

The Quilter logo is positioned in the top right corner of the page. It features the word "Quilter" in a dark green, serif font. The background of the entire page is a complex geometric pattern of overlapping squares and triangles in various shades of gray, creating a quilt-like effect.

Quilter

# Board Charter

11 October 2019

## Introduction

This document sets out role profiles for all of the key positions on the Quilter Board and states the expectations that the Board of Quilter can rightly demand of each of us. This has been endorsed by the Board Corporate Governance and Nominations Committee. When each of our performances is assessed in our annual Board Effectiveness Review, it will be against these expectations. Many of you hold a number of positions on the Board and will therefore be expected to meet the expectations set for all of the roles you hold, as they are all crucial to the long-term success of Quilter.

**Glyn Jones**  
**Chairman**



## Role Profile - Chairman

### Main Accountabilities

#### Board Leadership and Management

- Provide leadership of the Board and manage the business of the Board through setting its agenda and taking full account of the issues and the concerns of Board members.
- Ensure that members of the Board receive accurate, timely and high-quality supporting information, in particular about the company's performance, to enable the Board to take sound decisions, monitor effectively and provide advice to promote the success of the company.
- Ensure that the Board decision-making processes are effective, including facilitating the running of the Board to assist it in providing independent oversight of executive decisions.
- Facilitate and encourage open and inclusive discussion, which challenges executives, where appropriate, particularly on matters of risk and strategy or other major proposals by drawing on Directors' skills, experience, knowledge and, where appropriate, independence.
- Ensure that the Board determines the nature and extent of the Group's risk appetite and that there are no impediments to the Board's effective oversight of risk.
- Build an effective and complementary Board, initiating change and regularly considering succession planning and Board composition, working with the Board Corporate Governance and Nominations Committee.
- Foster relationships founded on mutual respect and open communication between Non-executive Directors and management, both inside and outside the Boardroom.

#### Board Induction, Evaluation and Development

- Lead the development of and monitor the effective implementation of policies and procedures for the induction, training and professional development of all members of the Board.
- Lead the Board in the ongoing monitoring, and annual evaluation, of the performance of the Chief Executive.
- Ensure that the performance of individual Board members, and of the Board as a whole, is evaluated at least once a year. Ensure appropriate action plans are put in place and implemented as a result of the Board evaluation.

#### Governance

- Keep under review, with the Board, the general progress and long-term development of the Group.
- Promote the highest standards of corporate governance, seeking compliance with the provisions of the UK Corporate Governance Code 2018 (the "UK Code") wherever possible.
- Ensure that the Board is able to discharge its duties and comply with the requirements of statutory/regulatory bodies that affect the functioning and responsibilities of the Board.



## Relationship with Shareholders and other Stakeholders

Ensure effective communication with shareholders and other stakeholders and ensure that members of the Board develop and maintain an understanding of the views of major investors and other key stakeholders, and report annually on the nature and extent of the communication with major shareholders.

The Chairman will also

- Demonstrate ethical leadership and uphold the highest standards of integrity and probity setting clear expectations concerning Quilter's culture, values and behaviours.
- Provide effective leadership for the company, including representing the company and understanding the views of shareholders.
- Establish and develop effective working relationships with management, in particular, developing a close relationship of trust with the Chief Executive, providing support and advice while respecting executive responsibility.
- Consult with the Senior Independent Director on Board matters in accordance with the UK Code.
- Establish good working relations and open lines of communication with other Group Executive Committee members.
- Chair the Board Corporate Governance and Nominations Committee.
- Subject to the provisions of the UK Code, if required, be a member of the Board Remuneration Committee.

## Board Composition and Effectiveness

- Ensure the Board's committees are properly structured with appropriate terms of reference.
- Chair the Board Corporate Governance and Nominations Committee, and proactively remain apprised of matters relating to other Board committees through regular discussions with Board committee chairs outside of Board meetings.
- Take the lead role in determining the Board's composition and structure, regularly considering succession planning and reviewing the balance between Executive and Non-executive Directors, and their knowledge, skills, experience and personalities. Make recommendations in terms of individual development and that of the Board as a whole in order to enhance overall effectiveness.
- Oversee the induction of newly appointed Board members and ensure adequate personalised training programmes on a continuing basis so that Non-executive Directors are equipped to engage proactively in Board deliberations, in particular in relation to risk, strategy and customer.
- Set performance standards for the Non-executive Directors and CEO and assess and make recommendations to the Board annually regarding the effectiveness of the Board as a whole, the Committees of the Board and individual Directors.
- Monitor the Board for potential conflicts of interest and where identified, ensure that they are avoided or managed appropriately.

## Representing Quilter Externally

- At all times represent the views of Quilter and its position (as determined by the Board) on key public policy and industry matters.
- Ensure shareholder, regulator and other stakeholder engagement communications are effective, including liaison with government where it chooses to initiate contact directly.



## Role Requirements

- **Time commitment** – The Chairman is expected to commit to expend the time that is necessary to fulfil his duties. It is expected this will be equivalent to approximately 2 – 3 days per week in normal circumstances.
- **Experience** – Experience on the Board of a listed company. Good understanding of the role of a Chairman and able to operate effectively in such a role. Relevant financial industry experience is desirable.
- **Knowledge** – The Chairman must have a good understanding and experience of UK boardroom and corporate governance issues.

## Key Competencies and Behaviours

In addition to the required competencies and behaviours of a Non-executive Director, the Chairman must demonstrate the following:

### Provision of effective leadership to the Board

- Sets the Board agenda and pro-actively manages Board business to ensure the most appropriate use of the Board's time.
- Engages and supports individual members to enhance Board activities and discussions.
- Ensures that the Board operates effectively as a team.
- Ensures that membership of the Board is a stimulating and enjoyable experience for Board members.
- Promotes effective communication between Executive Directors and Non-executive Directors.

### Effective Chairmanship of Meetings

- Empowers all Board members to challenge issues openly whilst preventing unnecessary or acrimonious conflict.
- Encourages and manages vigorous debate whilst achieving closure on issues.
- Ensures time is allocated appropriately, ensuring the business of the meeting is completed whilst allowing appropriate discussions of individual items.
- Facilitates, encourages and expects informed and critical contribution from Directors in discussion and decision-taking, particularly on matters of risk and strategy.
- Ensures Directors receive all information in an accurate, timely and clear form that is relevant to the discharge of their duties.

### Be a respected Ambassador for Quilter

- Be comfortable dealing with regulatory interests.
- Be able to command respect of key opinion formers.
- Has the skill to chair an Annual General Meeting and deal with challenging and diverse shareholder questions.

**The above accountabilities, role requirements, competencies and behaviours are to be read in addition to the Charter of Expectations for Directors and any other Board positions held.**



## Role Profile – Senior Independent Director

### Main Accountabilities

#### The role of the Senior Independent Director is to:

- Provide a sounding board for the Chairman and provide support for the Chairman in the delivery of his objectives.
- Serve as a trusted intermediary for the Directors, when necessary.
- Be available to shareholders if they have concerns relating to matters, which contact through the normal channels of Chairman, Chief Executive or Chief Financial Officer has failed to resolve, or for which such contact is inappropriate.
- Maintain contact as required with major shareholders to understand their issues and concerns, including attending meetings where necessary with shareholders to listen to their views in order to help develop a balanced understanding of the issues and concerns of major shareholders.
- Support the Chairman in ensuring the Board are aware of the views of major shareholders.
- Meet with the Non-executive Directors without the Chairman present at least annually and taking into account, the views of the Executive Directors, lead the Non-executive Directors in the ongoing monitoring and annual evaluation of the Chairman, including assessing:
  - the extent to which the Chairman has fulfilled his responsibilities; and
  - the quality and sufficiency of the resources allocated to the Chairman's office and communicating results of the evaluation to the Chairman.
- Together with the Board Corporate Governance and Nominations Committee, take responsibility for an orderly succession process for the Chair position.

### Role Requirements

- **Time Commitment** – The Senior Independent Director will be expected to commit time as required to the role, which will include committing significantly more time to the role in exceptional circumstances.
- **Experience** – Significant experience of serving on Boards preferably in the financial services industry.

### Key Competencies and Behaviours

- **Trust/Respect** – Must be able to command the trust and respect of fellow Directors and be seen as an individual to whom Directors and Institutional Shareholders can raise concerns, which contact through normal channels has failed to resolve or for which such contact is inappropriate.
- **Political Awareness** – Must have experience in managing sensitive situations in a complex organisation at a time of significant change.
- **Judgement** – Must be able to demonstrate excellent judgement under pressure.

**The above accountabilities, role requirements, competencies and behaviours are to be read in addition to the Charter of Expectations for Directors and any other Board positions held.**



## Role Profile – Directors

### Introduction

The Board is responsible to shareholders for creating and delivering sustainable shareholder value through the management of the Group's businesses. It should therefore, determine the objectives and policies of Quilter to deliver such long-term value, providing overall strategic direction within a framework of rewards, incentives and controls. The Board must ensure that management strikes an appropriate balance between promoting long-term growth and delivering short-term objectives.

The Board, in order to be effective, should demonstrate ethical leadership and promote the Company's collective vision of its purpose, values, culture and behaviours. The Directors should lead by example and ensure that good standards of behaviour permeate throughout all levels of Quilter. This will help prevent misconduct, unethical practices and support the delivery of long-term success.

Directors must act in a way they consider, in good faith, would promote the success of the Company for the benefit of the shareholders as a whole and, in doing so, have regard (amongst other matters) to:

- the likely consequences of any decision in the long-term;
- the interests of Quilter's employees;
- the need to foster positive business relationships with suppliers, customers and others;
- the impact of Quilter's operations on the community and the environment;
- the desirability of Quilter maintaining a reputation for high standards of business conduct; and
- the need to act fairly between shareholders of Quilter.

The Board is also responsible for ensuring that management maintain a system of internal control, which provides assurance of effective and efficient operations, internal financial controls and compliance with law and regulation. In carrying out this responsibility, the Board must have regard to what is appropriate for Quilter's customers, business and reputation, the materiality of the financial and other risks inherent in the business and the relative costs and benefits of implementing specific controls.

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

### General to all Directors

- Provide entrepreneurial leadership of the Company, within a framework of prudent and effective controls, which enable risk to be assessed and managed.
- Approve the Company's strategic aims, ensuring that the necessary financial and human resources are in place for the Company to meet its objectives and review management performance.
- Set the Company's values and standards and ensure that its obligations to its shareholders, customers and others are understood and met.
- Act in accordance with the General Duties of Directors in Sections 171 to 177 of the Companies Act 2006. In addition, Directors will comply with all legal and regulatory obligations applicable to them and must ensure that the Company does everything that is required of it by law and regulation.
- At all times show respect to Board colleagues and those giving reports or presentations to Board or Committee meetings by being full focused on the activities and debate at that meeting.

Where Directors have concerns that cannot be resolved about the running of the Company or a proposed action, they should ensure that their concerns are recorded in the Board minutes.



Directors must at all times be and remain fit and proper to carry out their roles in accordance with the criteria issued from time to time by the Company's regulators.

## Specific requirements for Non-executive Directors

### The role of the Senior Independent Director is to:

- Provide effective oversight and constructive challenge, helping to develop proposals on strategy and then fully empowering the Executive Directors to implement the strategy.
- Uphold high standards of integrity and probity and support the Chairman and Executive Directors in instilling the appropriate culture, values and behaviours in the Boardroom and throughout Quilter.
- Scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance.
- Apply their judgement to the business of the Board, leveraging their knowledge of the business.
- Satisfy themselves on the integrity of financial information and that financial controls and systems of risk management are robust and defensible.
- Scrutinising the design and implementation of remuneration policy, including determining appropriate levels of remuneration for Executive Directors.
- Providing objective views on resources, appointments and standards of conduct, having a prime role in appointing and, where necessary, removing Executive Directors and in succession planning for these positions.
- Complement the skills and experience of the Executive Directors, in particular by bringing to bear a different range of knowledge, experience and insight from other industries.
- Ensure that individual business decisions confirm to agreed strategies and policies.

## Role Requirements

- **Time Commitment** – Expected time commitment will be agreed on an individual basis with each Non-executive Director. The expected time commitment for a Non-executive Director is normally at least 30 days a year.
- **Meetings** – Attends all required Board and Board Committee meetings unless exceptional circumstances prevail. Be well prepared for and contributes to all Board and Board Committee meetings and discussions, taking part in collective Board and Board Committee decisions.
- **Independence** – Maintenance of own independence as measured by the independence criteria for Non-executive Directors set out in the UK Code.
- **Conflict of Interest** – Takes all reasonable actions to avoid potential conflicts of interest and discloses any that may arise.
- **Business Awareness** – Ensure they have the knowledge and understanding of the business to enable them to contribute effectively. On appointment, a Non-executive Director should devote sufficient time to a comprehensive, formal and tailored induction programme to acquire an understanding of the main areas of business activity, in particular those that involve significant risk. Each Non-executive Director will review their development annually with the Chairman.





## Key Competencies and Behaviours

### “Committed to maximising long-term shareholder value”

#### High Performance Indicators

- Effectively leads Quilter towards the achievement of its strategic objectives.
- Prepared to challenge established thinking on current strategy or practice for the longer-term benefit of Quilter.
- Draws on real-life examples from experience in a way that illustrates possible answers to situations.
- Is focused on ensuring that Quilter performs to the highest levels of shareholder expectation.

### “Helps shape corporate strategy”

#### High Performance Indicators

- Is well informed about the company and the external environment, bringing that knowledge to bear in the development of Quilter strategy.
- Raises relevant strategic issues (such as competition, impact on customers and other stakeholders and marketplace issues), influencing the shaping of Quilter or business unit level strategy.
- Tests proposals on strategy put forward by the executive.
- Effectively contributes to the evolution of the corporate strategy and assists in its implementation through advice and counsel
- Utilises full breadth of skills and experience to add value to all strategic discussions.

### “Demonstrates independence of judgement”

#### High Performance Indicators

- Willing to stand up for and defend own beliefs and values in the face of opposition.
- Able to challenge effectively outside own area of expertise.
- Demonstrates the courage to take a stand and challenges other’s assumptions, beliefs or viewpoints as necessary for the good of the organisation.

### “Questions intelligently, debates constructively, challenges rigorously and decides dispassionately”

#### High Performance Indicators

- Asks searching questions, which are focused on the key value at risk issues for the Group.
- Willing to challenge openly and rigorously, without leading to unnecessary conflict.
- Takes difficult decisions dispassionately whilst also being aware of the political implications.
- Able to deal effectively with complexity and assimilates knowledge quickly.
- Satisfies him/herself that Board discussion and decision-taking on risk matters is based on accurate and appropriately comprehensive information and draws, as far as he/she believes it to be relevant or necessary, on external analysis and input.
- Takes into account, the views of shareholders and other stakeholders, which may provide different perspective on the Group and its performance.



## “Has the trust and respect of other members of the Board”

### High Performance Indicators

- Commands the respect of his/her Board colleagues.
- Comments and observations are valued by Executive Directors and management alike.
- Is seen as even-handed in all his/her dealings with the Board and management.
- Supports executives in their leadership of the business whilst monitoring their conduct and performance.
- Is well-informed about Quilter and has a strong command of the issues relevant to the business ensuring he/she is sufficiently and appropriately informed of relevant matters prior to taking part in Board or Board Committee discussions and decisions.

## “Effective member of the Board team”

### High Performance Indicators

- Demonstrates openness to being challenged on assumptions, beliefs, viewpoints and is willing to re-examine them in order to reach new conclusions.
- Will participate in robust and rigorous debates and then work with peers to arrive at new solutions.
- Listens sensitively to the views of others, inside and outside the Board.
- Is willing to enhance their contribution through receipt of feedback.
- Fully empowers the Executive Directors to implement the strategic decisions taken by the Board.

## “Uses network of contacts effectively”

### High Performance Indicators

- Is always alert to how network of contacts may be utilised for the benefit of Quilter.

## “Upholds high standards of integrity”

### High Performance Indicators

- Actively promotes and demonstrates the appropriate culture, values and behaviours of the Boardroom and beyond, including upholding Quilter values.

## Committee Chair – Charter of Expectations

The Chairs of Board Committees fulfil an important leadership role similar to that of the Chair of the Board, particularly in creating the conditions for overall committee and individual director effectiveness. The Chairs of Board Committees will preside at meetings of the Board Committees, ensuring that the Board Committees fulfil their responsibilities as set out in their terms of reference in an efficient and timely manner.



## The key duties of a Board Committee Chair will be:

### Provision of Effective Leadership to the Committee

- Pro-actively manages the annual calendar of business to ensure most appropriate use of the Committee's time, including ensuring that the Committee meets with sufficient frequency and devotes sufficient time and attention to the matters within its remit.
- Ensures, in conjunction with the Chairman and the Board Corporate Governance and Nominations Committee, high quality committee membership with an appropriate balance of skills and experience.
- Facilitates the running of the Committee to assist it in providing independent oversight of executive decisions.
- Engages and supports individual members to enhance Committee activities and discussions.
- Ensures that the Committee operates effectively as a team.
- Ensures that membership of the Committee is a stimulating and enjoyable experience.
- Ensures that the Committee's performance is evaluated annually.

### Effective Chairmanship of Meetings

- Empowers all Committee members to challenge issues openly whilst preventing unnecessary or acrimonious conflicts, fostering open, inclusive discussion, which challenges executives, where appropriate.
- Encourages and manages vigorous debate whilst achieving closure on issues.
- Ensures time is allocated appropriately and ensures the business of the meeting is completed whilst allowing appropriate discussions of individual items.
- Ensures Committee's work is in accordance with best practice so that the Committee is able to discharge its duties and comply with statutory/regulatory requirements.
- Ensures appropriate flow of timely and high-quality information to the Committee and its members.
- Ensures the Committee is able to provide appropriate assurance to the Board on the issues within its terms of reference.
- Ensures Committee members receive appropriate induction and ongoing training.

### Reporting to the Board

- Ensures high quality reporting to Board on the work and activities of the Committee, including escalation of and identification of solutions to issues and concerns identified by the Committee.



## Role Profile – Executive Director

### Introduction

Executive Directors bear the responsibility (under the leadership of the Chief Executive) for making and implementing operational decisions and running the Quilter business on a day-to-day basis.

The duties of an Executive Director include the general duties applicable to all Directors as set out previously. These duties extend to the whole of the business and not just that part of it covered by their individual executive responsibilities.

### Executive Director – Charter of Expectations

#### Role Requirements

- **Time Commitment** – Executive Directors are expected to attend all Board meetings each year and be available to attend meetings of Board Committees when required to do so.
- **Meetings** – Is well prepared for all Board meetings.
- **Knowledge** – Be knowledgeable of own areas of responsibility as well as understanding the strategic priorities facing the Group.

#### Key Competencies and Behaviours

Executive Directors are expected to:

- Effectively lead Quilter towards the achievement of its strategic objectives and implement the strategic decisions taken by the Board.
- Use their specialist knowledge and experience, both of their own business and wealth management services generally, to assist the Board in consideration of strategic issues, and ensuring that decisions taken are in the Group's best interests.
- Help ensure that the Board receives relevant, accurate, timely and high-quality supporting information and presentations necessary for it to fulfil its duties.
- Put the interests of the Group before those of their specific area of responsibility, in particular being prepared to participate fully in the Board's collective decision-taking as a team member rather than a functional or cluster advocate.
- Be open to constructive challenge from Non-executive Directors.
- Manage any conflicts of interest between their role as a Board member and as an executive.
- Be sensitive to the collective responsibility of the Board for creating shareholder value and be mindful of having all of the responsibilities of a Director.
- Be aware of their wider responsibilities when they join the Board and ensure that they receive appropriate training to enable them to fulfil their role.
- Be willing to enhance their contribution through receipt of feedback.
- Actively promote and demonstrate the appropriate culture, values and behaviours of the Boardroom and beyond, including upholding Quilter values.

