's estate</li> <li>• Active systems monitoring</li> <li>• Policy suite and standards compliance arrangements</li> </ul>
<p><b>Information security</b></p> <p>Quilter's business, by its nature, requires it to store, retrieve, evaluate and utilise customer and company data and information, some of which is highly sensitive. The COVID-19 conditions mean there is increased remote handling of data. Quilter is subject to the risk of information security breaches from parties with criminal or malicious intent. Should Quilter's intrusion detection and anti-penetration software not anticipate, prevent or mitigate a network failure or disruption, it may have a material adverse effect on Quilter's customers, business, financial condition, operations and reputation.</p>	<p><b>Risk owner</b></p> <p>Chief Operating Officer</p>	<p><b>2020 risk trend</b></p> <p>Residual risk remained broadly stable during 2020</p>	<p><b>Mitigation</b></p> <ul style="list-style-type: none"> <li>• Ongoing Information Security Improvement Programme</li> <li>• Cyber threat defences and monitoring</li> <li>• Data governance arrangements</li> <li>• Information security policy and standards compliance arrangements</li> </ul>
<p><b>People</b></p> <p>Quilter relies on its talent to deliver its service to customers and to implement the broad range of strategic change initiatives that are currently being delivered. In 2020 the COVID-19 operating conditions have posed further people challenges, although a strong focus on supporting staff through this difficult time has reduced its impact. People risk has remained elevated but broadly stable during 2020. Failure to retain key staff or to attract suitable talent may impact the delivery of Quilter's strategy and may have an adverse impact on Quilter's business, its financial and operational performance and its delivery of service to customers.</p>	<p><b>Risk owner</b></p> <p>Chief Operating Officer</p>	<p><b>2020 risk trend</b></p> <p>Residual risk remained broadly stable during 2020</p>	<p><b>Mitigation</b></p> <ul style="list-style-type: none"> <li>• Phasing key change programmes to avoid conflicts</li> <li>• Performance evaluation arrangements and related performance and risk-adjusted remuneration arrangements</li> <li>• Regular employee engagement surveys</li> <li>• Quilter's staff wellbeing initiative, 'Thrive'</li> </ul>

<p><b>Third party, including outsourcing</b>  Quilter procures certain services from third parties, which will increase as the Platform Transformation Programme concludes and results in significant business process and technology outsourcing to FNZ. If Quilter does not effectively oversee its third-party providers, they do not perform as anticipated, or Quilter experiences technological or other problems with a third party, Quilter may experience operational difficulties, increased costs and loss of business, potential customer detriment and damage to its reputation. A decreasing residual risk profile is observed as Quilter's third-party oversight arrangement matured through 2020, reducing the risk of material incidents.</p>	<p><b>Risk owner</b>  Chief Operating Officer</p>	<p><b>2020 risk trend</b>  Residual risk decreased during 2020</p>	<p><b>Mitigation</b></p> <ul style="list-style-type: none"> <li>• Maturing of Quilter's Third-Party Risk Management Framework</li> <li>• Implementation of a systemised approach to outsourcing</li> <li>• Third Party Risk Management Policy and standards compliance arrangements</li> </ul>
<p><b>Operational resilience</b>  Operational resilience was added to Quilter's principal risks and uncertainties in Q2 2020, given the magnitude of the disruption posted by COVID-19. The pandemic has tested Quilter's ability to respond and adapt to sudden disruptions and has shown Quilter to successfully manage during this crisis period. Following the maturing of crisis management protocols, the focus in 2021 will switch to reviewing standards for articulating critical processes and dependencies, and of the effectiveness of testing such that the firm can robustly demonstrate preparedness for future scenarios, and manage the risk that future events could pose to customers or Quilter. The trend represents a stable residual risk trend since inclusion in Quilter's principal risks and uncertainties in Q2 2020.</p>	<p><b>Risk owner</b>  Chief Operating Officer</p>	<p><b>2020 risk trend</b>  Residual risk remained broadly stable during 2020 (Since Q2 2020)</p>	<p><b>Mitigation</b></p> <ul style="list-style-type: none"> <li>• Operational resilience policy and processes</li> <li>• Systemised inventories of critical processes and dependencies</li> <li>• Resilience plans and testing</li> </ul>
<p><b>Regulatory</b>  Quilter is subject to regulation in the UK by the PRA and the FCA, and by a range of regulators internationally. Additionally, the firm is subject to the privacy regulations enforced by Information Commissioner's Office and international equivalents. Quilter faces risks associated with compliance with</p>	<p><b>Risk owner</b>  Chief Risk Officer</p>	<p><b>2020 risk trend</b>  Residual risk increased during 2020</p>	<p><b>Mitigation</b></p> <ul style="list-style-type: none"> <li>• Compliance advice and monitoring programme</li> <li>• Regulatory engagement management</li> <li>• Regulatory horizon scanning</li> <li>• Staff training and staff awareness programmes</li> </ul>

these regulations and to changes in regulations or regulatory focus or interpretation in the markets in which Quilter operates. Failure to manage regulatory compliance effectively could result in regulatory censure, including the possibility of fines or prohibitions which could impact business performance and reputation. An increased risk profile was noted in 2020 as a result of regulatory attention in respect of Quilter Financial Planning.			<ul style="list-style-type: none"> <li>Compliance policy and standards compliance</li> </ul>
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### **Statement of Directors' responsibilities in respect of the Annual Report and Accounts 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 law 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 and parent Company financial statements in accordance with international financial reporting standards in conformity with the requirements of the Companies Act 2006. Additionally, the Financial Conduct Authority's Disclosure Guidance and Transparency Rules require the directors to prepare the Group financial statements in accordance with international financial reporting standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union.

Under company law, 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, for the Group and Company, international accounting standards in conformity with the requirements of the Companies Act 2006 and, for the group, international financial reporting standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union;
- make judgements and 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 also 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 irregularities.

The Directors are 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 its 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.

### **Responsibility statement of the Directors in respect of the Annual Report and Accounts**

We confirm that to the best of our knowledge:

- the financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole; and

- the strategic report includes a fair review of the development and performance of the business and the position of the issuer and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

We consider the Annual Report, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy.

Signed on behalf of the Board

Paul Feeney  
Chief Executive Officer

Mark Satchel  
Chief Financial Officer

10 March 2021

### 39: 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 and prior year which had a material effect on the results or financial position of the Group.

#### 39(a): Transactions with key management personnel, remuneration and other compensation

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 the Group. Details of the compensation paid to the Board of Directors as well as their shareholdings in the Company are disclosed in the Remuneration Report on page 122.

##### 39(a)(i): Key management personnel compensation

	31 December 2020 £'000	31 December 2019 £'000
Salaries and other short-term employee benefits	5,503	10,230
Post-employment benefits	62	131
Share-based payments	5,263	7,005
Termination benefits	51	2
<b>Total compensation of key management personnel</b>	<b>10,879</b>	<b>17,368</b>

##### 39(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 material to the Group's financial statements. During the year ended 31 December 2020, key management personnel and their close family members contributed £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 £14 million at the end of the year.

During the year ended 31 December 2019, key management personnel and their close family members contributed £4 million (restated from £2 million previously reported) and the value of their investments in Group pensions and investment products totalled £18 million (restated from £16 million previously reported). The prior year comparatives have been restated due to the subsequent identification of additional investments in Group products associated with key management personnel in the year.

#### 39(b): Associates



In the current and prior year, IT services were provided by 360 Dot Net Limited, an associate company. The impact on the financial statements of the Group is immaterial.

### 39(c): Other related parties

Details of the Group's staff pension schemes are provided in note 33. Transactions made between the Group and the Group's staff pension schemes are made in the normal course of business.

The Group used the consulting services of Manchester Square Partners LLP, a company which is jointly controlled by one of the Group's non-executive Directors (who resigned from the Quilter plc Board in May 2020). The transactions between the Group and Manchester Square Partners LLP amounted to £54,000 for that period in 2020 (2019: £359,000). Amounts were billed based on market rates for such services and were due and payable under normal payment terms. The outstanding balance with Manchester Square Partners LLP was £nil at 31 December 2020 (2019: £18,000).

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### Enquiries:

<b>Investor Relations:</b> John-Paul Crutchley Keilah Codd	+44 (0)7741 385 251 +44 (0)7776 649 681
<b>Company Secretary:</b> Patrick Gonsalves	+44 (0)7391 867 081
<b>Media:</b> <i>Quilter</i> Jane Goodland Tim Skelton-Smith  <i>Camarco</i> Geoffrey Pelham-Lane	+44 (0)7790 012 066 +44 (0)7824 145 076  +44 (0)7733 124 226

### Registrars:

Shareholders on the UK Register:	
Equiniti	<a href="https://help.shareview.co.uk">https://help.shareview.co.uk</a>  Tel: +44 (0)333 207 5953* (calling from the UK) Tel: +44 (0)121 415 0113 (calling from overseas)  *Lines are open Monday to Friday between 08:30 and 17:30 (UK time), excluding public holidays in England and Wales
Shareholders on the South African Register:	
JSE Investor Services (Pty) Limited	Email: <a href="mailto:investorenquiries@jseinvestorservices.co.za">investorenquiries@jseinvestorservices.co.za</a>  Tel: 086 140 0110/086 154 6566 (calling from South Africa)  Tel: +27 11 029 0251/+27 11 715 3000 (calling from overseas)

### About Quilter plc

Quilter plc is a leading wealth management business in the UK and internationally, helping to create prosperity for the generations of today and tomorrow.

Quilter plc oversees £117.8 billion in customer investments (as at 31 December 2020).

It has an adviser and customer offering spanning financial advice, investment platforms, multi-asset investment solutions and discretionary fund management.

The business is comprised of two segments: **Advice and Wealth Management** and **Wealth Platforms**.

**Advice and Wealth Management** encompasses the financial planning businesses (Quilter Private Client Advisers, Quilter Financial Planning and Quilter Financial Advisers), the discretionary fund management business (Quilter Cheviot) and the Multi-asset investment solutions business (Quilter Investors). **Wealth Platforms** includes the Old Mutual Wealth UK Platform and Quilter International, including AAM Advisory in Singapore.

Since its IPO in June 2018, the Group's businesses have progressively re-branded to Quilter. The UK Platform is the final business to rebrand and this is expected to occur by mid-2021. The descriptor for the re-branded businesses are:

Previous	New
Intrinsic	Quilter Financial Planning
Old Mutual Wealth Private Client Advisers	Quilter Private Client Advisers
Quilter Investors	Quilter Investors
Quilter Cheviot	Quilter Cheviot
UK Platform	Quilter Investment Platform
International	Quilter International

JSE Sponsor: J.P. Morgan Equities South Africa Proprietary Limited