

**Quilter plc
(the “Company”)**

Matters Reserved to the Board

Approved by the Board on 19 April 2018

Introduction

The Formal Constitution and Role of Board Committees

The Board of Quilter plc (the “Board”) is responsible for the management of the Company’s business, for which purpose they may exercise all the powers of the Company.

The Board is empowered by the Company’s Articles of Association, to delegate any of the powers which are conferred upon them under the Articles of Association as they think fit.

Any such delegation may authorise further delegation of the Directors’ powers by any person to whom they are delegated.

The Directors may revoke any delegation in whole or part, or alter its terms and conditions.

Each Board committee must comprise one or more Board members and may also appoint non – Board members so long as a majority of the committee’s members consist of Directors. The Board is able to delegate some of its powers, authorities or discretions to Board committees.

Board committees to which the Directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the Articles which govern the taking of decisions by the Directors.

The Board has delegated sufficient of its authority to the Group Chief Executive Officer to enable him to manage the day to day operations of the Group, subject to the below schedule of Matters Reserved to the Board (the “Matters Reserved”).

The Matters Reserved should be read in conjunction with the Group Governance Manual, which the Board has approved. All matters requiring Board decision should follow and complete the relevant governance processes set out in the Group Governance Manual prior to being considered by the Board, unless there are exceptional circumstances in existence, as agreed by the Board. Where matters are described as being ‘material’, reference should be made to the Group Governance Manual to establish direct financial materiality thresholds requiring Board approval. If the matter has no direct or immediate financial implications, the long term impact should be considered to assess whether it is likely to be of a similar quantum or significance to the Group.

Some Matters Reserved may also be subject to shareholder approval, in accordance with law, regulation or best practice.

SCHEDULE OF MATTERS RESERVED TO THE BOARD¹

1 Strategy and management

- 1.1 Approval of the Group's strategic aims and objectives.
- 1.2 Approvals of the annual operating and capital expenditure budgets and any material changes to them.
- 1.3 Oversight of the Group's operations ensuring:
 - Competent and prudent management;
 - Sound planning;
 - Maintenance of sound management and internal control systems;
 - Adequate accounting and other records; and
 - Compliance with statutory and regulatory obligations.
- 1.4 Review of performance in the light of the Group's strategic aims, objectives, business plans and budgets and ensuring that any necessary corrective action is taken.
- 1.5 Extension of the Group's activities into new business or geographic areas.
- 1.6 Any decision to cease to operate all or any material part of the Group's business.

2 Structure and capital

- 2.1 Changes relating to the Group's capital structure including reduction of capital, share issues (except under employee share plans), share buyback and the use of treasury shares.
- 2.2 Major changes to the Group's corporate structure, including, but not limited to acquisitions and disposals of shares which are material relative to the size of the Group (taking into account initial and deferred consideration).
- 2.3 Changes to the Group's management and control structure.
- 2.4 Any decision to apply for the listing of the Company's shares in any market, a change in the status of any such listing, or a withdrawal from a current listing of the Company's shares.

¹ The quorum for Board meetings is 5. The quorum for Board meetings convened to approve the Company's Annual Reports and Financial Statements, is 3. Unless otherwise set out in their respective Terms of Reference, the quorum for Board committees is 2.

3 Financial reporting and controls

- 3.1* Approval of the half-yearly report, any quarterly announcements of performance of the business and any preliminary announcement of the final results.
- 3.2* Approval of the annual report and accounts, including the corporate governance statement and Directors' remuneration report.
- 3.3* Approval of the dividend policy.
- 3.4* Declaration of the interim dividend and recommendation of the final dividend.
- 3.5* Approval of any significant changes in accounting policies or practices.
- 3.6 Approval of treasury policies including foreign currency exposure and the use of financial derivatives.

4 Internal controls

- 4.1 Ensuring maintenance of a sound system of audit, risk management, compliance and internal control including:
 - Approving the Group's risk appetite statements;
 - Receiving reports on, and reviewing the effectiveness of, the Group's risk and control processes to support its strategy and objectives;
 - Approving procedures for the detection of fraud and the prevention of bribery;
 - Undertaking an annual assessment of these processes; and
 - Approving an appropriate statement on internal controls and viability for inclusion in the annual report.

5 Contracts

- 5.1 Approval of material capital projects and oversight over execution and delivery.
- 5.2 Contracts which are material strategically or by reason of size, entered into by the Company or any subsidiary of the Group in the ordinary course of business.
- 5.3 Contracts of the Company or any subsidiary not in the ordinary course of business.
- 5.4 Major investments including the acquisition or disposal of interests of more than 20 percent in the voting shares of any company or the making of any takeover offer.

6 Communication

- 6.1 Approval of resolutions and corresponding documentation to be put forward to shareholders at a general meeting.
- 6.2* Approval of all circulars, prospectuses and listing particulars. The approval of routine documents such as periodic circulars about scrip dividend procedures or exercise of conversion rights may be delegated to any one Director.

7 Board membership and other appointments

- 7.1* Changes to the structure, size and composition of the Board, following recommendations from the Board Corporate Governance and Nominations Committee.
- 7.2*² Ensuring adequate succession planning for the Board and senior management so as to maintain an appropriate balance of skills and experience within the Company and on the Board.
- 7.3* Appointments to the Board, following recommendations by the Board Corporate Governance and Nominations Committee.
- 7.4* Selection of the Chairman of the Board and the Chief Executive Officer.
- 7.5* Appointment of the Senior Independent Director to provide a sounding board for the Chairman and to serve as intermediary for the other Directors when necessary.
- 7.6* Membership and Chairmanship of Board committees following recommendations from the Board Corporate Governance and Nominations Committee.
- 7.7* Continuation in office of Directors at the end of their term of office, when they are due to be re-elected by shareholders at the AGM and otherwise as appropriate.
- 7.8* Continuation in office of any Director at any time, including the suspension or termination of service of an executive Director as an employee of the Company, subject to the law and their service contract.
- 7.9* Appointment or removal of the Company Secretary.
- 7.10* Recommendation of the appointment, reappointment or removal of the external auditor to shareholders for approval in general meeting, following the receipt of advice from the Board Audit Committee.

² Currently delegated to the Board Corporate Governance and Nominations Committee

8 Remuneration

- 8.1* Determining the remuneration policy for the Directors and other senior executives.
- 8.2 Determining the remuneration of the non-executive Directors (excluding the Chairman), subject to the Articles of Association.
- 8.3* The introduction of new share incentive plans or major changes to existing plans, for shareholder approval.

9 Delegation of authority

- 9.1* The division of responsibilities between the Chairman, the Chief Executive Officer and other executive Directors, which should be clearly established, set out in writing and agreed by the Board.
- 9.2* Establishing Board committees, approving their terms of reference, and approving material changes thereto.

10 Corporate governance matters

- 10.1* Undertaking a formal and rigorous annual review of its own performance, that of its committees and individual Directors, and the division of responsibilities.
- 10.2 Receiving reports on the views of the Company's shareholders to ensure they are communicated to the Board as a whole.
- 10.3 Authorising conflicts of interest as permitted by the Company's Articles of Association.

11 Other

- 11.1 The making of political donations.
- 11.2 Approval of the appointment of the Group's principal professional advisers.
- 11.3 Prosecution, commencement, defence or settlement of litigation, or an alternative dispute resolution mechanism involving significant financial exposure or being otherwise material to the interests of the Group.
- 11.4 Approval of the overall levels of insurance for the Group including directors' and officers' liability insurance and indemnification of Directors.
- 11.5 Major changes to the rules of the Group's pension scheme, or changes of trustees or when this is subject to the approval of the company changes in the fund management arrangements.

11 Other - continued

11.6 Any decision likely to have a material impact on the Company or Group from any perspective, including, but not limited to, financial, operational, strategic or reputational.

11.7 This schedule of matters reserved for Board decisions.

* Matters which the Board deems suitable for delegation are contained in the terms of reference of its committees.