

Quilter

Quilter TCFD
Report 2025





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Introduction

We are committed to using our resources, expertise, and influence to address climate-related risks and opportunities in the way we act, invest, and operate.

Steven Levin

Steven Levin
Chief Executive
Officer



The urgency of climate action continues to grow. We are living through a period of unprecedented global warming, and its impacts are increasingly visible across communities, ecosystems, and economies.

At Quilter, we recognise the responsibility we hold as a financial services provider to support the transition to a low-carbon, climate-resilient future. Guided by our core values and our commitment to doing the right thing, we continue to strengthen our response to climate-related risks and opportunities.

Alongside our TCFD Report, we are proud to publish Quilter plc's Climate Transition Plan ("CTP"), which sets out our strategic approach to decarbonising our operations and contributing to the UK's net zero goals. Our Responsible Investment Climate Action Plans ("CAPs") that we published in 2025 outline how we are responding to climate change from an investment perspective, including our plans to further integrate climate considerations into our investment processes and stewardship activities.

I am pleased that we have continued to progress in 2025, particularly in developing our operational and investment plans. We have made new hires across responsible investment and corporate sustainability to improve our capabilities and deliver on our strategies, and continue to invest in the systems and data needed to support robust and transparent reporting.

We know that the transition will require sustained effort, collaboration, and innovation. By sharing our plans and progress, we aim to equip our stakeholders with the information they need to navigate the evolving climate landscape and make informed decisions.

As we present this year's Task Force on Climate-related Financial Disclosures ("TCFD") Report, we reaffirm our commitment to contributing positively to the environment and society, while delivering long-term value for our clients, shareholders, and wider stakeholders.

The Quilter Board has reviewed and approved this TCFD Report and the Directors are collectively responsible for the completeness, accuracy and integrity of the climate-related financial disclosures within it. PwC has provided limited assurance over our operational emissions disclosed on page 62, and the scope of their engagement is set out in their assurance opinion in Appendix 3.

See the glossary for an explanation of key terms used in this report.



About Quilter

Quilter plc is a leading provider of financial advice, investments, and wealth management, committed to being the UK's best wealth manager for clients and their advisers.

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: **Affluent** and **High Net Worth**.



Affluent segment

Quilter Financial Planning

Supports around 1,450 restricted financial planners in the UK. Advisers within our network partner with us to help them run and grow their business. Our national advice business, Quilter Financial Advisers, helps customers across the UK with all their financial planning needs.

Quilter Investors

Our fund management business provides advisers and their customers with multi-asset investment solutions to meet their needs.

Quilter Investment Platform

Enables financial advisers to deliver the very best service to customers and their families, to help them achieve their financial goals. We offer a comprehensive range of products and investments through our award-winning online investment platform.

Quilter Invest

Our digital savings and investment app.

High Net Worth segment

Quilter Cheviot

Our discretionary fund management and financial planning business, which offers bespoke portfolio management services to over 35,000 clients and specialises in helping customers with complex financial needs.

Quilter's climate reporting

This report sets out Quilter plc's ("the Group's") approach and activities in relation to climate-related risks and opportunities for the year ended 31 December 2025. It has been prepared in accordance with:

- ▶ **the UK Listing Rules** (LR 9.8.6R(8) and LR 14.3.27R), which require premium and standard listed companies to make disclosures consistent with the recommendations of the TCFD on a 'comply or explain' basis;
- ▶ **the FCA's ESG Sourcebook** (ESG 2.2), which requires in-scope asset managers and asset owners to publish TCFD-aligned entity level disclosures and, where relevant, product level disclosures.

For 2025, Quilter plc has combined its UK Listing Rules TCFD disclosures with the TCFD entity reports for Quilter Cheviot Limited and the Affluent business (including Quilter Life & Pensions Limited and Quilter Investors Limited) into this single report. This approach has been adopted to streamline reporting and provide stakeholders with a comprehensive view of the Group's governance, strategy, risk management, and metrics and targets in relation to climate-related risks and opportunities.

The bulk of this report focuses on the Group's overall approach to managing climate-related risks and opportunities. Where our investment management entities have any material deviations from the Group level approach, these are clearly explained in their respective sections within the report. For an overview of the Group entities and activities in scope of this TCFD Report, please refer to the diagram on page 6.

For our operational risks, opportunities, emissions, and targets, we have chosen to report at the Group level rather than at an individual entity level. This is because operational risks apply consistently across all Group entities, and entities within the Quilter Group share resources, office space, and infrastructure. As a result, it is more logical and practical to measure operational emissions and set targets on a Group-wide basis rather than separately for each entity.

In producing this report, we have considered the following guidance:

- ▶ 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;
- ▶ the Financial Reporting Council's thematic review of TCFD and climate disclosures; and
- ▶ the Financial Conduct Authority's 2025 review of climate reporting by asset managers, life insurers, and FCA-regulated pension providers.



Our TCFD reporting is fully consistent with the Governance, Strategy, and Risk Management pillars of the TCFD recommendations and recommended disclosures of the TCFD Report.

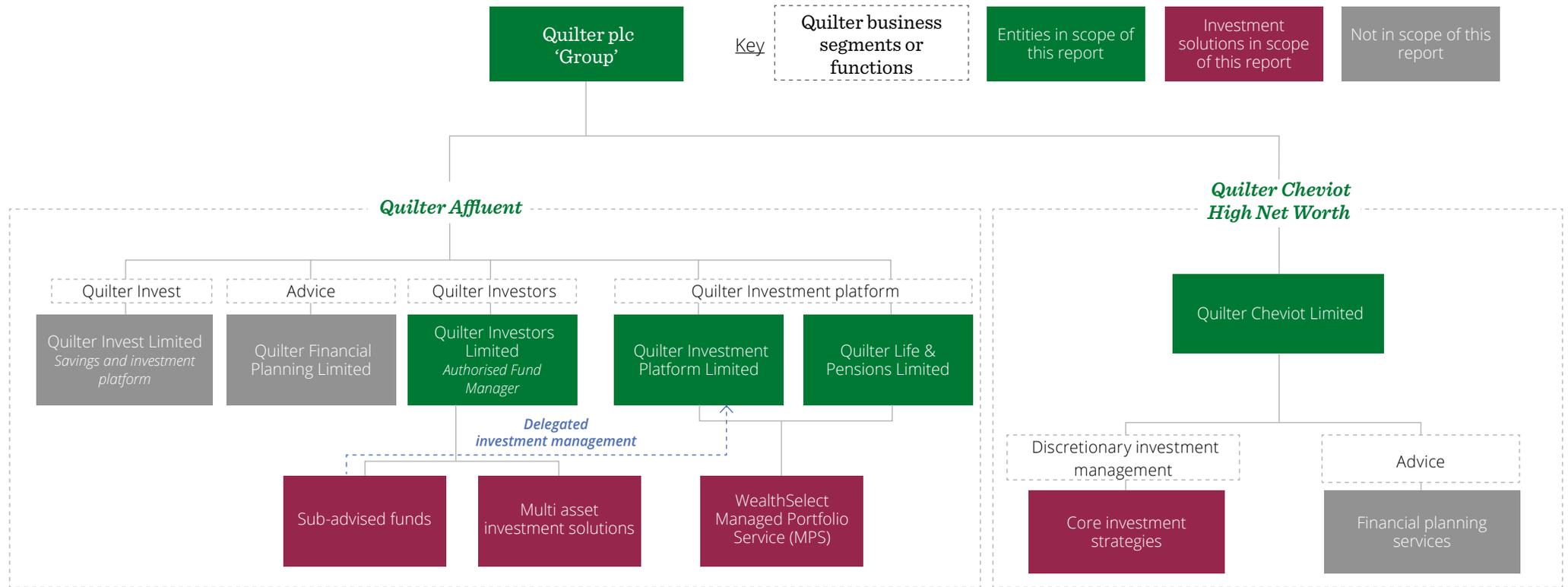
Where possible, we have made full disclosure consistent with the Metrics and Targets recommended disclosures. Due to data gaps in certain asset classes, such as alternatives, we are unable to disclose Scope 3, category 15 emissions for 100% of the investments we manage on behalf of our clients. Over time, as the scope of climate-related disclosure requirements expand, we expect data coverage for our investments to increase.

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 GHG Protocol and disclose these metrics on page 62. We have continued to enhance our methodology to improve the accuracy of our operational emissions disclosures, with a particular focus on better capturing emissions associated with our supply chain.

Our disclosures under each of the TCFD recommendations, along with their respective locations in this report, are outlined on pages 7 and 8.



Scope of our TCFD reporting



The Quilter Affluent TCFD product reports are available [here](#).

The Quilter Cheviot (High Net Worth) TCFD product reports are available [here](#).



Disclosure summary

Theme	TCFD recommended disclosure	Our disclosure	Page reference		
			Quilter plc	Affluent entities	Quilter Cheviot
Governance Disclose the organisation's governance around climate-related risks and opportunities.	Describe the Board's oversight of climate-related risks and opportunities.	<p>In the 'Governance' section we explain the role of the Quilter plc Board and Board Committees in relation to oversight of climate-related risks and opportunities, and the related information flows.</p> <p>We have also outlined the relevant management committees and individuals, and their role in climate-related risks and opportunities.</p> <p>Appendix 1 sets out the subsidiary Boards, Board Committees and management committees responsible for the oversight of climate risks and opportunities, and their activity in 2025.</p>	9-14	68-70	68, 71, 72
	Describe management's role in assessing and managing climate-related risks and opportunities.				
Strategy Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material.	Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.	<p>We have outlined the climate-related risks and opportunities that we have identified over various time frames at the Quilter plc level that also apply to our investment management entities.</p> <p>We explain the Affluent and High Net Worth ("HNW") entity-specific investment-related climate risks and opportunities, impacts, and mitigating actions in their respective risk management sections.</p>	15-21, 32-37	22-24, 30-35, 38, 39, 41	25-35, 38, 40, 41
	Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	<p>We have described the impact climate change has had on our:</p> <ul style="list-style-type: none"> - corporate sustainability strategy; - investment in people, data, and systems; - supplier engagement strategy; - executive remuneration; - workplace projects and change strategy; - investment products and services; and - Affluent and HNW responsible investment strategies. <p>We have also outlined our Group level climate-related strategic objectives that also apply to our investment management entities.</p>			
	Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	<p>At the Group level, we have explained how we have tested the resilience of our business model and financial position as part of our wider operational resilience and financial planning processes. We have also explained how we are planning to utilise the latest climate scenarios in our analysis.</p> <p>Our Affluent and HNW entities have disclosed the aggregated Climate Value at Risk ("CvaR") values under various Network for Greening the Financial System ("NGFS") scenarios.</p>			



Theme	TCFD recommended disclosure	Our disclosure	Page reference		
			Quilter plc	Affluent entities	Quilter Cheviot
	<p>Asset managers should describe how climate-related risks and opportunities are factored into relevant products or investment strategies.</p> <p>Asset managers should also describe how each product or investment strategy might be affected by the transition to a low-carbon economy.</p>	<p>Our Affluent and HNW segments outline their overarching approach to responsible investment in their respective 'Risk management' sections of this report. This includes how climate-related risks and opportunities are considered across our investment activities at an entity level.</p> <p>Our TCFD product reports provide detailed, strategy-specific disclosures. These include quantitative scenario analyses that assess how each investment strategy may be affected by the transition to a low-carbon economy under a range of climate scenarios.</p>			
<p>Risk Management</p> <p>Disclose how the organisation identifies, assesses, and manages climate-related risks</p>	<p>Describe the organisation's processes for identifying and assessing climate-related risks.</p> <p>Describe the organisation's processes for managing climate-related risks.</p> <p>Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.</p>	<p>We have explained our Group Risk Framework and how climate-related risks have been integrated within our risk management processes across the Group. We have also explained the climate-related risks identification and assessment processes both within our existing framework and via the standalone climate risk workshops.</p> <p>The Affluent and HNW sections of the 'Risk management' section explain our processes for identifying, assessing, and managing climate-related risks within our investment portfolios.</p>	42-46	46-50	51-59
<p>Metrics and Targets</p> <p>Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.</p>	<p>Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.</p> <p>Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas ("GHG") emissions, and the related risks.</p> <p>Describe the targets used by the organisation to manage climate-related risks and opportunities, and performance against targets.</p>	<p>This year we have included risk-monitoring metrics and indicators in our climate-related risks table in the 'Strategy' section of this report.</p> <p>We have disclosed both our operational and financed emissions. For our investments, we have also disclosed our CVaR metrics (used to monitor climate risks in our portfolios) on an aggregated basis, portfolio level metrics are published in the relevant product reports.</p> <p>We have outlined our 2030 operational emissions reduction target for Scope 1 and Scope 2, along with our current progress towards achieving it. The Quilter plc CTP details our existing targets and performance metrics, and also highlights additional measures under consideration to support our long-term climate ambitions.</p>	60-63	64, 66	65, 66



Governance

Our governance around climate-related risks and opportunities





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

The appointment and removal of the Company Secretary

Board Audit Committee

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

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 discharge his responsibilities, the Chief Executive Officer 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.



The Board's oversight of climate-related risks and opportunities

Our governance framework

The Quilter plc Board (the "Board") is the ultimate decision-making body for matters of Group-wide strategic, financial, risk, regulatory, or reputational significance. It is responsible to shareholders for creating and delivering sustainable shareholder value through the management of the Group's business areas whilst having regard to the interests of our key stakeholders, being our advisers, colleagues, communities in which we operate, customers, investors, and regulators. It determines the strategic objectives and policies of the Group to deliver long-term value, providing overall strategic direction within a framework of effective risk management and control.

The Board has delegated authority to a number of Board Committees, which assist the Board in delivering its responsibilities and ensuring that there is appropriate, independent oversight of internal control and risk management. Decisions on certain matters are specifically reserved for the Board, including the approval of the Group's strategy and financial budgets, risk appetite, financial statements, dividends, material corporate transactions, and Board appointments. The schedule of Matters Reserved to the Board and the Terms of Reference for the Board Committees are published on the Quilter website at plc.quilter.com.

The Board has also delegated authority for the operational management of the Group's business areas to the Group Chief Executive Officer within certain limits for execution to support the effective day-to-day running and management of the Group. The Group Chief Executive Officer has delegated responsibility to certain senior executives (principally other members of the Quilter Group Executive Committee) within prescribed limits. The Group Chief Executive Officer and his Executive Committee are supported by several management committees which operate under his delegated authority. The authority of these management committees is documented within their respective Terms of Reference.

Governance of responsible investment and corporate sustainability including climate-related risks and opportunities

The Board is responsible for setting and overseeing the delivery of the Group's strategic priorities, including those in relation to responsible investment and corporate sustainability. The Board is briefed regularly on responsible investment performance and annually on the progress made on the implementation of Quilter's corporate sustainability initiatives, including our targets, goals, and ambitions, and any key issues impacting their delivery. These updates include the strategic approach to responsible investment and climate issues, and related commitments.

The Board Audit Committee oversees the principles, policies, and practices adopted in the preparation of the Group's climate-related disclosures. It receives updates on the production of our 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. It also oversees the limited assurance work performed by Quilter's external auditors, PwC, over our TCFD reporting. Following review and recommendation by the Board Audit Committee, the Group TCFD Report is reviewed and approved by the Board.

The Board Audit Committee is also responsible for overseeing the Internal Audit function, including approving the annual audit plan that provides independent assurance on the effectiveness of the controls for Quilter's risks, including the sustainability control framework and disclosures. It receives regular updates and reports from Internal Audit on the outcomes of this assurance work and the actions taken by management to address any identified issues.

The Board Risk Committee is responsible for overseeing the management of risks, including the structure and implementation of Quilter's Risk Management Framework. In relation to climate-related risks, the Board Risk Committee assesses the risk disclosures and mitigating actions included in our TCFD reporting. It also challenges the assessment of financial risks as part of both the Group Internal Capital Adequacy and Risk Assessment Report, and the Own Risk and Solvency Assessment Report, which include climate-related scenarios.

The Board Remuneration Committee oversees and approves the remuneration arrangements for the Group, including consideration of environmental, social, and governance ("ESG")-related metrics and targets, which form part of the executive scorecard for reward purposes. Climate-related metrics, specifically the reduction in Scope 1 and 2 emissions, and the Principle for Responsible Investment ("PRI") framework which both form part of Quilter plc's long-term incentive plan ("LTIP"), are routinely reviewed by the Board Remuneration Committee. These updates provide an indicative view of forecast outcomes for LTIP awards, and inform target setting and any changes to performance measures for future awards.



Management’s role in overseeing climate-related risks and opportunities

Group level management committees are detailed below. For further information on Affluent and HNW specific management committee governance please refer to page 70.

Management committees

Management body	Climate-related responsibilities	Activity in 2025
Quilter plc Executive Committee	<p>Supports the Group Chief Executive Officer in discharging his responsibilities for the management of the Group, including the management of climate-related risks and opportunities.</p> <p>Receives regular updates from the Corporate Sustainability and Responsible Investment teams with regards to progress and delivery of our strategy. This includes how the business is responding to climate-related risks and opportunities.</p> <p>Reviews and provides challenge on our Group level climate strategy, Responsible Investment CAPs and climate-related reporting, including the Group TCFD Report.</p> <p>These processes allow the Group Chief Executive Officer, Chief Financial Officer (“CFO”), and other accountable members of the Committee to oversee Quilter’s approach to climate change and provide the Board with sufficient information regarding climate risks and opportunities, and our approach as required.</p>	<p>In 2025, the Executive Committee received at a minimum, quarterly updates from the Corporate Sustainability and Responsible Investment teams.</p> <p>These updates included:</p> <ul style="list-style-type: none"> – the review and approval of our TCFD and Stewardship Code reporting Q1 2025. This includes our prior year activities with regards to climate-related risk management and active ownership, as well as our forward-looking priorities in this space; – a second Responsible Investment and Corporate Sustainability update in Q3 that provides a strategic update for both areas. This includes an ESG regulatory horizon scanning update, progress against our operational emissions target, and responsible investment-related management information, such as climate-related voting and engagement statistics, and updates on the implementation of our CAPs; – approval of our 2025 approach to climate and sustainability reporting, including the decision to incorporate our TCFD Entity reports into the Quilter TCFD Report; and – review of the Quilter plc Corporate Sustainability Strategy and CTP, which included a review of our existing targets and progress, and how we intend to achieve them via our property and engagement strategies.
TCFD and Sustainability Disclosure Requirements (“SDR”) Steering Committee	<p>This committee was established during the initial implementation of the TCFD and SDR regulatory requirements to provide management oversight and accountability for TCFD and SDR decision-making.</p> <p>Attended by accountable executives and key stakeholders, the Steering Committee is responsible for overseeing the development of the Group, Entity, and Product TCFD reporting, and related decision-making.</p> <p>The Committee meets monthly and is updated on progress, risk developments, and any changes to our TCFD reporting, including scenario analysis, risk management, and climate-related risks and opportunities.</p> <p>As climate-related reporting has now been integrated into Business-As-Usual (“BAU”) processes, this committee will not be taken forward into 2026. Going forward, the responsible teams will provide regular updates to the relevant senior managers and escalate decision-making on an ad hoc basis as required.</p>	<p>The Committee met monthly in 2025 and oversaw the updates to our TCFD reporting and our climate metrics. The Committee provided challenge on key decisions and ensured the Group, entity, and product level TCFD disclosures, which include Quilter’s climate-related risks and opportunities, were delivered on time and in line with expectations.</p> <p>Key decisions surrounding operational and financed emissions processes were also made by the Committee.</p> <p>An additional sub-committee was established to oversee the selection and implementation of a new operational emissions platform provider.</p>
Executive Risk Management Committee (“ERMC”)	<p>Assists the Chief Executive Officer in the oversight, challenge, and monitoring of material risks, including those related to the climate.</p> <p>Reviews Quilter’s risk profile for both current and potential future risks, including climate-related risks over the short, medium, and long term, and overseeing the mitigation of those risks.</p>	<p>Updated key indicators for Scope 1, 2, and 3 emissions were provided to the Committee as part of the regular risk appetite reporting.</p> <p>Reviewed the annual climate-related risk assessment to ensure oversight and adequate management of identified climate-related risks.</p>

Key people and climate resourcing

Executive leaders

John Goddard

Chief Executive Officer of Quilter Cheviot



John Goddard was appointed Chief Executive Officer of Quilter Cheviot in 2025 and assumed Executive Sponsor responsibilities relating to Quilter Cheviot's responsible investment strategy and Quilter plc's corporate sustainability strategy.

At the Group level, John 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 is the owner of the level 2 risk category for Responsible Investment and Corporate Sustainability. John is a member of the Quilter Plc Executive Committee and will present 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 an annual basis.

Marcus Brookes

Managing Director and Chief Investment Officer of Quilter Investors



Marcus oversees delivery of the Responsible Investment Strategy for the Affluent segment and collaborates with John to ensure an aligned approach across both business segments. Marcus is a member of the Quilter plc Executive Committee and the Affluent Responsible Investment Steering Committee, and presents updates on Responsible Investment strategies pertaining to the Affluent segment, including the Affluent climate strategy and material developments in climate issues, to the Board and board committees on a regular basis.

Nick Sacre-Hardy

Interim Chief Risk Officer



Nick is Quilter's Chief Risk Officer ("CRO"). In his role as CRO, Nick oversees the Group Risk Framework and reporting of risks, including those related to climate, to the Board.

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").



Resources

Integration of climate risk across our key business areas

The Head of Prudential Risk represents the risk function at the TCFD working group and is responsible for overseeing our Group level scenario analysis, alongside members of the Prudential Risk team. The Group Risk Framework is owned by the Head of Risk Monitoring and Oversight, who plays a key role in the integration of climate risk across our wider Risk Framework.

Our two Heads of Responsible Investment (Affluent and HNW) oversee the development and delivery of the Responsible Investment strategy for their respective business segments which incorporates the identification and management of climate-related risks and opportunities for our investments.

Climate risks are also a key consideration for our Group Finance function. The Group Finance Director oversees the assessment of financial impacts of climate-related risks and opportunities, and related reporting. In 2025, we allocated resource within the Financial Reporting team to work with the Corporate Sustainability team. This role supports the integration of climate-related risks into our Finance function, including our financial reporting in 2025.

Our Reward Director oversees the integration of climate-related metrics into Executive remuneration and ensures our Remuneration Committees receive timely updates on Key Performance Indicators (“KPIs”) used to assess the climate metrics within the incentive plans.

Responsible Investment teams

Climate change is one of three thematic priorities for stewardship across Quilter. The Responsible Investment teams across Affluent and HNW engage directly with fund managers and equity holdings (where held directly), vote on shareholder resolutions, and collaborate with research and investment colleagues to integrate ESG factors (including climate change) into our investment processes. See our ‘Risk management’ section for more information on our responsible investment approach to climate risks and opportunities.

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 provides quarterly progress updates to the Quilter plc Executive Committee and updates the Board annually.

TCFD Working Group

The TCFD Working Group is responsible for the production and delivery of the Group report. The group meets monthly in the second half of the year and comprises representatives from Responsible Investment, Risk, Compliance, Finance, and Corporate Sustainability teams.

Climate Risk Identification Workshop

This is a separate cross-functional workshop with colleagues from functions across Quilter to consider the risks posed to the Group as a result of climate change and the transition to a low-carbon economy. The workshop is held annually to review our climate-related risks, monitor any developments, and assess the impact on Quilter. The output from this workshop is presented to the Executive Risk Management Committee.

Operational Sustainability Working Group

To support the delivery of Quilter’s decarbonisation objectives, the Operational Sustainability Working Group was established in August 2025. This cross-functional forum brings together key stakeholders from the Security and Property team, the Corporate Sustainability team, and our third-party facilities management provider. It facilitates structured collaboration and communication to ensure the property-related components of our Corporate Sustainability Strategy and CTP are effectively implemented and monitored.



Strategy

The climate-related risks and opportunities we are exposed to and the impact of climate-related issues on our business and strategy

Climate impact

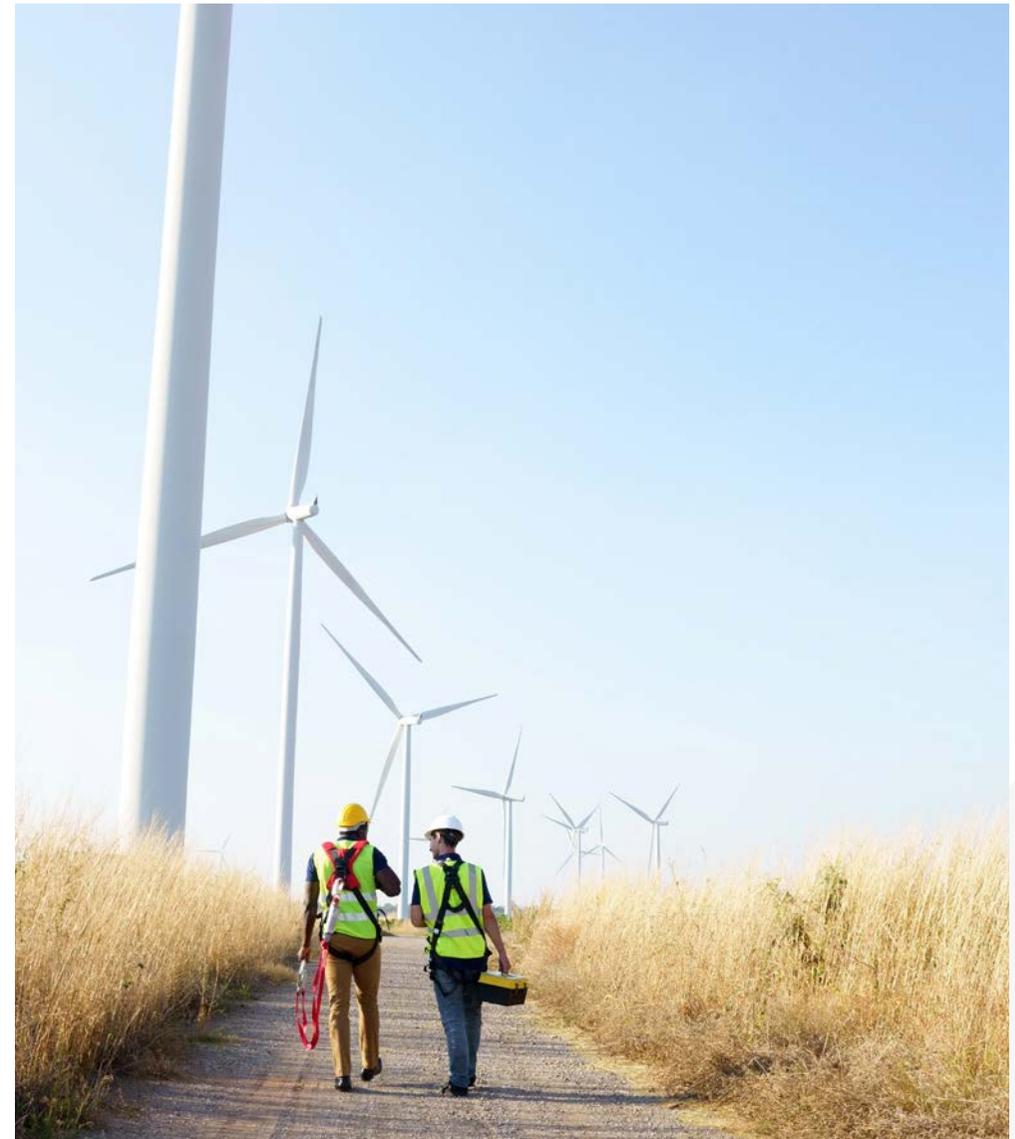
In developing our climate strategy, we have considered how we can reduce our impact on climate change using our levers for action and how we can reduce the impacts of climate change on our business and customers.

Quilter's impact on climate change:

We have divided our climate impacts into two key areas:

- ▶ **Corporate Sustainability** – the carbon footprint associated with our operations and the behaviours of our colleagues. In 2025, we developed the Corporate Sustainability Strategy for Quilter plc that is the foundation of our CTP; and
- ▶ **Responsible Investment** – the impacts of our behaviours as an investor and steward of our customers' investments. Whilst we have a Group level objective to be a responsible investor, this is implemented by our business segments' individual Responsible Investment Strategies that seek to address the impact our investment management activities have on climate change.

Business area	Objectives and levers for action
Operational	Reduce our operational carbon footprint and achieve net zero by 2050 by capitalising on climate-related opportunities across our buildings and operations.
	Reduce the emissions resulting from our upstream supply chain and improve our climate resilience by engaging with our suppliers to encourage the development of climate transition plans, target setting, and disclosure of climate-related risks.
	Actively monitor our exposure to climate-related risks via our Risk Management Framework and controls to ensure, as a business, Quilter remains operationally resilient to the impacts of climate change and the transition to a low-carbon economy.
Investments	Facilitate our customers' objectives to contribute to a low-carbon, climate-resilient economy by capturing their preferences and offering sustainability-linked investment strategies that invest in climate solutions and avoid carbon-intensive investments.
	Use our levers as an investor to contribute to the just transition to a low-carbon economy through direct and collaborative engagement and voting activities with companies and fund managers.
	Ensure our investment portfolios are resilient to climate-change risks by integrating environmental considerations primarily through research, due diligence, and information for use in investment processes and stewardship.





How does climate change impact Quilter?

In this section we set out the climate risks and opportunities that have the potential to have a material impact on Quilter in the future. As a business, we are exposed to both physical and transitional climate-related risks.

► **physical** – the increased frequency and severity of acute climate-related events such as cyclones, hurricanes, floods, and wildfires, and shifts in climate patterns that result in chronic weather issues. These risks may result in damage to property, supply chain disruption, and assets becoming stranded.

Whilst we have assessed the impact on our physical operations to be relatively low, physical risks have the potential to impact companies we invest in. Companies and funds in our customers' portfolios may also benefit from investment in climate change adaptation solutions that reduce the physical impacts that are a result of climate change.

► **transition** – changes that impact companies and markets as a result of the transition to a low-carbon, climate-resilient economy.

Quilter may be affected by regulatory change, shifts in customer views, and demand and effects on the macroeconomic environment. Our portfolio companies are subject to a variety of transitional risks and opportunities depending on the sector in which they operate.

How have climate-related risks and opportunities affected our business model and strategy?

In this section we explain how climate change has influenced key aspects of Quilter's business model and strategic direction.

► Corporate Sustainability Strategy

Our Corporate Sustainability Strategy focuses on the impact our business operations have on climate change and our emissions. The first priority of our strategy is to decarbonise our operations, and we have set targets in accordance with this objective. As part of our strategy, we are also exploring ways in which we could reduce our Scope 3 emissions.

The key principles of our strategy are:

1. Focus on decarbonising our operations (Scope 1 and 2 emissions) before exploring the use of carbon offsets and Scope 3 reduction targets.
2. Continuous improvement of the data and monitoring for our Scope 3 emissions.
3. Stakeholder engagement is our most significant lever for action. This includes colleagues, suppliers, and landlords.
4. For change to be permanent, we must collaborate to integrate sustainability into our existing processes, policies, and procedures.

Further information on our targets, levers, and strategies can be found in our CTP.



► investment in people and systems

Recognising the growing importance of sustainability and our operations and investment activities, we have invested in our Responsible Investment and Corporate Sustainability functions to ensure we can effectively respond to the evolving environment.

Our Corporate Sustainability team operates as a Group function, led by the Reporting and Governance Manager, who oversees both internal climate reporting to the Board and Committees, as well as external climate disclosures. The team includes a dedicated Sustainability Data Analyst, responsible for calculating and monitoring our operational GHG emissions and tracking progress against our targets. In 2025, we further strengthened our capabilities by appointing a Sustainability Analyst, focused on advancing Quilter's sustainability strategy and deepening engagement with colleagues, suppliers, and landlords. From a systems and data perspective, we have enhanced our capabilities across both operational and investment activities. Our Responsible Investment teams leverage multiple data providers to identify climate-related risks and opportunities within our portfolios and to calculate CVaR. In 2025, we implemented a new operational emissions data platform, enabling more accurate, robust, and transparent calculation and tracking of our emissions, supported by improved governance, controls, and oversight. While this investment has resulted in additional costs, it has strengthened our ability to deliver on our Corporate Sustainability and Responsible Investment Strategies, and respond effectively to our customers' evolving investment preferences, thereby enhancing the attractiveness of our offering to a broader market.

► our supply chain

While our business model does not involve an extensive supply chain with significant upstream emissions from raw materials or manufacturing, we do rely on a range of suppliers for the systems, technology, and services essential to delivering value to our clients. As a result, we do not have extensive exposure to climate-related risks in our upstream supply chain. However, emissions from Purchased Goods and Services ("PGS") represent 83% of our operational carbon footprint and are therefore a key element of our decarbonisation strategy.

In 2025, we took several important steps as part of our corporate sustainability strategy to address climate-related risks and opportunities in our supply chain:

- we collaborated with Quilter's Third-Party Risk Management function to integrate sustainability-specific questions into the onboarding process for new suppliers. This initiative enables us to collect supplier-specific data, identify our highest-emitting suppliers, and better understand their exposure to climate-related risks and opportunities, improving the visibility of climate risk in our upstream supply chain;
- the implementation of our new operational emissions system has improved our access to supplier- and industry-specific data used to calculate our upstream emissions, while also strengthening our oversight, controls, and tracking of supplier emissions, and will support ongoing monitoring of our supplier engagement efforts; and
- we have assessed our supplier base and identified priority targets for a supplier engagement project to be launched in 2026. Engagement is our most effective lever for driving change and reducing upstream emissions, as our most significant suppliers provide embedded and integrated services that are critical to delivering for our customers. As a result, we cannot simply switch suppliers if their sustainability goals do not align with ours; our priority must remain on delivering the best outcomes for our customers and maintaining operational resilience. Further details of our supplier engagement strategy are provided in our CTP.

► executive remuneration

The Board Remuneration Committee has included ESG metrics in the LTIP for our Group Chief Executive Officer and Chief Financial Officer which are aligned to our operational emissions reduction target and our strategic objective to be a responsible investor. The climate-related quantitative metrics are based on our Scope 1 and 2 operational emissions, and the Responsible Investment metric is independently determined by our scoring against the UN PRI Framework.

The LTIP is routinely reviewed throughout the year with input from the Corporate Sustainability and Responsible Investment teams to assess progress and determine whether the existing assessment metrics remain appropriate. No significant changes were made to the climate-related performance metrics in 2025 as we continue to focus on achieving our operational emissions reduction target.

► workplace projects and change strategy

Climate impact continues to remain a key consideration of our Workplace Strategy and projects through continued rationalisation and improvement of workplaces within offices.

Activity in 2025:

- in early 2025, we completed the refurbishment of three floors at our Southampton office and delivered a new office fitout in Birmingham, consolidating two locations into one. Both projects achieved SKA Gold accreditation, setting a new benchmark for future office refurbishments. The SKA rating is a recognised environmental assessment method developed by the Royal Institution of Chartered Surveyors (“RICS”), designed to help organisations embed sustainability into office refurbishments in a measurable and meaningful way;
- we have commenced the refurbishment of our Edinburgh office to modernise the environment and improve the overall usage. We will be progressing this in line with the SKA Gold standard;
- we completed the replacement of all remaining non-LED lighting across our office estate, ensuring that all properties now operate with energy-efficient LED lighting;
- we have now decommissioned all physical data centres used by Quilter, significantly reducing on-premise energy consumption and transitioning fully to cloud-based computing solutions; and
- enhancements were made to our Chester office and have started in our Dublin office to better support the working practices of the teams based there. These improvements have enabled a broader range of activities to take place on-site, reducing reliance on external workspaces and supporting more effective use of our office estate.

Looking forward:

- the Property team is piloting smart technologies to optimise Heating, Ventilation, and Air Conditioning (“HVAC”) utilisation and monitor office occupancy and usage. These initiatives aim to reduce energy consumption and improve space utilisation, maximising the value of our existing estate while minimising the energy consumption and carbon impact;
- the Corporate Sustainability team is working closely with the Property team to formalise environmental standards, such as SKA Gold for our office refurbishments, by including these in policy and standards; and
- environmental considerations are now integrated into our supplier onboarding and renewal processes, reinforcing our commitment to sustainability throughout our value chain.

Property and Corporate Sustainability collaboration:

The Operational Sustainability Working Group has been established to enable effective collaboration and delivery of our Corporate Sustainability Strategy. The working group’s primary focus is operational emissions, identifying and planning updates to office infrastructure that align with the minimum standards that we have developed as part of our strategy. It will play a central role in coordinating decarbonisation projects across Quilter’s operations and office spaces, ensuring that all necessary parties are engaged and that responsibilities are clearly defined.





In addition to planning and tracking progress, the working group enables a unified approach to external engagement, leveraging established relationships with landlords and property managers. This collaboration strengthens data collection and ensures the Corporate Sustainability team has an up-to-date, comprehensive view of emissions sources and Quilter's office footprint.

► 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 ESOS opportunities identified and currently under consideration at our most significant office are outlined in the table below alongside their projected annual energy savings.

Quilter House energy-saving opportunities	Our progress	Projected annual energy saving (kWh)*
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 exploring opportunities to install heat pumps when our current boilers reach the end of their useful life. This is therefore a longer-term opportunity. As these boilers are currently only utilised to heat water and act as a backup in case of failures with the district heating system, we have been able to retire one of the three boilers. As part of a wider project to upgrade the electrical switchgear, we are futureproofing the building by increasing electrical capacity to support the installation of heat pumps and additional EV charging points.	246,000 – 356,000
Upgrade the building management system which controls the heating, ventilation, and air conditioning.	The upgraded building management system was installed in 2025. We are currently working with our energy provider to complete full rebalancing and building optimisation to improve system efficiency.	182,000
Replace the existing lighting with LED lighting on the remaining floor that has not yet been refurbished.	This was completed as part of our Quilter House refurbishment works in early 2025. We are now exploring the possibility of installing a lighting control system and Digital Light Addressable Interface ("DALI") LEDs to control brightness and improve energy efficiency.	18,000
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 continuing to explore the feasibility of this with our facilities management partner.	8,600
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 assessed the feasibility of installing solar photovoltaic ("PV") systems to generate renewable energy on-site. In collaboration with our facilities management partner, we reviewed available roof space across our estate. However, we concluded that installation is currently not viable due to limited roof capacity. As technology evolves, we may explore alternative solutions such as window-integrated solar panels, which could offer greater flexibility in the future.	16,000
Initiate a colleague awareness campaign to encourage colleagues to reduce energy consumption and form sustainable habits.	This is an ongoing workstream that we have further developed as part of our CTP.	63,000

* The projected annual energy savings have been extrapolated to estimate the savings across our office estate. These are estimates calculated by our third-party ESOS Auditor and have not been verified by Quilter.



Our responsible investment strategy

Climate change is one of our Group level responsible investment thematic priorities. Both Affluent and High Net Worth's Responsible Investment strategies are centred around considering our customers' sustainability-related preferences, being active owners of their assets, and ESG factors (including those related to climate change) into our investment research, due diligence, and decision-making. We engage with the funds and underlying companies that comprise our investment holdings directly and collaboratively with other investors, we vote on all resolutions where we have a material holding, and use proprietary dashboards and due-diligence processes to integrate ESG considerations into our investments.

Quilter recognises stewardship as a fundamental component of how we manage our customers' assets, and we fully support the UK Stewardship Code. Stewardship plays an important role in our approach to responsibly managing ESG-related risks and opportunities. Quilter is committed to our role as a steward of our customers' assets to protect and enhance long-term returns. This encompasses our engagement with investee companies and funds by considering ESG factors which could impact investor returns. We believe that, for the majority of our investment strategies, stewardship and engagement is a more effective approach than divestment. Simply divesting from holdings with a higher carbon intensity may result in these assets being acquired by investors who place little or no emphasis on supporting the transition to a low carbon economy. In such cases, without positive shareholder influence and active voting on climate matters, the incentive for those companies to adapt and reduce the emissions diminishes, hindering the progress towards a low carbon future.

Additionally, there are companies with a higher carbon intensity that are focused on developing solutions for a lower carbon world. We believe that engaging with these companies to support positive behaviours and better understand their transition plans is more effective than divesting or excluding them from our portfolio due to their carbon intensity. Quilter has an overarching responsible investment philosophy which applies across the Group and is implemented via the Affluent and High Net Worth independent responsible investment strategies. Both strategies are aligned with the Quilter plc strategic objectives set out on page 16.

Affluent's approach to responsible investment and climate-related risks

Affluent responsible investment principles provide the guardrails to integrating climate change considerations within our responsible investment activities, and extensive work has been done in 2025 to embed these principles into teams, processes, and systems.





► customers are at the forefront of responsible investment

We focus on delivering the best outcomes for customers by providing responsible investment solutions that meet their needs and preferences.

In 2025, we refreshed our responsible investment customer categories to provide clearer guidance on aligning customer preferences with suitable fund options. This includes products with climate considerations, such as the WealthSelect Responsible and Sustainable Managed Portfolio Services. These portfolios feature carbon-footprint constraints, exclusions of high-emission sectors (such as thermal coal), and seek to align with SDG-related outcomes including climate by managing the portfolio in a way that supports the objectives of the UN Sustainable Development Goals. We are conducting customer research to understand climate preferences and ensure our products meet demand for climate-aligned investment solutions.

► strong governance is central to risk management and a well-functioning investment market

We have a clear governance structure that monitors our responsible investment approach and ensures accountability across the Affluent segment. This governance structure plays a critical role in how we allocate capital, assess climate-related risks and opportunities, and deliver on our sustainability commitments.

Our governance framework actively monitors climate-related commitments across our investment solutions, ensuring climate research is integrated into investment decisions and tracking progress against CAP milestones. Through dedicated governance bodies, we ensure that climate risks and opportunities are actively assessed and managed, supporting informed capital allocation and long-term value creation.

► information needs to be clear, consistent, and relevant for everyone

We aim to use high-quality, timely, and transparent information to support our responsible investment approach.

We deliver high-quality, timely, and transparent information to customers, our investment teams, and the regulator that are aligned across the business. We are investing in data infrastructure and systems to ensure climate risks and opportunities are systematically captured, monitored, and integrated into decision-making processes. Our proprietary responsible investment dashboards provide insights on climate-related exposures and opportunities across portfolios. These tools are designed to ensure alignment across the business, enabling consistent interpretation and application of ESG data.

► ESG factors should be integrated into investment decision-making

We have a clear framework for integrating ESG factors into our investment process.

Our responsible investment research processes, operated by the Research Hub (please see the responsible investment tier framework [here](#)), integrate ESG factors through Operational Due Diligence, Manager Research, and the Responsible Investment team. The operational due-diligence process and manager research process have been enhanced to embed climate integration at the firm review and fund selection stage. The Responsible Investment team defines and oversees requirements for our framework, ensuring alignment with climate and broader ESG-related commitments and risk management for our investment solutions. This includes guidance on climate metrics and methodologies to support areas such as portfolio construction and investment risk reporting. This is described in more detail in the 'Risk management' section. We have also refreshed our Responsible Investment Policy in 2025 to clarify how our responsible investment beliefs and principles are implemented for our investment solutions.

► good stewardship maximises long-term value for customers' investments

We have a stewardship approach that ensures we meet the standards required for our customers and promotes a well-functioning market over the long term.

This involves identifying ESG issues flagged through our oversight process, monitoring manager engagement, and supporting participation in climate and sustainability initiatives and collaborations. We utilise bottom-up data to assess climate exposures through investment risk reporting, including monthly carbon data analysis. This data enables us to identify flags relating to exposures in our portfolios or solutions that warrant further dialogue with our managers regarding climate risk management.



Affluent climate change timeline

Launch of first Quilter Affluent investment solutions with climate-specific objectives as WealthSelect Responsible and Sustainable portfolios commit to constraints on portfolio carbon footprint.

Quantitative analysis of sustainability-focused investment managers to identify priorities, scoring methods, and tool design for climate-related manager research and engagement.

Quilter Affluent supports CDP campaigns encouraging company disclosure of climate-related data and commitment to SBTi.

Completion of manager engagement for climate research and validation of findings with managers and industry bodies such as IIGCC.

Formal climate strategic objectives and oversight structures agreed with investment objectives disseminated to investment segments to initiate climate action plans.

Key research findings incorporated into new manager research systems for integrated research processes and to inform design of 2025 climate action plan.

Identify areas of high, unmanaged climate risk for the prioritisation of manager engagement planning.

Use enhanced understanding of customer preferences for climate-related investments to ensure customer-focused product delivery.

Continued development of climate-related data delivery to internal stakeholders through shared, customisable dashboards.

2022

2023

2024

2025

2026

Qualitative data collection, analysis, and findings from engaging with sustainability-focused managers relating to climate change integration and engagement.

Integration of data relating to climate scenarios for portfolios with climate-related targets for inaugural WealthSelect TCFD product reports.

Full review of carbon and climate scenario data to ensure appropriate calculations applied consistently for all uses across all Quilter Affluent Managed Solutions.

Affluent climate action plan implementation for 2025 focuses on robust climate integration into research and investment processes including manager assessments of climate integration and stewardship.

Development of an ESG data dashboard to enhance climate and ESG integration across research and investment processes. The dashboard supports portfolio managers and the research team by providing key ESG insights to inform investment decision-making.

Continued commitment to market participation and engagement with peers as part of collaborations, such as UK Wealth Managers for Climate and PRI Climate Reference Group.

Climate Action Plan ("CAP")

Following the publication of the inaugural CAP in 2025, we began implementing our nine milestones across the Affluent segment to support the transition to a low-carbon, climate-resilient economy. Further detail on our CAP can be found [here](#).



HNW's approach to responsible investment and climate-related risks

This section provides an overview of our approach to responsible investment and climate-related risks and opportunities across discretionary holdings at Quilter Cheviot. This approach applies to our centrally monitored holdings only.

In developing our climate strategy and approach to responsible investment, we have considered the UK's commitment in the Climate Change Act 2008 (2050 Target Amendment) Order 2019 and the Paris Agreement to the United Nations Framework Convention on Climate Change ("UNFCCC").

Stewardship

Our approach can be broken down into two main activities:

1. Engagement

We are active owners on behalf of our discretionary clients. We initiate dialogue with companies (including investment trusts) and funds. Engagement can be carried out in reaction to concerns or to better understand a company or fund's approach to material sustainability issues. We engage to better understand and manage individual company and fund-related risks but also to contribute to the better functioning of markets in which we operate.

2. Voting

We use our voting rights to express formal approval or disapproval of the way investee companies or investment trusts are managing risks and opportunities. As well as being a core aspect of being an active owner, it is an important escalation tool in our stewardship process. In addition to our discretionary portfolio service voting (and engagement), coverage includes¹:

- MPS (Managed Portfolio Service) Building Blocks;
- sustainable Opportunities Balanced Fund and Sustainable Opportunities Growth Fund;
- Quilter Cheviot Global Income and Growth Fund for Charities;
- Quilter Investors Ethical Fund;
- AIM Portfolio Service;
- Quilter Cheviot International Funds; and
- Libero Balanced.

¹This includes our global equity and investment trust monitored lists; as well as holdings in the AIM Portfolio Service and UK holdings where we own more than 0.2% or £2m of the market cap, as far as reasonably possible given the local regulations regarding share voting. Notably, we do not vote where it results in the blocking of trading positions. We also do not currently vote on discretionary holdings (within the global equity and investment trust monitored lists) where we do not have the power of attorney in place. These markets being Switzerland, Sweden, Belgium, Norway. Other infrequent instances of non-vote placement may include where Crest Depositary Interests (CDIs), ADRs, or GDRs are held. Ability to vote on these holdings differs on a case-by-case basis.



ESG integration

- analysing ESG data to better inform investment decisions;
- ESG integration applies to holdings which are within the monitored research universe, focusing on our core list of equities, funds, and fixed income holdings;
- our proprietary ESG data dashboards leverage multiple data providers including MSCI, ISS, Sustainalytics, Ethical Screening, RepRisk, LSEG Refinitiv, CDP, and other non-government organisation (“NGO”) data;
- working alongside the research teams to continually enhance our ESG integration approach as part of our investment process; and
- it is not about excluding certain activities, but about understanding the ESG-related challenges and opportunities.

ESG screening

Ethical and value-oriented investment based on customer requirements is incorporated on an individual customer basis, informed by their specific ethical preferences and values within our HNW discretionary portfolio service. These will vary depending on the customer and will focus on sectors, industries, or individual companies.

Resources

Our Responsible Investment team reports to the Group Chief Executive Officer of Quilter Cheviot and is led by Gemma Woodward, Head of Responsible Investment and comprises five analysts, including a climate specialist. The team is responsible for engaging alongside our research analyst teams* on ESG matters including climate risks and opportunities. For more information on our approach to stewardship and specific examples of how we engage with investees on climate-related matters, please visit [Responsible investment | Quilter Cheviot](#).

The Responsible Investment team has representation on several internal committees and forums including the Investment Oversight Committee, Product Governance Forum, the UK and International Stock Committees, as well as model groups for strategies within our engaged and dedicated categories.

Our funds and segregated portfolios that have a specific investment focus on sustainable solutions are managed by a dedicated investment team of five investment professionals, led by Claudia Quiroz (Head of Sustainable Investment) and Caroline Langley (Investment Director)

** Quilter Cheviot's centrally monitored holdings, additionally for governance matters only UK holdings where more than 0.2% of market capital or £2m is owned on behalf of discretionary clients.*



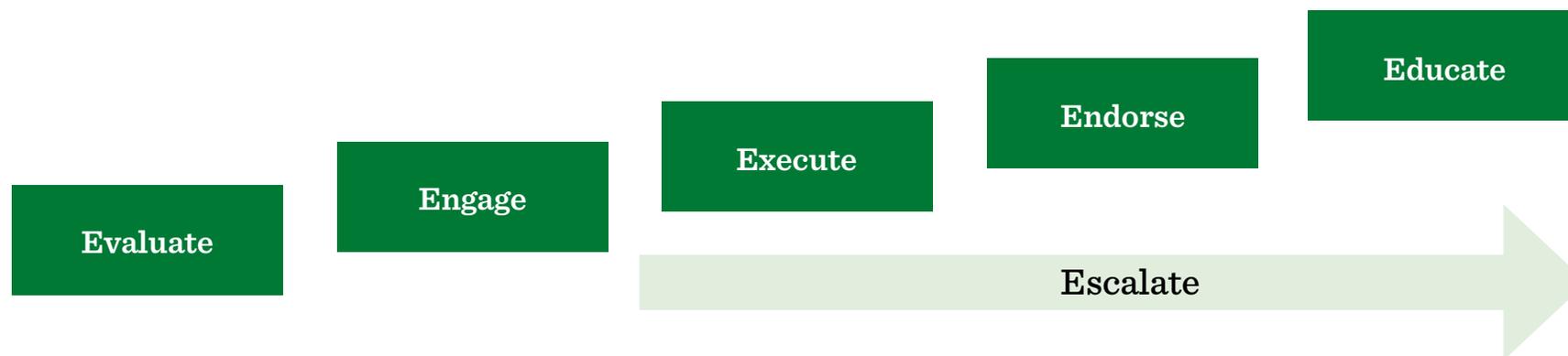
Climate Action Plan (“CAP”)

In 2025, we published our CAP, providing a comprehensive overview of HNW climate strategy. The plan outlines the scope, objectives, implementation pathway, key levers, and baseline metrics of our approach, as well as how our strategy is tailored for different asset classes.

Our approach to addressing our climate risk is driven by our climate stewardship work. This is where we have influence, appropriate resource, and, importantly, a track record to date. We have mapped our climate stewardship strategy across our investment universe, comprising the measures and outputs we intend to form HNW’s approach to climate.

Our framework is comprised of five key stages:

- **evaluate:** Evaluating the baseline alignment and performance of our assets with climate metrics is perhaps the most critical, enabling step in our process. Our approach is a balance of quantitative (data-driven) and qualitative assessment. The metrics which form the quantitative element of our approach need to be appropriate, insightful, transparent, and granular;
- **engage:** We consider direct engagement to be the most valuable tool in our gift, be it for companies or third-party funds we invest in. We have designed a climate engagement framework, comprising of a series of recurring direct engagements and our collaborative climate-centric engagement work. These form three categories: tracking alignment, engaging for change, and active collaboration;
- **execute:** We use our voting activities to fulfil our role as a steward of our clients’ assets, working to protect and enhance long-term returns. Unaddressed climate risk poses a material risk to the future value of an asset, which is why climate is included in our Voting Policy. Our Voting Policy outlines several standard sector-agnostic expectations of our assets; we will hold companies to account if they do not meet these;
- **endorse:** Supporting industry initiatives is key to achieving the changes needed for the climate transition. We consider being an active and vocal participant in relevant industry groups an important contribution we can make towards global decarbonisation; and
- **educate:** Among the more tangible and direct measures we can take to mitigate our climate impact is to increase investors’ and colleagues’ understanding of climate’s relevancy to our investments. We are developing an internal upskilling programme, inclusive of our research teams and relevant investment colleagues, to encourage greater understanding of these metrics and more broadly how climate risk factors into investments.





HNW climate change timeline

Over a number of years, we have evolved our approach to being a responsible investor.

Quilter has continued to be a signatory to the UK Stewardship Code since 2020, and to the PRI since 2019.

Quilter Cheviot attained Tier 1 signatory status for the 2012 UK Stewardship Code.

Quilter published its first disclosures aligned to TCFD for 2021.

Responsible investment preferences incorporated within the advice and suitability processes across the Group.

Quilter Cheviot launched the Sustainable Opportunities Growth Fund, 12 years after the Balanced Fund.

Quilter Cheviot participated in the CDP campaigns focused on encouraging target companies to disclose climate and other related data and to join the Science Based Targets Initiative ("SBTi").

Quilter Cheviot participated in PRI Spring collaboration.

Quilter Cheviot enhanced climate-related voting policy.

Quilter Cheviot joined Wealth Managers for Climate and the IIGCC External Fund Manager Working Group.

Quilter Cheviot representation on the Advisers' Sustainability Group.

2017

2018

2019

2020

2021

2022

2023

2024

2025

Quilter became a signatory to the United Nations-backed Principles for Responsible Investment ("PRI").

Responsible investment representation on the Quilter Cheviot Investment Oversight Committee.

Quilter became a signatory to the 2020 UK Stewardship Code.

Quilter joined the Institutional Investors Group on Climate Change ("IIGCC").

Quilter signed the Investor Agenda's Global Investor Statement on the Climate Crisis.

Quilter Cheviot initiated thematic engagement program assessing climate transition plans among heaviest emitters in direct equity investment universe.

Quilter published a statement supporting the goals of the Paris Agreement.

Developed Quilter Cheviot voting policy on climate related issues.

Quilter set Scope 1 and 2 targets relating to its operational emissions target.

Quilter Cheviot participated in the IIGCC Net Zero Engagement Initiative, Climate Action 100+, Nature Action 100.

Quilter Cheviot initiated engagement program assessing third-party fund alignment to firm's Net Zero Asset Managers ("NZAM") commitments.

Quilter Cheviot participated in the CDP campaigns focused on encouraging target companies to disclose climate and other related data and to join the SBTi.

Quilter Cheviot published its Climate Action Plan for investments.

The Climate Assets Funds changed their names to the Sustainable Opportunities Funds and have Sustainability Focus labels under the Sustainability Disclosure Requirements regulation in the UK.

'Greening algorithms' (AI and emissions) and 'Slow to start' continued our ongoing climate-related engagement program.

Products and services

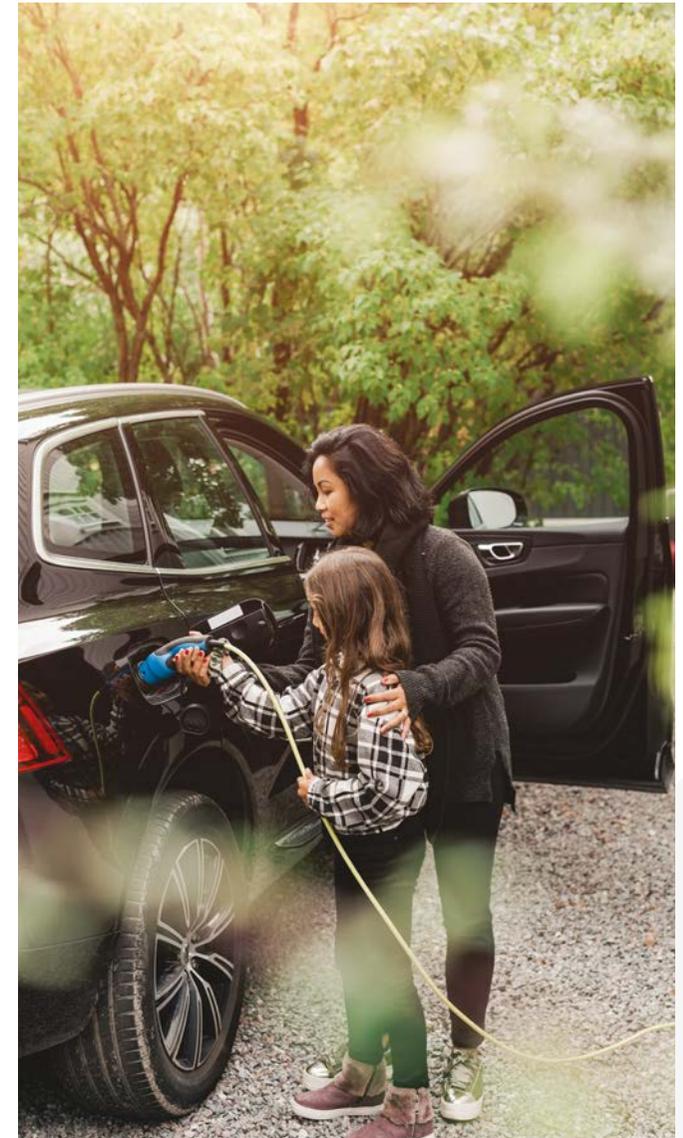
As part of Quilter's responsible investment strategy, we recognise that climate-related risks and opportunities are increasingly shaping customer expectations and investment behaviours. A key strategic priority for Quilter is ensuring we have the right product offering and continuously developing it to align with the evolving expectations of our customers. We monitor and respond to demand for sustainable products, rather than offering solutions that have limited relevance or benefit to our clients.

Since 2022, we have embedded responsible investment preferences into our advice and suitability processes across the Group. Quilter advisers within Affluent, advisers and investment managers within HNW integrate these preferences into customer conversations, enabling customers to align their investments with their responsible investment preferences, financial goals, risk profile, and specific needs. This ensures that customers' responsible and sustainable needs are aligned with the appropriate approach and strategy.

We monitor demand for these products primarily through assets under management ("AuM"), but also through direct engagement with our customers and advisers. We have conducted customer feedback surveys to better understand changing preferences and demand for sustainable and responsible investment products and strategies. These insights inform our product development and strategic planning.

We track financial KPIs to monitor performance and flows across all products and strategies, which helps us assess overall demand and product level trends across the Group. However, we do not set specific AuM targets for our investment strategies.

This product and service integration supports our strategic objective to facilitate our customers' climate-related investment objectives, while also aligning with our wider strategic focus areas to grow distribution, enhance our propositions, and be future fit.





Strategy/Product	Mandate	AuM £m as at 31/12/2025
Affluent (Quilter Investors) Strategies		
WealthSelect Responsible	<p>The WealthSelect Responsible Portfolios (Active, Passive, and Blend) aim to achieve capital growth while managing ESG risk of the portfolio and maintain a smaller carbon footprint than the Reference Index. The portfolio has exposure to a diversified range of investments in the UK and globally by investing in funds that we identify as leaders in the integration and management of ESG factors. In addition to meeting these criteria, at least 50% of the portfolio's assets will be in funds that pursue explicit environmental and/or social targets, or characteristics as part of their investment process.</p> <p>For more information on how climate change may affect the WealthSelect Responsible Investment Strategies, see the TCFD Product Reports here.</p>	£1.1 billion
WealthSelect Sustainable	<p>The Sustainable Portfolios (Active) aim to achieve capital growth, whilst seeking to support sustainable solutions to environmental and social challenges, that help to achieve the objectives of the UN Sustainable Development Goals. The ESG risks of the portfolio will be managed, and exposure to unsustainable activities minimised, while maintaining a smaller carbon footprint than the Reference Index.</p> <p>The portfolio will have exposure to a diversified range of investments in the UK and globally, and will invest a substantial portion of its assets in funds that target a broad range of sustainable outcomes, and which are leaders in the integration and management of ESG factors, with exceptions where necessary to achieve an appropriately diversified portfolio. In addition, the portfolio will exclude companies with exposure to the following:</p> <ul style="list-style-type: none"> - manufacture or sale of controversial weapons; - manufacturing tobacco products; - derive more than 5% of their revenue from thermal coal extraction; or - derive more than 5% of their revenue from unconventional oil and gas extraction (arctic oil and gas exploration, oil sands, shale energy). <p>For more information on how climate change may affect WealthSelect Sustainable investment strategies, see the TCFD Product Reports here.</p>	£273 million
Quilter Investors ("QI") Timber Equity Fund	<p>The QI Timber Equity fund adopts a thematic strategy accompanied with a layer of ESG exclusions applied to the fund. The fund invests in sustainable forestry companies that produce wood-based materials, or companies in the timber value chain that provide biodegradable alternatives to plastics, concrete, or steel. The focus will be on ensuring trees are replanted, forests are nurtured and re-grown, and carbon is captured as part of an overarching mandate to maintain biodiversity. The fund applies an exclusion policy relating to companies that have exposure above a certain threshold to activities that result in negative impacts on the environment or society. This includes not committing capital in countries lacking strong forest legislation, or where legislation is not enforced. For more information on how climate change may affect the QI Timber Equity Fund strategy, see the TCFD Product Reports here.</p>	£167 million
Quilter Investors ("QI") Ethical Equity Fund	<p>The QI Ethical Equity Fund invests at least 80% of the value of its property in shares of companies located in developed and emerging markets anywhere in the world. Ethical considerations are integral to the fund's investment objective. This entails the explicit and systematic inclusion of ethical factors in investment analysis and decisions, to better manage risks and improve returns. The fund operates two screening processes: (i) a negative screen to ensure that the fund does not invest in companies that do not meet its ethical criteria; and (ii) a positive screen to focus investment into companies and sectors which the Investment Adviser believes make a positive contribution to society by exhibiting ethical practices. To be considered for inclusion in the fund, in addition to passing the negative screen, companies must offer solutions to the global and emerging challenges of delivering 'more with less' for a rapidly growing population with a finite supply of resources and within a carbon-constrained environment, low carbon energy, food, health, resource management, and water. As such, the fund holds shares in companies that the Investment Adviser considers to enable a cleaner and more efficient economy, underpinned by the following investment themes: energy, food, water, and resource.</p> <p>For more information on how climate change may affect the Quilter Investors Ethical Equity Fund strategy, see the TCFD Product Reports here.</p>	£192 million
HNW (Quilter Cheviot) strategies		
Discretionary Portfolio Service ("DPS") Applied	<p>The strategies harness Quilter Cheviot's research and responsible investment process, as well as data from external providers, to implement ESG factor screening on a positive and negative basis. Positive screening relates to the process of only including companies that reach a certain performance threshold. Negative screening excludes companies involved in pre-defined activities or controversial practices. This ensures more emphasis is placed on ESG risks beyond the firm-wide approach to active ownership and ESG integration which forms the basis of the Aware categorisation.</p> <p>For more information on how climate change may affect the DPS Applied investment strategies, see the TCFD Product Reports here.</p>	£96 million



Positive Change	A pragmatic approach that combines funds that invest with a sustainability focus or for impact, with funds managed by leading responsible investment practitioners. Meaningful engagement by fund houses with company management is prioritised over formal exclusions on the basis that engagement can encourage change where it is needed most. For more information on how climate change may affect the Positive Change investment strategies, see the TCFD Product Reports here .	£38 million
Sustainable Opportunities Funds	Through an actively managed multi-asset approach, these are suitable for clients who want to support the development of sustainable societies by focusing on investment opportunities in the areas of clean energy, food, health and wellbeing, resource efficiency, and water. Ethical exclusions are also applied to avoid investments in controversial sectors. For more information on how climate change may affect the Sustainable Opportunities investment strategies, see the TCFD Product Reports here .	£325 million

For further information on how climate-related risks and opportunities are factored into other investment strategies not listed above and how each strategy may be affected by climate-related risks, see:

▶ [Affluent Product Reports](#)

▶ [High Net Worth QC Product Reports](#)

Climate-related risks and opportunities

Time horizons

The time horizons that we consider for climate-related risks are as follows:

Time horizon	Time period	Description
Short-term	0–3 years	Risks that have the potential to impact within the next three years and are considered as part of strategic planning and risk management. In most cases, short-term risks are ongoing in nature and will also be considered in longer-term planning.
Medium-term	3–10 years	Risks which are not likely to impact in the next three years but are likely to develop and have a potential impact in the next ten years. We monitor developments annually and may move risks to the short-term category based on our assessment.
Long-term	10+ years	More uncertain risks, unlikely to impact in the next ten years and do not need to be considered as part of our immediate business planning. We monitor developments annually via our risk assessment workshops.

Climate-related risks

The table below illustrates Quilter’s assessment of climate-related risks that we believe, without mitigating action, have the potential to have a material impact on Quilter and Group entities. Our operational risk matrix is used to determine which climate-related risks could have a material impact and considers the severity of financial and non-financial impacts, and the likelihood of occurrence over the short, medium, and long term.

The risk assessment approach is consistent with TCFD guidance. Risks have been categorised as transitional risks and physical risks. Transitional risks are risks which arise due to the transition to a lower carbon economy, which may entail extensive policy, legal, technology, and market changes. Physical risks resulting from climate change can be event-driven (acute) or longer-term shifts (chronic) in climate patterns.

The risk assessment focuses on potential financial impacts to Quilter, and the strategies that we have adopted to mitigate risks.

Risks have been assessed relative to our climate strategy. Our climate strategy covers both our investment solutions and our business operations. Our risk assessment therefore also considers risks relating to both of these.

The risks outlined on pages 33 and 34 have been identified and assessed at the Quilter plc level but also apply to our investment management Group entities. For more information on the specific actions and approach our asset management entities have taken to mitigate the investment-specific risks, please see the entity-specific disclosures in the **‘Risk management’** sections of this report (page 46 for Affluent, and page 51 for HNW).





The risks and opportunities presented below apply at a Group level.

Type of risk	Risk description	Potential impacts	Mitigating actions, controls, and monitoring	KPIs used to monitor	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.	Reduced demand for Quilter's products and services due to damage to Quilter's brand, ultimately impacting revenues. Potential cost of redress where customers have taken action based on misleading or incorrect information.	<ul style="list-style-type: none"> – management and compliance oversight of published information to ensure we do not make misleading claims; – data validation for the calculation of disclosed climate metrics and third-party assurance over our operational emissions; and – greenwashing training for all staff, as well as targeted training for specific functions. 	Emerging regulatory risks are monitored on a qualitative basis via our horizon scanning processes. Timely submission of regulatory reporting is monitored centrally as part of our Group-wide risk management KPIs.	S M
Market (Transitional and Physical)	Portfolio climate risk – Risk of investment market underperformance and increased volatility due to the transition or physical climate-related events impacting portfolio assets.	Potential for reduced investment returns for customers, resulting in reductions in the value of assets under management and revenues. While the NGFS long-term scenarios anticipate growth in US and UK equity markets, the pace varies under different pathways. Growth appears more moderate under the 'Net Zero 2050' scenario, reflecting the structural adjustments of a rapid transition. Meanwhile, the "Fragmented World" and "Delayed Transition" scenarios are characterised by increased volatility.	<ul style="list-style-type: none"> – investment in diversified multi-asset portfolios reduces exposure to single asset climate-related risks; – consideration of climate risks and opportunities in investment research and due diligence (ESG integration); – engagement activities enable better oversight of climate risk exposure and management; and – climate metrics used to monitor climate-risk exposure. 	The following metrics are monitored at the strategy and entity level: <ul style="list-style-type: none"> – carbon emissions (Scope 1, 2, and 3); – Climate Value at Risk; – carbon footprint (Scope 1 and 2); – Weighted Average Carbon Intensity; and – Implied Temperature Rise (strategy level only). We also monitor the amount of our AuM engaged by theme (including climate change).	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. Under the NGFS "Orderly Transition" scenarios, demand for responsible and sustainable investment solutions is expected to increase at pace when compared with other scenarios, increasing the potential impact and likelihood of this risk.	<ul style="list-style-type: none"> – monitoring of customer and adviser preferences as part of development of product strategy and distribution teams; – robust product governance and management oversight of product strategy to ensure alignment with market expectations; and – integration of responsible investment preferences into our investment financial advice suitability processes. 	<ul style="list-style-type: none"> – inflows/outflows for sustainable and responsible specific strategies and mandates; – customer preferences captured during financial advice suitability processes; and – customer and adviser survey results on ESG preferences, including those conducted by regulatory and trade bodies. 	S

Time period key: **S** Short term 0-3 years; **M** Medium term 3-10 years; **L** Long term 10+ years.



Reputational (Transitional)	Misrepresentation risk – Risk that customers, 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.	<p>Reduced demand for Quilter's products and services due to damage to Quilter's brand, ultimately impacting revenues.</p> <p>Potential cost of redress where customers have taken action based on misleading or incorrect information.</p>	<ul style="list-style-type: none"> – management and compliance oversight of published information to ensure we do not make misleading claims; – data validation for the calculation of disclosed climate metrics and third-party assurance over our operational emissions; and – greenwashing training for all staff, as well as targeted training for specific functions. 	<p>Greenwashing indicators that we are alert to include:</p> <ul style="list-style-type: none"> – complaints; – instances flagged by compliance or management; and – issues raised during assurance. 	S M
Reputational (Transitional)	Climate strategy risk – Risk that Quilter's CTP, covering both Quilter's operational emissions and the investment solutions provided to customers, is not perceived to be sufficient by our stakeholders. Under the NGFS "Orderly Transition" scenarios, stakeholder expectations for credible climate action are likely to intensify, with greater scrutiny on the ambition and delivery of climate strategies. Quilter must ensure its climate strategy balances ambition with feasibility to ensure credibility and effective implementation.	<p>Negative publicity leading to loss of existing or potential clients and negative share price impact.</p> <p>Reduction in market share, resulting in loss of revenues over the long term.</p> <p>Increased operational costs due to failure to transition to new technologies.</p>	<ul style="list-style-type: none"> – this year (2026) we will publish the Quilter plc CTP and in 2025 we published CAPs for our investments setting out our strategy milestones; – transparent annual reporting on progress against CAPs; – progress against operational emissions target contributes to executive remuneration; and – our climate strategy is subject to peer analysis and annual reviews against the latest regulatory guidance and feedback. 	<ul style="list-style-type: none"> – operational emissions; – proportion of energy procured from renewable sources; – property-specific initiative targets; – supplier engagement KPIs; and – investment metrics as laid out in the CAPs. 	S
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, affecting our buildings, employees, or our third-party suppliers.	<p>Unbudgeted costs to recover or maintain services to customers.</p> <p>Costs associated with damage to infrastructure and technology.</p>	<ul style="list-style-type: none"> – physical climate risk assessment carried out across our property portfolio; – business continuity planning allowing for physical risks; – insurance provisions reflect climate-related matters; and – supplier engagement to manage exposure to climate disruption. 	<p>A physical climate risk assessment is maintained for our offices.</p>	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 see 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 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.



Climate scenario analysis

Overview

To understand the impact of climate change, scenario analysis is performed to assess the potential outcomes of a range of stresses to the Group. We test the resilience of our strategy and financial planning by conducting both operational and investment climate-related scenarios.

Operational scenario analysis considers the operational risks to our business strategy, including those from climate change and the potential impact on our business plan and capital and liquidity requirements.

Investment climate scenarios analysis is conducted on our investment portfolios using CVaR to model the potential impacts of climate risks on our AuM. The scenario analysis considers different climate-related scenarios to assess the resilience of our investment strategy as we transition to a net zero economy.

Operational climate scenario analysis

We undertake operational risk scenario analysis to measure the potential impact of the risks that we face, including climate risks, our resilience and financial plans. Operational risk scenario analysis is a component of our overall risk management framework. The analysis is performed on an annual basis and is used to inform our risk exposures, determine capital and liquidity requirements, and assess the effectiveness of our risk mitigation strategies.

The analysis 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.

The financial risks from climate change would lead to outcomes which could also be driven by other causes, which are not linked to 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. Where climate change is not selected as the principal driver, the scenario may implicitly cover climate risks.

We also perform sensitivity analysis to understand how profitability would be impacted by equity market performance, changes in interest rates, and changes in expense levels.

While these sensitivities are not exclusively climate-specific, the parameters tested may be influenced by climate-related factors. As such, they provide an implicit assessment of our business plan's resilience to the economic impacts of climate-related risks. The outcomes are reviewed by the Quilter plc Board and are disclosed in Quilter plc's financial statements.

Examples of scenarios tested in 2025 which explicitly or implicitly cover the financial risks from climate change are as follows:

Climate-related disclosure: This scenario assesses the risk of our sustainable and responsible 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.

Progress in 2025

In May 2025, the NGFS released phase V of its climate scenarios, providing updated macroeconomic and financial projections across a range of climate pathways. Quilter has initiated a review of the methodology and outputs from these scenarios to assess their relevance to our financial position and performance.

We have identified key variables from the NGFS scenarios that may impact Quilter's financial position or performance. Some of the variables we are currently considering include:

- US and UK equity prices;
- central bank intervention rates;
- inflation;
- real UK household disposable income; and
- UK GDP.

We have begun evaluating these outputs against our existing operational scenario and sensitivity testing to ensure our current approach sufficiently captures the potential impacts of worst-case climate-related outcomes.

In 2026 we will look to develop a formal process to integrate this NGFS scenario analysis into our existing processes. This includes determining the appropriate governance structure, ownership within the organisation, and how the analysis will be embedded into existing processes. We are considering both short-term and long-term NGFS scenarios, including:

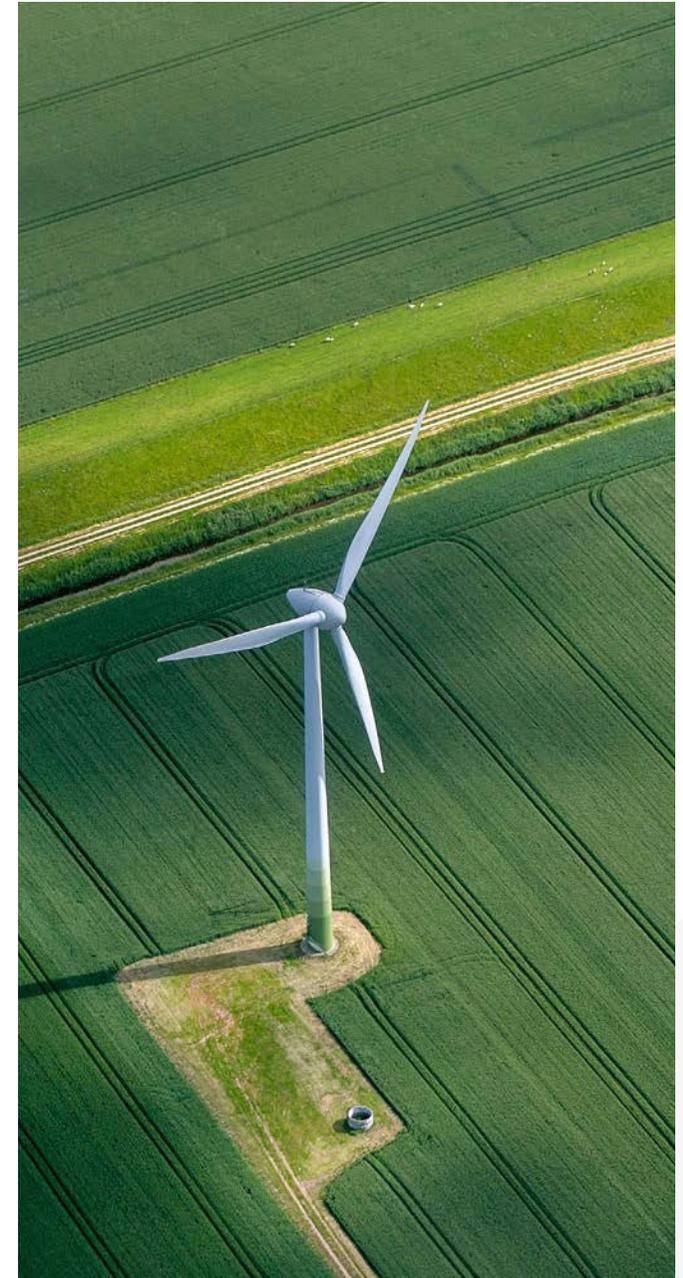
- **1.5°C On Track (Net Zero 2050)** limits global warming to 1.5°C through stringent climate policies and innovation, reaching global net zero carbon dioxide (CO₂) emissions around 2050. This scenario assumes that decarbonisation and climate mitigation policies are introduced swiftly with moderate regional variation, and that technological solutions are developed and introduced readily;
- **2.0°C Delayed Transition** assumes annual emissions do not decrease until 2030. Strong policies are needed to limit warming to below 2°C. This scenario assumes that various climate-related policies are only introduced after 2030 and are likely to cause considerable economic disruption;
- **3.0°C Business as Usual (Nationally Determined Contributions)** assumes national decarbonisation targets pledged by Paris Agreement signatories are achieved. Given the acknowledged emissions gap – between the total pledged emissions reductions and the reductions needed to limit warming to 1.5–2.0°C – global warming increases beyond 2.5°C; and
- **3.0°C Fragmented World** assumes a more piecemeal, disordered, and, ultimately, inadequate global effort to reduce emissions. This scenario assumes climate policies will be introduced inconsistently across the world, delaying their implementation and thwarting global efforts to reach net zero.

We will provide a further update in our 2026 TCFD Report.

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 and sensitivity testing therefore indicate that Quilter's business strategy and financial plans are resilient to climate-related financial risks.

The analysis conducted is limited by several 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.





Investment Risk – Climate Value at Risk (“CVaR”)

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 CVaR metric to assess the potential impacts on portfolio values under different climate scenarios.

CVaR aims to estimate the potential financial loss or gain from the underlying investments as a result of climate change. It measures the potential impact of 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).

The scenarios used in this analysis were developed by the NGFS and reflect various assumptions about climate policy, technological advancement, and physical climate impacts. These factors influence economic outcomes, and, in turn, the value of our holdings. While these scenarios are considered the most relevant for financial institutions due to their focus on market dynamics, they still contain notable limitations. They do not fully capture the pace, severity, or interconnected nature of climate impacts – particularly as the world approaches potential ‘tipping points’² that could trigger cascading effects. The models also underrepresent long-term physical risks, nature-related dependencies, and broader socioeconomic consequences, which may result in an underestimation of financial impacts. As CvaR modelling is still an emerging practice, the results should be interpreted as indicative rather than definitive. They are intended to provide a high level overview of potential climate-related risks within portfolios. Ongoing collaboration with our research and investment teams will support the refinement of these methodologies, with continued efforts to improve physical risk modelling and identify decision-useful climate data.

Affluent and High Net Worth segment holdings were evaluated for CVaR using the MSCI climate data under these four quantitative climate scenarios from NGFS³:

- 1.5°C On Track (Net Zero 2050) limits global warming to 1.5°C through stringent climate policies and innovation, reaching global net zero carbon dioxide (CO₂) emissions around 2050. This scenario assumes that decarbonisation and climate mitigation policies are introduced swiftly with moderate regional variation, and that technological solutions are developed and introduced readily.
- 2.0°C Delayed Transition assumes annual emissions do not decrease until 2030. Strong policies are needed to limit warming to below 2°C. This scenario assumes that various climate-related policies are only introduced after 2030 and are likely to cause considerable economic disruption.
- 3.0°C Business as Usual (Nationally Determined Contributions) assumes national decarbonisation targets pledged by Paris Agreement signatories are achieved. Given the acknowledged ‘emissions gap’⁴ – between the total pledged emissions reductions and the reductions needed to limit warming to 1.5–2.0°C – global warming increases beyond 2.5°C.
- 3.0°C Fragmented World assumes a more piecemeal, disordered, and, ultimately, inadequate global effort to reduce emissions. This scenario assumes climate policies will be introduced inconsistently across the world, delaying their implementation and thwarting global efforts to reach net zero.

Scenario selection

The four scenarios used to model the holdings were selected to 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-peddalling and the higher-than-anticipated emissions baseline. The Delayed Transition (2°C) scenario is included as a ‘disorderly’ transition scenario, reflecting heightened risks of delay or inaction in the near term. This replaces the 1.5°C Disorderly scenario we included last year, given the faltering momentum in global climate policies, adjusting this from 1.5 to 2.0°C seems a more appropriate future to model. The NDC scenario was included in place of the 3.0°C aligned “Current Policies” scenario we modelled against last year, as:

1. The significance of the Paris Agreement as the only binding global agreement committing nations to decarbonise.
2. The forthcoming round of new NDC commitments emerging throughout 2025 (against which this will form a good benchmark as to whether these new commitments influence the next iteration of this climate model in a positive or negative fashion).

²These are described in the IPCC’s ‘Special report on the impacts of global warming of 1.5°C above pre-industrial levels and related global greenhouse gas emission pathways, in the context of strengthening the global response to the threat of climate change’ (2018) (*Global Warming of 1.5°C – (ipcc.ch)*). These include, for example, disruption of global thermal ocean currents, increasingly extreme cyclones and hurricanes fed by altered hydrological systems, and large ice sheets’ meltwater driving rapid sea level rise and accelerated ice sheet melt.

³NGFS scenarios for central banks and supervisors, November 2024; page 9.

⁴Emissions Gap Report 2024 | UNEP - UN Environment Programme



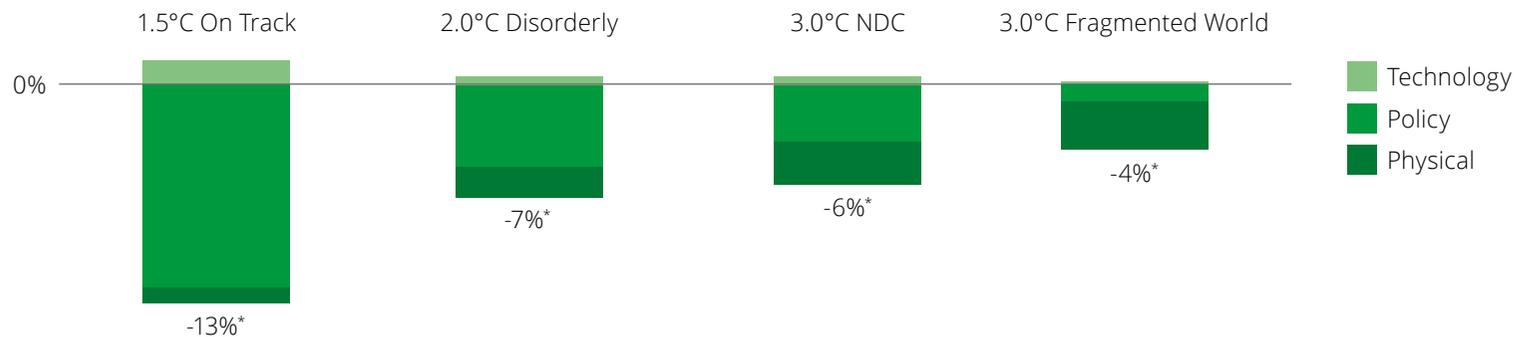
Climate Value at Risk for Affluent

Within Quilter Investors and Quilter Investment Platform, CVaR scenario analysis is carried out over our Multi-asset, WealthSelect portfolios and our sub-advised funds. As our WealthSelect portfolios invest in our sub-advised funds, to avoid double counting, the CVaR analysis presented below is modelled based on our multi-asset and WealthSelect Portfolios only. For more information on our AUM coverage, please refer to the Quilter Affluent 'Financed emissions' section on page 64 of this report.

The chart shows estimated portfolio CVaR losses across four climate scenarios, with the largest impact occurring in the '1.5C On Track' pathway at -13%, driven mainly by policy and physical risks. However, as discussed on page 38 we believe the model is likely underestimating the true level of physical risk, especially in the higher temperature scenarios. Climate risk quantification using climate VaR is a relatively new practice, and the business is aware of the limitations of these models recognised across the industry. A key component of our manager and data provider engagements includes understanding their usage and future enhancement plans in this area.

In addition to portfolio-level scenario analysis, Affluent actively participates in collaborative engagements and industry initiatives to drive positive climate outcomes. These include partnerships through Climate Action 100+, the Institutional Investors Group on Climate Change (IIGCC), The Investor Forum, UK Sustainable Investment and Finance Association, UK Wealth Managers on Climate. Through these engagements, we aim to influence managers within our investment universe on climate-related risks and opportunities, supporting the transition to a low-carbon economy.

For further information on how climate-related risks are managed within the Affluent investment portfolios, please see the Affluent 'Risk management' section on page 46 of this report



*the percentage figures in this chart represent the aggregated impact combining policy risks, technology opportunities, and physical risks.

Source: Affluent holdings data as of 31 December 2025. MSCI data as of 30 January 2026.

The data used to inform these values was sourced from MSCI. We understand that due to MSCI's data refresh cycle, some of the emissions data (specifically Scope 1 and 2) may date from previous financial years.

Climate metric	CVaR – Policy	CVaR – Technology opportunities	CVaR – Physical
Data coverage	68.5%	60.8%	68.2%



Climate Value at Risk for High Net Worth

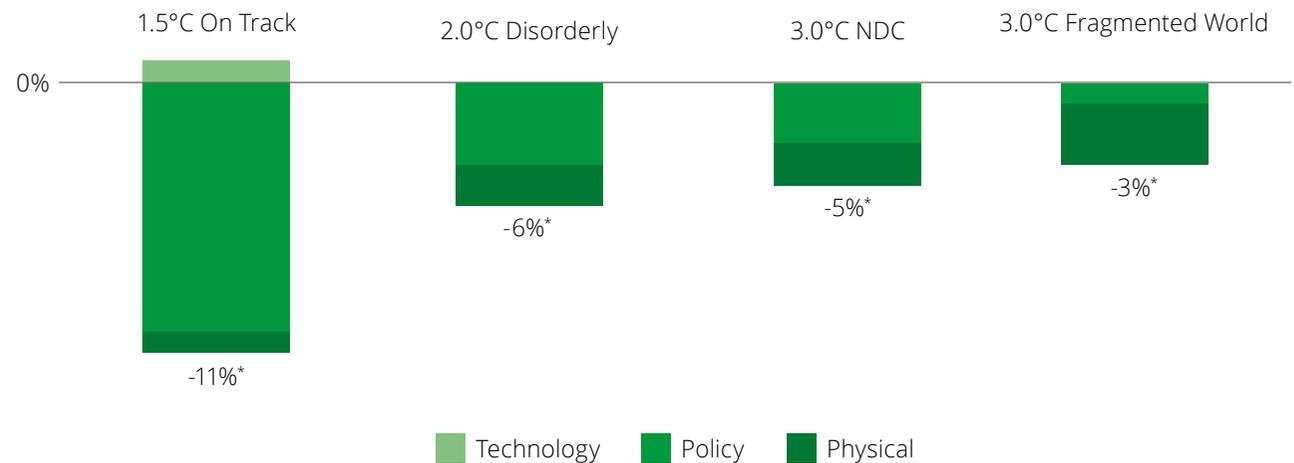
Within HNW, CVaR scenario analysis is carried out on our centrally monitored holdings. For more information on our centrally monitored holdings, please refer to the HNW 'Financed emissions' section on page 65 of this report.

Across these scenarios, the 1.5°C scenario would impact the value of the holdings more significantly than the other scenarios, where there is more limited economic change. To mitigate the potential impact, our focus is on engagement with the companies we invest in through different avenues:

- collaborative engagements such as Climate Action 100+, Institutional Investors Group on Climate Change's Net Zero Engagement Initiative, Wealth Managers on Climate, IIGCC External Managers Working Group, Nature Action 100, PRI Spring, as well as the CDP Non-Disclosure Campaigns;
- engagement programmes focused on the highest-emitting companies within our centrally monitored universe as well as with the third-party managers that we invest with.

For further information on how climate-related risks are managed within the HNW investment portfolios, please see the HNW 'Risk management' section on page 51 of this report.

It is important to acknowledge the degree to which the market's misalignment with a Paris-aligned economy impacts the outcomes of this exercise. Because current policy and economic action is insufficient to limit post-industrial warming to 1.5°C, the degree of disruption (and economic loss) associated with a 3.0°C world lessens, while the disruption incurred by businesses to align with 1.5°C would be much more severe. Essentially, the more 'off-track' the global economy gets, the closer it aligns to the worse forecasts (i.e. 3.0°C scenarios). This is reflected in the lower CVaR values for our 3.0°C aligned scenarios.



*the percentage figures in this chart represent the aggregated impact combining policy risks, technology opportunities, and physical risks.

Source: Quilter Cheviot holdings data as of 31 December 2025. MSCI data as of 31 January 2026. Please note that all climate metrics are re-weighted for coverage; therefore, the figure presented includes the extrapolation of an average value to cover those assets where no emissions data was available. The data used to inform these values was sourced from MSCI.

Climate metric	CVaR – Policy	CVaR – Technology Opportunities	CVaR – Physical
Data coverage	88.9%	65.0%	88.1%



CVaR analysis

The charts on pages 39 and 40 outline the potential impacts of climate on our combined investment portfolios across Affluent and HNW. Our analysis considers the impacts of climate change on the value of our portfolios under three key categories:

► **Policy risks** - costs arising and governmental factors, including carbon pricing, emissions standards, and mandated technology shifts

Policy risks remain the main driver of downside outcomes across all scenarios for our investments.

The largest impact arises under the 1.5°C on Track scenario, reflecting the rapid acceleration of global climate regulation, resulting in higher costs for corporates.

Disorderly and NDC scenarios generate lower impacts as regulatory tightening is slower, less coordinated, or less stringent.

The Fragmented World scenario represents the lowest policy impact due to the lack of regulatory and policy change. However, this scenario exhibits significantly higher physical risk related impacts

Whilst policy risk represents the largest climate-related risk for our Affluent and HNW investment strategies, we ensure our approaches remain resilient through active management, strategic diversification, and ongoing risk monitoring.

► **Technology opportunities** - business opportunities emerging from innovative clean technology products, processes, and efficiency enhancing solutions.

Across all four scenarios technology opportunities provide incremental upside within our investments.

Technology opportunities are greatest under the 1.5°C on Track scenario as the economy moves rapidly, decisively, and in a coordinated manner toward net zero, creating favourable conditions for large-scale clean-technology deployment, cost reductions, and commercialisation.

By contrast, the Fragmented World scenario is characterised by weak global cooperation, inconsistent policy signals, and slower adoption of clean technologies. As a result, the technology-opportunity pathway is more muted.

Investment strategies with a specific focus on the energy transition are likely to capture a larger share of this upside.

► **Physical risks** - expected financial losses associated with chronic and acute climate related physical hazards.

Our exposure to physical risks remains modest under the 1.5°C on Track and 2°C Disorderly scenarios, where the frequency and severity of climate related hazards are relatively constrained.

Physical risk impacts are more significant under the NDC and Fragmented World scenarios, reflecting higher temperature outcomes and the associated increase in climate related physical damage.

Portfolio exposure to physical risks is mitigated by limited allocations to emerging markets and other regions that are most vulnerable to climate hazards.

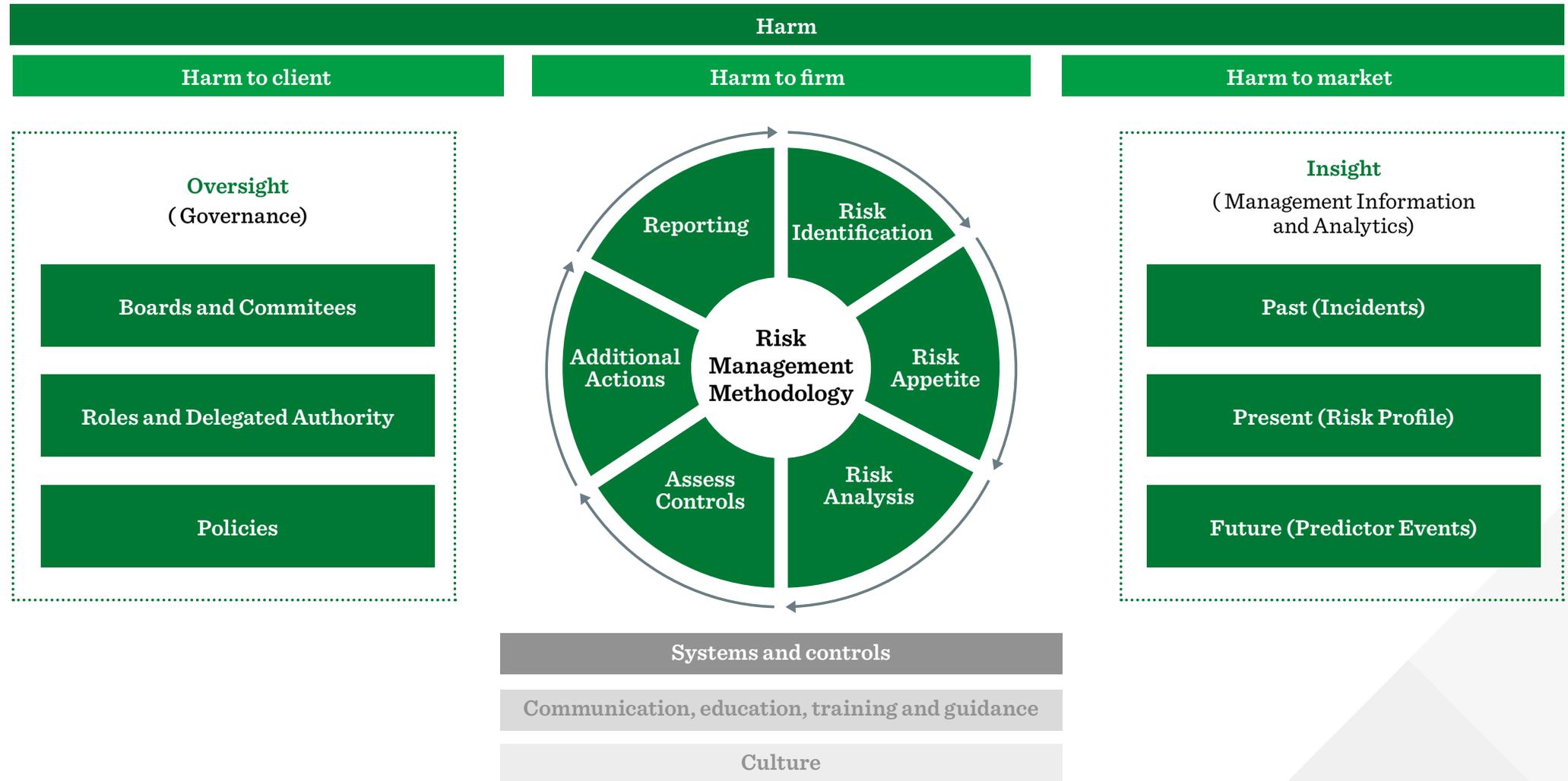


Risk management

How we identify, assess, and manage climate-related risks, across Quilter plc and within our investment businesses

Quilter plc Risk Management Framework

This section outlines how we identify, assess, and manage risks posed to Quilter plc and our investment management entities as a result of climate change and the transition to a low-carbon, climate-resilient economy. It also describes how we have integrated these processes into our wider Risk Framework. The first section outlines our approach to climate risks at the Group level, followed by our approach to climate-related risks within our asset management and asset owner entities.





Climate-related risks within our Group Risk Management Framework

Our Level 1 risk categories define our principal risks. Risk exposures and management actions for Level 1 risks are reported to the Board Risk Committee (“BRC”) on a quarterly basis. Level 2 risk categories define our more specific risk exposures within each Level 1 category. We apply risk appetite statements at both levels to define how much risk we are willing to accept. A suite of key indicators and metrics have been identified for the Level 2 risks to help determine whether Quilter is within or outside of appetite.

Each Level 2 risk appetite statement is owned by a relevant member of senior management who is responsible for the monitoring of the key indicator metrics and reviewing them on an annual basis. Any material changes to these statements are reported to the ERM and the BRC. 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 crosscutting 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.

Alongside our principal risks, we have a series of emerging risks that are less certain in terms of timescales and impacts. The identification of these risks contributes to our stress and scenario testing, feeding into our strategic and financial planning process.

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.

We continue to evolve our processes around emerging risks and how these are monitored and reported to management and Board Committees. If a new emerging risk is identified or there is a material development in any of our existing climate-related risks, this would be escalated as appropriate as it occurs.



Group-level climate-related risk identification and assessment processes

Within our existing framework

We conduct regular reviews to identify risks throughout the business. Reviews are also undertaken when there are:

- changes to the operating model;
- new products and services introduced; or
- significant events experienced.

All of which is challenged and overseen by the second-line Risk function.

Within our Risk Management Framework, we have both top-down and bottom-up risk identification and assessment processes. As part of our bottom-up approach, we identify operational risks and assess the effectiveness of our controls through Risk and Control Self Assessments (“RCSAs”). The RCSAs are carried out by each business area within our risk management system and overseen by the second-line Risk function. Our Responsible Investment teams are required to complete RCSAs, and where climate change impacts risks in other business areas, these are captured in the relevant RCSA. In 2025, Corporate Sustainability function completed their first RCSA capturing operational climate-related risks.

Top risks are identified by members of the Executive Committee and are monitored through regular engagement with the second-line Risk function. During 2025, one climate-related reporting and disclosure risk was monitored as a top risk for the business.

Standalone climate-risk workshops

In 2024, we held our first cross-functional workshops to identify climate-related risks, assess materiality and determine how we manage and monitor risks going forward. Representatives from Responsible Investment, Corporate Sustainability, Finance, and Risk teams attended the workshops.

We incorporated the guidance issued by the TCFD, and Carbon Disclosure Project (“CDP”) key risk drivers into our risk identification and assessment process to ensure a wide range of climate risk factors were considered. We also used scenario analysis to assess how both transitional and physical impacts of climate change could affect Quilter’s financial position, business model, and investments managed by our Affluent and High Net Worth segments.

To determine materiality and assess the significance of climate-related risks in relation to wider business risks, we carried out a subjective risk assessment, using our operational risk matrix, to assess likelihood, timeframe, potential for harm, and magnitude of both financial and non-financial impacts of climate-related risks on an inherent and residual basis.

In 2025, we repeated this process to review our risk assessment considering the latest climate developments and regulatory changes. We have considered selected outcomes from the NGFS Phase V short-term and long-term scenarios as part of the assessment, to better understand the impact of climate-related factors on Quilter’s flows and financial position.

Climate risks within our investments

Climate risks within our investments

Our two business segments, Affluent and High Net Worth, have distinct investment processes and therefore different approaches to responsible investment and climate-related risks and opportunities. The Affluent segment invests almost entirely via a range of third-party funds, whereas High Net Worth invests around 60% of its AuM through funds, with the remainder being allocated to direct equity and fixed income investments.

Across the Group we manage our exposure to climate-related risks within our investments by considering climate-related issues, alongside wider ESG factors, within our investment and stewardship activities. Climate change is one of three thematic priorities guiding our engagement activity across Quilter.

The remainder of the 'Risk management' section details how our Affluent entities and Quilter Cheviot identify, assess, and manage climate-related risks and opportunities within the investment portfolios they manage on behalf of customers, in line with the TCFD Entity Report requirements set out in the Financial Conduct Authority ("FCA") ESG Sourcebook.

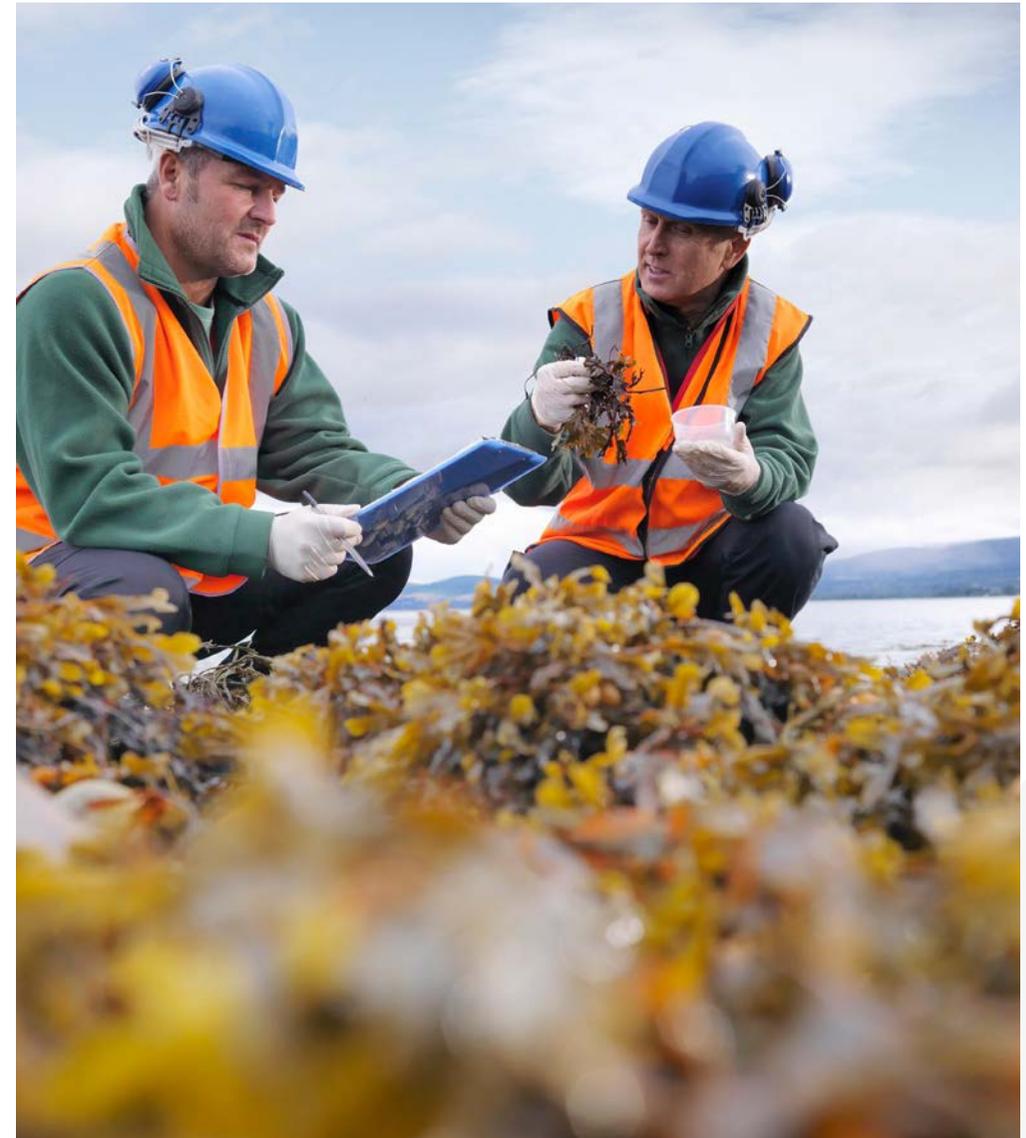
This is presented in two sections:

- Quilter (Affluent) Climate-Related Risk Management – pages 47-50;
- Quilter Cheviot (High Net Worth) Climate-Related Risk Management – pages 51-59.

Affluent Climate-Related Risk Management

Quilter Affluent demonstrates its commitment to the Quilter Responsible Investment Principles by embedding ESG risks and opportunities, including those related to climate change, across its teams, processes, and systems. Given that its investment solutions are predominantly invested in third-party advised funds, manager selection, oversight, and stewardship play a critical role in integrating ESG and climate considerations.

As part of the CAP, which serves as the cornerstone of climate-related initiatives, Quilter Affluent has made meaningful progress in embedding climate-related considerations into both investment and stewardship processes, as outlined in the 'Strategy' section on pages 22-24. The inaugural plan for 2025 is regarded as a foundational year, focusing on information gathering and analysis to enable an informed response in subsequent years.



⁵Climate Action Plan

Asset allocation

Climate considerations are embedded in the asset allocation process for portfolios with environmental objectives, such as the WealthSelect Responsible and Sustainable Portfolios. These portfolios aim to maintain a lower carbon footprint than a reference index, and carbon data is incorporated into the inputs used for setting Strategic Asset Allocations (“SAAs”) and Tactical Asset Allocations (“TAAs”) for these products.

SAAs are reviewed quarterly using updated capital market assumptions, with governance oversight – including input from the Head of Responsible Investment – to ensure portfolios remain aligned with their climate objectives. If carbon scores fall outside mandate constraints, SAAs may be adjusted to maintain compliance.

Manager selection

Climate-related factors are assessed at both the firm and fund level as part of our manager selection process, led by the central Research Hub, which includes Operational Due Diligence (“ODD”), Manager Research (“MR”), and Responsible Investment (“RI”) teams.

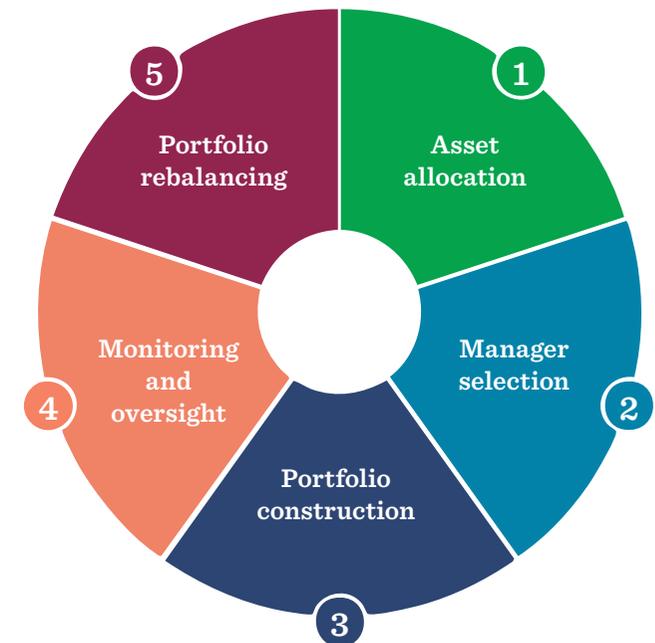
All funds formally available for investment are assigned an RI tier, reflecting their level of ESG and climate integration. This tiering influences eligibility for different investment solutions and can be found [here](#). The RI Tiering Framework includes:

1. A set of **minimum expectations** of a fund (Tier 1) designed to support formal commitments of our investment solutions, and minimum expectations of managers. This set of minimum expectations is owned by the responsible investment function and requires governance approvals for change.
2. Guidance on **internal standards**, including detailed characteristics relating to terms such as ‘Leaders in ESG integration’ (Tier 2) or ‘Sustainable outcomes’ (Tier 3) as agreed and maintained collaboratively with the Research Hub according to best practice, regulation, and industry developments.

Tier 2 and Tier 3 funds are assessed using the ‘4Ps’ – Philosophy, Process, People, and Portfolio – supported by manager meetings, due-diligence questionnaires, and climate-related data feeds. At the firm level, managers are evaluated on their commitments to responsible investment principles – such as climate action or decarbonisation plans, TCFD-aligned reporting on financed emissions, and governance structures that link climate risk management to senior level incentives. At the fund level, managers are assessed on how ESG-related constraints and commitments (including climate if relevant) are integrated into the investment philosophy and the materiality of climate risks to the strategy. Analysts use dedicated dashboards with look-through capabilities to evaluate carbon and climate risk metrics. Each fund is jointly reviewed by a Responsible Investment Analyst and a Research Analyst, with any uncertainties resolved in Research Hub meetings to ensure alignment with climate objectives.

Portfolio construction

Climate metrics are embedded in the portfolio construction and rebalancing process for the WealthSelect Responsible and Sustainable ranges. Portfolios are constructed to ensure minimum RI expectations are maintained, align with customers’ preferences and attitude to risk, and adhere to investment objectives – supported by emissions data. Rebalancing decisions are informed by pre- and post-trade emissions modelling, ensuring carbon exposures are considered in allocation decisions. Portfolio managers receive regular updates on climate-related exposures, with insights shared during fortnightly meetings between the Responsible Investment team and Portfolio Managers. These meetings help integrate climate data into investment decisions and ensure portfolios remain aligned with their carbon objectives.





Monitoring and oversight

Investment oversight is conducted through governance forums and supported by monthly investment risk reports. These reports provide look-through analysis of underlying holdings to assess exposures to:

- GHG emissions;
- controversies;
- UNGC violations;
- unsustainable activities; and
- sustainable outcomes (where applicable).

The Responsible Investment team reviews material RI risks, including elevated exposures to high-carbon sectors or flagged holdings (e.g. thermal coal), and initiates engagement with managers where necessary – particularly within the Sustainable product range. These engagements form part of our stewardship programme and are tracked through a shared internal research system, with escalation as appropriate.

For sub-advised funds, where investment processes are delegated to third-party managers (our sub-advisers), additional ESG reporting requirements apply. These include detailed reporting across ESG KPIs for funds with specific ESG objectives.

Stewardship

Stewardship plays an important role in supporting our approach to managing climate-related risks and opportunities responsibly across our investment solutions. We believe that, for most of our strategies, an approach of engagement rather than divestment is the most appropriate initial action to take.

Our Stewardship Programme aims to:

- ensure we meet the standards required for our customers, by fully integrating stewardship into investment processes and in alignment with our firm level and mandate commitments. This is implemented through the responsible investment tier framework. Where we identify risks that any of these areas may not reach the standards promised to our customers, we work collaboratively to engage with managers on the issue. Where mandates include climate-related commitments, for example in the WealthSelect Sustainable and Responsible portfolios, we commit to keeping carbon emissions below the benchmark; and
- promote well-functioning markets long term, by focusing on risks and opportunities regarding the broader context of our customers' investments. This is implemented by thematic integration and collaboration through our strong relationships with investment partners and guided by monitoring of the regulatory landscape and research of the most material themes emerging. In addition, we carefully consider our commitment to initiatives and collaborations that are aligned to these thematic areas. Quilter's three thematic priorities include climate change as our highest thematic priority and the focus for thematic stewardship activities to date.

Our integrated approach enables Quilter Affluent's fund investment solutions to capture strategic climate-related opportunities, including:

- **whole market research**, which help us develop well-evidenced positions aligned with industry best practice;
- **strong partnerships**, fostering shared learning for effective collaboration and advocacy for initiatives that are useful to the investment community; and
- **multilayered stewardship**, supported by firm, fund, and issuer analysis that considers ownership structures and influences for driving positive change.

Collaborative engagements

We work collaboratively with other investors to strengthen our influence and encourage managers to address climate risks and opportunities. This collective approach enhances the impact of our engagement and deepens our understanding of the challenges and solutions shaping the industry



- **UKSIF:** We participated in events to understand market trends in areas we continue to develop. The UKSIF Alternative Investments event has provided valuable insights which has been incorporated into our responsible investment tier framework as we extend this to broader asset classes.
- **UK Wealth Managers on Climate:** We joined this peer collaboration during the year to align on research requirements and standards expected of managers with similar clients. This participation has resulted in targeted improvements to our firm level due diligence questionnaires.
- **The Investment Association:** We are a select group of asset managers actively engaging with the Investment Association's ("IA") Sustainable Investment Strategy. We help shape the direction of IA forum discussions and contribute to position papers submitted to the regulator. This includes informing how the IA interacts with regulators on behalf of the UK asset management sector, particularly in relation to the Sustainability Disclosure Requirements (SDR).
- **The Investor Forum:** We engaged with the Investor Forum to stay informed on UK engagement trends and activities, and to participate in collective engagements on specific stocks where our managers' expertise and influence can add value.
- **IIGCC External Fund Manager Working Group:** IIGCC is particularly relevant to our climate change thematic priority, we participate in working groups focused on incorporating transition pathways into sovereign debt analysis and developing standards for external funds.

Training and education

We aim to ensure colleagues across Affluent understand climate change, its related risks and opportunities, and how these are integrated into our investment activities. To support this, a training needs assessment was conducted across Affluent, leading to the development of a tailored training plan that is currently being implemented and will continue throughout 2026.

Investment professionals also participate in external educational events and adviser/customer sessions.

Client preferences

Understanding and integrating client preferences is central to our responsible investment approach. We aim to ensure that clients can invest in line with their values while meeting their financial objectives.

Key initiatives:

- **customer panel insights:** We launched a climate investing questionnaire within our customer panel survey. This helps us track trends in client attitudes toward responsible investment, including climate-related risks and opportunities;
- **refreshed client categorisation:** We refreshed responsible investment client categories within the advice process to align with terminology introduced under the SDR labelling regime; and
- **integration into advice:** Our advisers incorporate responsible investment preferences into suitability assessments, alongside factors such as risk appetite, income needs, and time horizon. The RI team is supporting this transition through adviser training, client guides, and policy updates to ensure advisers have the tools and knowledge to embed these preferences effectively.



Data providers

Climate-related risks are one of the factors that we consider through our integration processes. We use multiple data providers to facilitate this.

External data provider	Purpose
Institutional Shareholder Services (ISS)	<p>To provide data for ESG integration and for engagement.</p> <p>Voting platform – We use ISS to facilitate proxy voting for holdings where we have direct voting rights and to provide research that informs our decisions. Recommendations are based on our agreed voting policy, but we do not always vote in line with ISS' recommendations.</p> <p>Governance risk-oriented data – Focused on board structure, compensation, shareholder rights, and audit and risk oversight. This informs our assessment of governance risks and our engagement with underlying fund managers.</p>
MSCI	<p>To provide data for ESG integration and climate-related reporting.</p> <p>Climate solutions – directly reported and modelled GHG emissions data and corporate climate performance information (including scenario alignment and disclosure against external frameworks) for use in our ESG integration activity as well as TCFD reporting.</p>
Sustainalytics	<p>To monitor exposures and ESG risk.</p> <p>Product involvement, UN Global Compact breaches, and controversies – Sustainalytics data is used to monitor exposures across these areas.</p> <p>ESG risk ratings – incorporated into our proprietary data dashboards to support ESG integration.</p>
CDP	<p>To validate and provide ad hoc analysis.</p> <p>Climate and environmental disclosures – CDP data is accessed to support validation of company-reported information and for ad hoc research purposes.</p>



Quilter Cheviot (High Net Worth) Climate-Related Risk Management

Our **CAP**, which we published in the second quarter of 2025, is central to our climate-related activity and risk management.

This is our first formalised CAP, and it is a living document, in that we will update and refine this over time. We have been mindful of the dependencies a wealth manager has to navigate to develop a climate strategy and are very aware of the potential pitfalls faced by investors making net zero commitments without all the evidence to hand. Having said that, we do not want to lack ambition in this area so are excited to take this first important step.

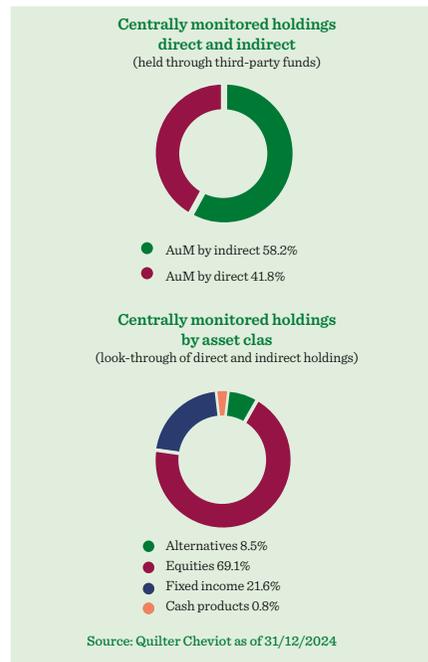
This plan aligns with Quilter’s climate ambitions related to investment activity, where we aim to:

- use our levers as an investor to contribute to the just transition to a low-carbon economy, through direct and collaborative engagement and voting with companies and fund managers;
- ensure our investment portfolios are resilient to climate change risks, by integrating environmental considerations primarily through research, due diligence, and information for use in our investment processes and stewardship activities.

The Responsible Investment team identifies climate-related risks and opportunities, making assessments using inputs from external data providers, company reports, and the collection of information from third-party fund providers. The research teams use these assessments as part of the investment process.

Climate factors are core inputs into internal assessment tools such as the ESG dashboards:

- the equity industry group dashboards are comprised of multiple data feeds related to ESG information deemed to be material by the Sustainability Accounting Standards Board (“SASB”);
- for the third-party managers we invest in we are constructing proprietary dashboards which consider the firm, the strategy, and holdings (the latter for listed and government issues only). These incorporate how the firm and the strategy manage climate-related risks, as well as climate metrics for the underlying holdings;
- the fixed income dashboards are comprised of data feeds related to the material sustainability issues recognised by the SASB framework for the corporate bond universe. For the sovereigns, risk factors are assessed at a country level. Across all fixed income dashboards, we assess climate metrics such as carbon intensity and CvaR; and



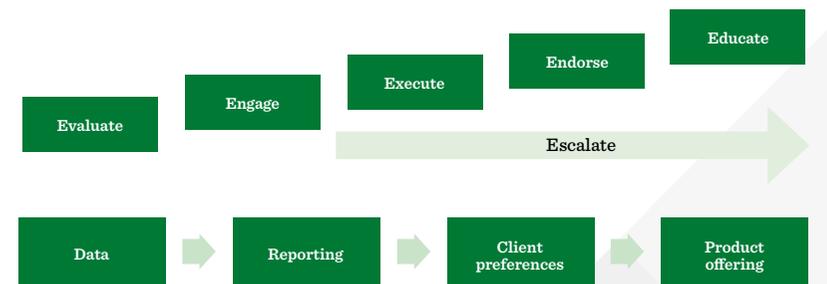
QC Climate Dashboard



These metrics apply to our centrally monitored holdings. Each metric covers only Scopes 1 and 2. WACI and ITR are inclusive of all equities and corporate fixed interest held directly and indirectly (via funds), as well as sovereign assets. Carbon footprint excludes sovereign assets. WACI - Weighted Average Carbon Intensity; ITR - Implied Temperature Rise; tCO₂e - tonnes of carbon dioxide equivalent



Equities | Corporate bonds | Funds | Alternatives



Engagement sits at the heart of the CAP with quantitative and qualitative assessments through our proprietary climate alignment test QCCAT



- some clients will also have specific climate-related exclusions that Investment Managers will monitor and implement. The Investment Risk function monitors investment portfolios and Quilter Cheviot managed funds to ensure they are in alignment with the client's responsible investment preference and any specific exclusions they might have. This is supported by the management committees and forums (see 'Governance' section), as well as responsible investment representation on the UK and International Stock committees as well as on model groups and committees for specific strategies.

Identification, assessment, and management of climate-related risks

The integration of ESG factors into our investment approach is an essential part of our climate risk identification process. We have used external data providers to aid the production of our ESG dashboards which highlight key climate data across our holdings and assist in identifying climate risks and opportunities. These tools are also used to assess climate risks on an ongoing basis.

Our Responsible Investment team regularly meets with companies and funds held in our portfolios, and collaborates with our research analysts, to identify and assess where climate risks are not being adequately managed. Part of this process is regularly monitoring emissions exposure to underlying holdings using information from external data providers, NGOs, and company annual reports.

Like many global investors, our emissions exposure is highly concentrated among a handful of companies in several high-emitting industry groups. Our approach to managing climate risks is centred around our engagement strategy, where we encourage companies and funds to disclose climate information and set rigorous decarbonisation targets and transition plans over time.

The Responsible Investment team undertakes thematic engagements with holdings which may result in the identification of new climate-related risks. This includes focused engagement with third-party fund managers on how they integrate climate data and use company engagement to manage climate risk exposure.

Our engagement activity

Through our stewardship process we commit to engage companies and funds to understand their decarbonisation plans with the aim to encourage alignment with net zero pathways and target setting in-line with globally recognised standards, such as the Science Based Targets initiative.

Our thematic and collaborative engagements are a key tool in the process of identifying and managing climate-related risks. We engage directly with companies and funds that we invest in, but we also use a number of collaborative forums to join with other investors to undertake engagement. Additionally, we have representation on relevant industry groups' responsible and sustainable investment committees where we look to share best practice and feed into industry thinking to enable a supportive policy environment. For instance, we are represented on the Advisers' Sustainability Group which was established by the FCA to focus on enhancing sustainable finance capabilities within the financial advice sector.

Our direct thematic engagements allow us to gain a better understanding of a company or fund's exposure to climate-related risks and opportunities, and how they are responding to the risks posed by climate change.

Engaging with purpose

When we engage, we do so with a specific objective and are outcome oriented. The outcome will take a number of different forms, including:

- a change in, or validation of the responsible investment categorisation of the holding;
- for investment trusts: a change in, or validation of the Red, Amber, and Green ("RAG") rating which assesses board composition, board effectiveness, and responsible investment disclosures;
- a voting decision;
- addition or removal from a model strategy; and
- a change in the analyst's recommendation.

We prioritise our engagement through the following lens, as well as considering materiality, i.e. the size of our holding and the significance of the issue for the holding.

We consider the following characteristics to prioritise engagements:
Risk based | Thematic | Norms/Incident based



Reactive (bottom up)
AGM/SGM resolutions
Policy consultations
Controversial events



Proactive (top down)
Thematic engagements
Collaborative engagements



Business as usual
Ongoing dialogue

Collaborative engagements allow us to work with other investors as part of a collective voice to engage specific companies to encourage better response to climate risks and opportunities. Working alongside other investors allows us to broaden our thinking and increase our understanding of the variety of climate risks our assets face. Being an active participant in collaborative engagement initiatives is a crucial element of our overall stewardship agenda.



- **Climate Action 100+:** In December 2023, Quilter Cheviot joined Climate Action 100+ as an investor participant. Climate Action 100+ is an investor-led initiative to ensure the world's largest corporate GHG emitters take necessary action on climate change. We are active participants in engagements with National Grid and Trane Technologies.
- **Net Zero Engagement Initiative:** The Net Zero Engagement Initiative aims to evaluate companies' existing climate transition plans and progress to date. This includes reviewing where the companies are experiencing the greatest success in decarbonising, and which areas remain challenging. We are part of the working groups for two target companies, Tesco and Siemens.
- **Nature Action 100:** In 2023, Quilter Cheviot joined Nature Action 100. This is a global investor engagement initiative focused on driving greater corporate ambition and action to reverse nature and biodiversity loss. The initiative engages companies in key sectors that are considered to be systemically important in reversing nature and biodiversity loss by 2030. Quilter Cheviot is part of the engagement working group for Rio Tinto.
- **Spring (PRI):** Quilter Cheviot joined the Spring initiative in June 2024. This initiative aims to use investors' influence to limit biodiversity loss and enhance corporate practice in addressing systemic risks to nature from specific commodities. We are involved in engagement groups targeting Reckitt Benckiser and BHP.
- **IIGCC External Fund Manager Working Group:** Quilter Cheviot joined this working group in August 2024. Its members aim to develop guidance for asset managers working with external fund managers to assess net zero alignment.
- **Wealth Managers on Climate:** Quilter Cheviot joined this group in late 2023. The group comprises UK-based wealth managers who meet quarterly to share best practice on sustainability-related topics. In Q4 2025, we worked with group members to compile a standardised climate due diligence questionnaire ("DDQ"), which will be included in QC's annual fund RFI from 2026.



- In 2025 we have undertaken the following climate-related **thematic** engagements building on our previous climate-related engagements as outlined in our **2024 TCFD Entity Report**:
- **Greening algorithms: Artificial intelligence and emissions**
Understanding AI's net impact on emissions is complex. While data centre expansion increases emissions, AI solutions can enable wider economic efficiencies and innovations that reduce emissions. For instance, AI services aid in designing next-generation solar panels, optimising power grid distribution, and reducing the carbon intensity of cement production. By understanding the interplay between technological advancements, regulatory landscapes, and energy demand dynamics, investors can navigate the evolving landscape and capitalise on emerging opportunities;
- **Slipping through the net: third party managers and net zero ambitions**
As a prelude to our CAP, we wanted to understand what degree of alignment is feasible for our holdings given the nature of the investments – over 60% of AuM are in third-party-managed funds. Given the significance of fund holdings in our investment universe, determining how to align these assets is critical for a meaningful net zero target;
- **Capitalising on climate opportunity**
We continued our ongoing thematic engagement programme on climate disclosure and transition planning with the largest emitters held within our Sustainable Opportunities funds. The objective is to better understand each company's current plans and progress towards them. Whilst this is the first phase of engagement focused specifically on the holdings in the Sustainable Opportunities Funds, it is built upon the ongoing thematic engagement that Quilter Cheviot has conducted with the highest emitters amongst its broader investment universe. This previous engagement established a framework of what a robust CAP looks like;
- **Slow to Start**
Having been part of the CDP SBTi campaign we have continued this through our 'Slow to Start' engagement with companies that have an industry-relevant pathway, but which do not have a verified target. This engagement forms part of our Climate Action Plan-related stewardship, and is among the new recurring engagements within our climate theme. We began this work engagement in 2025, and will conclude this phase of it, later in 2026.

Within our nature-related thematic engagements:

- **Disposable disclosures: Consumer goods and single-use plastic**
Consumer goods and single-use plastic: recent global plastic waste brand audits⁵ have found that less than 60 companies are responsible for more than half the world's plastic pollution, with six companies responsible for a quarter of that total. We engaged with targeted companies based on our materiality criteria in the consumer goods sector;
- **Making a splash**
Alongside the Sustainable Investment ("SI") team we engaged several investee companies held in the SO strategies to better understand water-related risks and opportunities, including emerging technological innovations and solutions that relate to water efficiency and water resilience.

We also undertook an engagement focused on the stewardship activity undertaken by the eight index tracker providers that we invest with.

Indexing active ownership: How index trackers deliver stewardship

For the exposure via passive strategies (index trackers) we have evaluated the managers' approach to responsible investment through an engagement focused on resourcing, stewardship consistency, voting alignment, and systemic focus. From these engagements we were able to evaluate eight index providers and to confirm our internal categorisation of these managers.

⁵Global producer responsibility for plastic pollution | Science Advances



Voting on climate matters

During Annual General Meeting (“AGM”) season our focus is on reactive engagement when we meet with companies to discuss matters such as AGM resolutions, shareholder proposals, and remuneration policy consultations. We usually engage on a one-to-one basis, but we also participate in group meetings including those facilitated by organisations such as The Investor Forum. Examples of our engagement and voting activity include:

- we supported a shareholder resolution at the Shell AGM to clarify how its current fossil fuel expansion is consistent with the existing transition plan. This received over 20% of shareholder support so will require formal response from management;
- at the Bank of America, Wells Fargo, Berkshire Hathaway, Goldman Sachs, and Markel AGMs we supported votes encouraging companies reporting on fossil fuel financing activities. We believe shareholders would benefit from greater transparency on how financial institutions are addressing any misalignments between financing activities and GHG emission reduction targets;
- we voted against re-electing the chair of the board/the lead independent director at Chevron and ConocoPhillips. The companies have failed to set Net Zero 2050 targets that cover all of Scope 1 and 2 emissions, and the most relevant Scope 3 emissions. Capital allocations are also not aligned with a meaningful decarbonisation trajectory.

We use our voting rights to express formal approval or disapproval of the way investee companies or investment trusts are managing risks and opportunities. As well as being a core aspect of being an active owner, it is an important escalation tool in our stewardship process to manage climate-related risks within our investment portfolios. Where we feel a company is not adequately responding to climate risks and opportunities, this is reflected in our voting. We have set the following climate-specific expectations in our Voting Policy.

Transition plan: Where companies are responsible for materially significant emissions of carbon dioxide (or equivalent GHG)⁶ we expect to see appropriate management of climate-related financial risks and transition planning. Transition plans⁷ of investee holdings are a key tool for understanding the decarbonisation trajectories of our investment portfolios. We set the following expectations for company transition plans:

Targets

- short term (pre-2035), long term (2035-2050);
- inclusive of material emissions⁸;
- externally validated (i.e. by the SBTi where possible).

Disclosures

- comprehensive emissions inventory (Scopes 1, 2, and 3), on a ‘disclose or explain’ basis;
- report progress against targets at least annually; and
- climate risk scenario analysis (in line with TCFD).

Decarbonisation strategy

- strategy outlining primary drivers of emissions and key levers to facilitate emissions reductions. This should include a clear trajectory of decarbonisation over time.
- supply chain decarbonisation strategy – where Scope 3 emissions are material⁹. This should include details of supplier engagement programmes and other key levers to decarbonise the company’s supply chain.

⁶We define ‘materially significant’ in line with the ‘high impact’ sectors defined in IIGCC’s Net Zero Investment Framework (NZIF) 2.0.

⁷These are variously referred to as Climate Action Plans, Transition Action Plans, Climate Transition Plans.

⁸In line with CDP sector guidelines (CDP Technical Note: Relevance of Scope 3 Categories by Sector).

⁹As per SBTi standard, this is when Scope 3 emissions comprise at least 40% or more of a company’s overall carbon emissions.



We may vote against members of the board where the company is not meeting these expectations or is not making sufficient progress towards these goals.

Climate capability: We expect boards to demonstrate capability in communications with investors and executive oversight. Where we feel this skillset is lacking, we may vote against the Chair of the Nominations Committee. We support TCFD and see climate risk as an essential element of a company's annual disclosures.

Climate change disclosures: We may not support non-executive directors with sustainability responsibilities which operate in high-impact sectors that have not made sufficient progress in providing investors with relevant climate disclosures (these include comprehensive emissions inventories, decarbonisation commitments and targets, and annual progress against targets).

Climate lobbying: We may not support the election of non-executive directors with sustainability responsibilities with relationships to industry associations that oppose efforts to transition to a low carbon economy. We will typically support well-structured and relevant shareholder resolutions calling for further transparency on lobbying and industry group alignment reviews.

Natural capital: We will typically support any resolutions that improve efforts to disclose adverse impacts on natural capital, specifically in relation to:

- **biodiversity:** better company level disclosure on biodiversity impact management and mitigation;
- **water risk:** enhanced transparency around water usage and encourage relevant companies with exposure to this risk to submit disclosures to the CDP Water framework; and
- **deforestation:** enhanced transparency on operations in high-risk areas and exposure to supply chains where deforestation is a material risk. Again, we encourage relevant companies to submit disclosures to the CDP Forests framework.

Details of how we have voted throughout 2025 are available in quarterly and annual reports, as well as monthly SRD II vote reporting. – [Stewardship | Quilter Cheviot](#).



The integration of ESG factors into our investment process

Climate-related risks are one of the factors that we consider through our integration processes. We use multiple data providers to facilitate this.

External data provider	Purpose
Institutional Shareholder Services (ISS)	<p>To assist with our active ownership agenda and an additional ESG data source.</p> <p>Voting platform – we use ISS to inform our decision-making. Recommendations are made based on the agreed voting policy. We do not always vote in line with ISS' recommendations.</p> <p>Governance risk-oriented data – focused on board structure, compensation, shareholder rights, and audit and risk oversight. Informs decision-making for governance engagements and is an input into the equity ESG dashboard.</p> <p>To provide data for ESG integration and for engagement.</p>
MSCI	<p>To provide data for ESG integration and for engagement and climate-related reporting.</p> <p>Climate solutions – directly reported and modelled GHG emissions data and corporate climate performance information (including scenario alignment and disclosure against external frameworks) for use in our ESG integration activity, as well as TCFD reporting.</p>
Sustainalytics	<p>To provide data for ESG integration and for engagement.</p> <p>ESG dashboards – we use ESG data as an input into our proprietary dashboards including companies that breach the UN Global Compact.</p> <p>Controversial weapons screening – used for monitoring exposure to anti-personnel landmines and cluster munitions in line with our policy.</p>
Ethical Screening	<p>To screen on a negative and positive basis in line with the client policy and an additional ESG data source.</p> <p>Screening tool – employed at a portfolio level and an additional data source for the research teams to identify areas of exclusion as well as positive screening.</p> <p>SDG alignment – this is used for the Sustainable Opportunities strategy which identifies holdings and their alignment to the UN Sustainable Development Goals.</p>
CDP	<p>To provide data for ESG integration and for engagement.</p> <p>Equities and funds – incorporating metrics from CDP's global disclosure system into the dashboards and providing data for engagements.</p>
Refinitiv (LSEG ESG)	<p>To provide data for ESG integration and for engagement.</p> <p>ESG dashboards – we use ESG data as an input into our proprietary dashboards as well as for engagement purposes.</p>
RepRisk	<p>To provide data for ESG integration and for engagement.</p> <p>We use this to identify and assess material ESG risks within our holdings.</p>

For our quantitative ESG integration approach for direct equities, we incorporate material ESG factors based on the SASB framework, plus additional factors which are identified in conjunction with the relevant analyst, which are determined to be relevant to the sector. Material ESG factors are sourced through various third-party data providers, annual reports, and publicly available sources on NGO platforms such as CDP.

All dashboards have seven core datasets, and some will also have bespoke data. The core datasets included on all dashboards provide relevant insight for all industry groups and include:

- climate GHG reduction targets; and
- CDP climate disclosure scores.

For the third-party funds we invest in, we combine data gathered directly from third-party managers via our annual ESG Request for Information (“ESG RFI”) together with third-party data at the holdings level to build an understanding of each manager's approach to ESG integration and to evaluate the fund's approach (amongst other things) to managing climate-related risks. This as well as using quantitative independent data allows us to engage on various issues including high-emitting holdings and the manager's approach to these.

For our direct corporate bonds, we incorporate material ESG factors from the SASB framework and additional debt-specific climate metrics, such as CVaR. All corporate bond dashboards use seven core datasets as the equity dashboards. The core datasets include Group Chief Executive Officer pay to total shareholder return, board gender diversity, and board independence. For the sovereign bond universe, we assess country-specific scores based on rule of law, corruption, and income inequality.

Our dashboards are reviewed on a quarterly basis to identify areas of improvement, expand their capabilities, and consider how we can incorporate new data and metrics as they become more widely available.



Training and education

We seek to ensure that our colleagues across HNW have an understanding of climate change, the related risks and opportunities, and the work the Responsible Investment team undertakes to identify and manage climate-related risks, and integrate these considerations into our day-to-day investment activities.

The HNW segment has developed the Responsible Investment Champions Forum, a regular session designed to deliver enhanced and more detailed responsible investment-related training and updates for client-facing colleagues. Over 2025, we delivered a number of sessions, which included topics such as our CAP and how to decode climate metrics.

Regular firm-wide updates are available to all colleagues and these focus on: ESG integration frameworks, voting and engagement activity, climate change, and specific investment strategies such as the Sustainable Opportunities Funds. Sessions are recorded so those unable to attend the event can watch at a later date. These events usually see attendance of over 150 colleagues.

Investment professionals within the business also attend external educational and training events we hold for advisers and customers. To help guide advisers and customers through our TCFD reports, we provide a video explaining the key terms and metrics.

Governance, oversight, and insights

We have several activities in place to increase the focus on managing climate-related risks.

Six-monthly reporting on comparison of core strategies' climate-related metrics to the Investment Oversight Committee ("IOC"). We began this process in 2022, and this allows the IOC to understand the divergences between different strategies which will have different exposures to fossil fuels (in some cases, zero exposure) and which holdings or sectoral allocations are driving emissions. We find that using the Implied Temperature Rise metric is useful within this exercise, and hence we have included this within the product reports for our core strategies.

Products or strategies that have specific responsible or sustainable investment-related objectives (and in the case of the latter, outcomes) have specific oversight from the Product Governance Forum, as well as model or committee groups to provide challenge.

Since 2021 we have included responsible-investment-related questions within biennial customer surveys. This information enables us to understand responsible investment trends within our client base which incorporates climate-related risks and opportunities.

Client preferences

In 2022 across Quilter, we introduced responsible investment preferences within the advice and discretionary investment management businesses. Our advisers and investment managers within **the Affluent** and **HNW segment** integrate a customers responsible investment preferences within the advice and suitability processes that they follow, enabling our customers to consider these preferences alongside risk and desired investment returns. Our advisers and investment managers within HNW integrate a customers' responsible investment preferences within the advice and suitability processes that they follow, enabling our clients to consider these preferences alongside risk and desired investment returns. This enables our customers to invest in line with their values and needs. Every client has their own requirements around risk appetite, ability to bear loss, income requirements, as well as the investment time horizon. These are the key areas that will determine the right approach for the customers.

Customers preferences allow us to better ensure that customers' requirements are matched to the appropriate strategy as well as identifying areas where there is demand for different strategies that we should consider introducing. With the introduction of the preferences, we categorise holdings in line with these to clearly identify which investments are permitted within each preference. To do so we have used quantitative and qualitative analysis to make these categorisations.



Metrics and targets

*The metrics and targets we use to
measure, monitor, and manage our
exposure to climate-related risks
and opportunities*

Overview of emissions

The GHG Protocol categorises emissions according to ‘Scope’, as follows:

Scope 1 (Direct GHG) These are emissions from sources that are owned or controlled by an organisation. This includes fuel combustion on site, eg. gas boilers, fleet vehicles, and air conditioning leaks.

Scope 2 (Energy - Indirect GHG) These are emissions from the consumption of purchased energy generated upstream from the organisation. For purchased electricity, organisations are required to report Scope 2 emissions according to the below categories:

Location-based: This reflects the average emissions intensity of grids.
Market-based: This reflects emissions from electricity that organisations have purposefully chosen, eg. renewable energy contracts.

Scope 3 (Value chain - Indirect): These are all indirect emissions (not included in Scope 2) that occur in a company’s value chain.
 Due to the nature of our business, only upstream emissions categories are applicable to Quilter.

For Quilter, this includes:

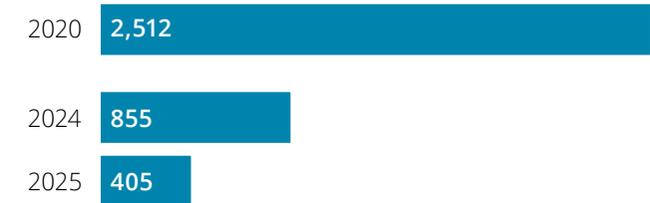
-  Gas consumption
-  Refrigerants
-  Diesel Generators

Leading to the following emissions (tCO₂e):



-  Electricity
-  Geothermal Heating

Market-based



-  Purchased Goods and Services
-  Business Travel
-  Investments
-  Employee Commuting including Work from Home (“WFH”)
-  Waste
-  Upstream Leased Assets
-  Fuel & Energy-Related Activities

Financed emissions are not included in the above diagram, please see pages 49 and 50 for a summary of our financed emissions.



Moving forward, we anticipate a continuation of incremental reductions year on year towards our target through the procurement of renewable electricity, realisation of energy-efficiency opportunities, and workspace optimisation. In this report we disclose our 2024 and 2025 emissions against the relevant baseline year to illustrate our progress towards our operational emissions target. In 2025, we achieved a substantial reduction in our market-based Scope 2 emissions following the transition of our largest office, Quilter House in Southampton, to a fully renewable electricity supply. We also recorded a significant decrease in emissions from Purchased Goods and Services. Although overall expenditure increased slightly, emissions factors for several of our most material suppliers fell markedly, contributing to the overall reduction.



Quilter's operational greenhouse gas emissions

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 and what's included in our reporting boundary, see our emissions methodology document.

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

Our operational greenhouse gas emissions (tCO₂e) and energy consumption data (kWh)

Greenhouse gas emissions		2025	2024	Baseline
Scope 1 emissions	UK	269	349	710
	Offshore	7	7	22
	Global total	276*	356	732
Scope 2 emissions (location-based)	UK	642	666	1,966
	Offshore	62	62	1,025
	Global total	704*	728	2,990
Scope 2 emissions (market-based)	UK	349	801	1,499
	Offshore	56	54	1,014
	Global total	405*	855	2,512
Total Scope 1 & 2 emissions (market-based)	UK	618	1,150	2,209
	Offshore	64	61	1,036
	Global total	681*	1,210	3,245
Scope 3 emissions (excluding investments)	UK	25,562	31,048	41,228
	Offshore	126	115	867
	Global total	25,688*	31,162	42,095
Total operational emissions (market-based)	UK	26,180	32,197	43,436
	Offshore	189	175	1,903
	Global total	26,369*	32,373	45,340
Operational carbon Intensity		2025	2024	Baseline
tCO ₂ e per full-time equivalent (FTE)	UK	8.5	10.8	
	Offshore	0.1	0.1	
	Global total	8.5	10.9	
Energy consumption		2025	2024	Baseline
Energy consumed (kWh)	UK	6,584,929	6,829,124	
	Offshore	364,198	388,008	
	Global total	6,949,127	7,217,132	

*These figures were subject to limited assurance by PwC as set out in appendix 3.

Please refer to the glossary for an explanation of key terms used in this report.

Our operational Scope 3 emissions by category

Greenhouse gas emissions	2025	2024	Baseline
1. Purchased goods and services	21,866*	26,865	37,976
3. Fuel- and energy-related emissions	275*	295	963
5. Waste	5*	6	9
6. Business travel	1,478*	1,700	433
7. Employee commuting (including working from home)	1,970*	2,095	2,267
8. Upstream leased assets	93*	202	447

*These figures were subject to limited assurance by PwC as set out in appendix 3.

Figures in the tables may not sum due to rounding.

As a service-based business, Scope 3 Categories 9-14 (downstream value chain emissions) and Category 4 (upstream transportation and distribution) do not apply to Quilter. Capital goods are included in our Category 1 purchased goods and services emissions.

The majority of our Scope 3 emissions are as a result of the goods and services we procure as a business. In 2025, we developed our supplier engagement strategy aimed at reducing our supply chain emissions.

Please see pages 63 and 64 for a breakdown of our Category 15 Financed emissions across our Affluent and High Net Worth business segments.

Restatements

In 2025, we implemented a new data platform to calculate our operational emissions. As part of the implementation, we have further refined our methodologies to ensure we deliver complete, consistent, and comparable emissions reporting that is calculated in accordance with the GHG Protocol. As a result, we have made restatements to our prior year and baseline emissions across all scopes and categories to ensure a consistent methodology is applied. Future year disclosures will align to our updated methodology ensuring comparability with future disclosures. The most significant restatement is our Category 1 - Purchased Goods and Services due to an increase in supplier-specific emissions data via our new platform and access to more up-to-date industry-specific emissions factors from the CEDA database¹⁰.

¹⁰ CEDA - Comprehensive Environmental Data Archive | GHG Protocol



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 that 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 emissions by 80% from a 2020 baseline.

As part of our work to develop the Quilter CTP, we undertook a comprehensive review of our operational emissions target and projected emissions. Following this review, we have transitioned from a location-based to a market-based methodology for our Scope 1 and Scope 2 emissions target. Under the location-based approach, our target was largely dependent on the UK Government's ambition to decarbonise the national power grid, which limited our ability to take direct action beyond reducing energy consumption. By adopting a market-based methodology, we can now incorporate energy procurement decisions – such as sourcing renewable electricity – alongside energy-efficiency measures to reduce our operational footprint. Given that this target forms part of our senior management LTIP, we believe the market-based approach is more appropriate, as it enables greater management accountability and action without relying on external Government progress.

We have also set a new target to procure 100% of our electricity from renewable sources, where possible, by 2028.

We consider our Scope 1 and Scope 2 emissions as a combined total to be a more representative 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.

Scope 3

A key element of our CTP will be our supplier engagement strategy aimed at improving the climate data we hold for our suppliers and decarbonising our supply chain. We will begin engaging with our suppliers in 2026 and have set a series of engagement-related KPIs and targets to monitor the delivery of our strategy. We will provide an update in our 2026 TCFD Report.

Progress against our target

Since 2020, we have achieved a significant decrease in our operational emissions. Our 2025 Scope 1 and 2 emissions were 79% 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 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 are able to control or influence the office energy procurement. Details of the energy-saving opportunities we are currently pursuing and considering are outlined on page 19.

In 2025, 85% of the electricity consumed by Quilter, at our offices, was generated from renewable sources¹¹. We increased this significantly from 2024 and aim to continue to increase this over the next two years as we migrate Quilter-controlled energy contracts to 100% renewable tariffs, and engage with our landlords and property managers to do the same.

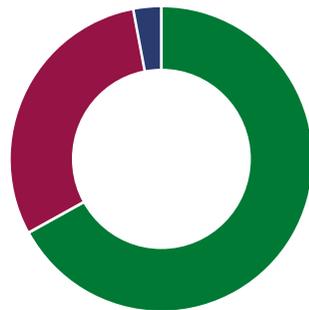
For more information on our targets, please see the Quilter plc CTP.

¹¹ We define renewable electricity as that covered by a Renewable Energy Guarantee of Origin ("REGO") or equivalent Renewable Energy Certificate ("REC") confirming 100% renewable generation.

Quilter Affluent: emissions in our investments

Quilter's Affluent segment includes Quilter Investors, the manager of several UK UCITS/NURS umbrella schemes, Quilter platform, which acts as both discretionary investment manager (in respect of the WealthSelect managed portfolio service) and administrator (in relation to third-party funds), and the Quilter financial planning businesses (out of scope for TCFD). The Quilter Investors funds and WealthSelect managed portfolios are included in our emissions' calculations as they are the products where we have full investment control. As of 31 December 2025, the total AuM for Quilter Investors and WealthSelect managed portfolios were £38.2bn, of which £36.9bn is covered by the metrics below.

AuM by Category



- WealthSelect MPS £25.4 billion
- Quilter Investors (multi asset funds) £11.7 billion
- Quilter Investors (other) £1.1 billion

WealthSelect Managed Portfolio Service ("MPS")

Invests across Quilter Investors sub advised funds as well as third-party funds.

Quilter Investors (multi asset funds)

Includes the Cirilium, Creation, and Monthly Income ranges. Also includes the Quilter Cheviot Global Income & Growth Fund for Charities, but this fund is not included in our TCFD metrics.

Quilter Investors (other)

To avoid overlap, this reflects the AuM of Quilter Investors sub advised funds not already counted within the AuM of WealthSelect MPS or multi-asset funds above. These funds are not included in our TCFD metrics.

	Unit	Corporates		Sovereigns	
		2025	2024	2025	2024
Financed emissions (S1&2) (Data coverage)	tCO2e	1,778,568 (73.3%)	1,441,530 (73.4%)	-	-
Financed emissions (S3) (Data coverage)	tCO2e	19,118,343 (73.4%)	13,299,437 (73.3%)	-	-
Total financed emissions (S1, 2, 3) (Data coverage)	tCO2e	20,896,911 (73.4%)	14,740,967 (73.4%)	-	-
Carbon footprint (S1 & 2) (Data coverage)	tCO2e / \$m invested	47.9 (73.3%)	52.6 (73.4%)	-	-
Carbon footprint (S1, 2, 3) (Data coverage)	tCO2e / \$m invested	562.7 (73.4%)	-	-	-
Weighted Average Carbon Intensity (WACI) (S1 & 2)* (Data coverage)	tCO2e / \$m revenue or GDP	97.0 (73.5%)	105.1 (75.4%)	155.65 (100%)	-
WACI (S1, 2, 3)* (Data coverage)	tCO2e / \$m revenue or GDP	1,130 (73.5%)	1036.7 (73.3%)	225.59 (100%)	-

Carbon footprint data (Scopes 1, 2, and 3) for corporates and all sovereign climate metrics were excluded from the 2024 TCFD report, so they are not presented here.

The data coverage % for corporates is shown out of our total AuM.

The data coverage % for sovereigns is shown out of sovereign bond AuM.

Source: Quilter Investors and Quilter Investment Platform holdings data as of 31 December 2025. MSCI data as of 30 January 2026. The data used to inform these values was sourced from Factset and MSCI. We understand that due to MSCI's data refresh cycle, some of the emissions data (specifically Scope 1 and 2, carbon intensity and enterprise value) may date from previous financial years.

We use both reported and estimated data in our Scope 1 and 2 calculations. Our sovereign WACI calculations utilise sovereign emissions including land use, land use change, and forestry ("LULUCF"). For further information, please refer to the methodology document in the appendix.

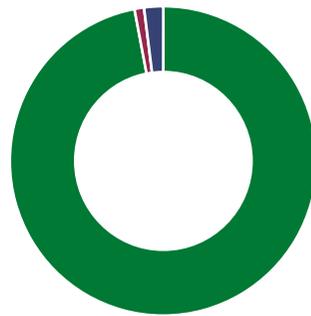
There are holdings within our universe for which we are unable to provide climate data. This is usually where there is no ISIN as the holding is not listed. This will include cash, unlisted companies, and derivatives. Please note that except for total carbon emissions, the metrics for the covered part of the portfolios have been scaled for the entire portfolio.



HNW: emissions in our investments

As a discretionary investment manager, there are three categories of holdings¹² split between direct and indirect (third-party funds). As at 31 December 2025, the AuM was £32.5 billion. The centrally monitored holdings are included in our emissions calculations. The total financed emissions for our centrally monitored holdings (all asset classes included) at the end of 2025 was 16,796,927 tCO₂e.

AuM by Category



- Centrally monitored £30.5 billion
- Investment-manager led ideas £194 million
- Other £725 million

Centrally monitored holdings form the majority of Quilter Cheviot's holdings; these are investment ideas generated by the in-house research teams. Engagement, voting, and ESG integration activities are focused primarily on these investments.

Investment-manager-led ideas are investments that are researched and monitored by investment managers. Quilter Cheviot will only engage or vote with these holdings where more than £2m or 0.2% of a UK-listed company is owned.

Other: a long tail of legacy holdings, which is a consequence of the nature of the client base. In some cases, the position will only be held by one client.

¹² The data exclude client cash held across multiple currencies in client portfolios.

Quilter Cheviot has used 2024 as the base year as we only reported our direct equity holdings in 2023 (the first year of reporting financed emissions). We have used a revised sovereign methodology for the 2025 metrics. We are unable to backdate this for 2024 and therefore have used the previous methodology.

Please refer to the glossary for an explanation of key terms used in this report.

	Unit	Equities & Corporate Bonds		Sovereigns	
		2025	2024	2025	2024
Financed emissions (S1&2) (Data coverage)	tCO ₂ e	1,226,085 (94.3%)	1,046,919 (93.3%)	677,445 (100%)	646,113 (99.7%)
Financed emissions (S3) (Data coverage)	tCO ₂ e	14,469,212 (94.3%)	12,548,265 (93.3%)	424,185 (100%)	381,073 (99.7%)
Total financed emissions (S1, 2, 3) (Data coverage)	tCO ₂ e	15,695,297 (94.3%)	13,595,184 (93.4%)	1,101,630 (100%)	1,027,186 (99.7%)
Carbon footprint (S1 & 2) (Data coverage)	tCO ₂ e / \$m invested	37.7 (94.3%)	38.4 (93.3%)	112.0 (100%)	133.7 (99.7%)
Carbon footprint (S1, 2, 3) (Data coverage)	tCO ₂ e / \$m invested	482.8 (94.3%)	498.8 (93.4%)	182.1 (100%)	212.6 (99.7%)
Weighted Average Carbon Intensity (WACI) (S1 & 2) (Data coverage)	tCO ₂ e / \$m revenue or GDP	108.1 (94.5%)	92.4 (93.7%)	122.9 (100%)	156.6 (99.7%)
WACI (S1, 2, 3) (Data coverage)	tCO ₂ e / \$m revenue or GDP	1,272.0 (94.5%)	1212.2 (93.7%)	200.0 (100%)	249.9 (99.7%)

Data coverage in the table above is as a percentage of the relevant asset class. The Scope 1, 2, and 3 data coverage for our total AuM in 2025 was 89.4%. This has increased slightly from 88.7% in 2024.

Source: Quilter Cheviot holdings data as of 31 December 2025. MSCI data as of 30 January 2026. The data used to inform these values was sourced from MSCI. We understand that due to MSCI's data refresh cycle, some of the emissions data (specifically Scope 1 and 2) may date from previous financial years. We have not shown a benchmark comparison as the holdings within the centrally monitored universe have a significantly different composition to the MSCI All Country World Index.

We use both reported and estimated data in our emissions calculations. For all emissions we follow Quilter Cheviot's climate data hierarchy regarding the use of reported and estimated emissions data. Our sovereign WACI calculations utilise sovereign emissions including land use, land use change, and forestry ("LULUCF"). For further information, please refer to the methodology document in the appendix.

There are holdings within our universe for which we are unable to provide climate data. This is usually where there is no ISIN as the holding is not listed. This will include cash, financial instruments, unlisted companies, and physical property and infrastructure. Please note that all climate metrics are re-weighted for coverage; therefore, the figure presented includes the extrapolation of an average value to cover those assets where no emissions data was available.



Targets for our investments

Affluent entities

In line with Quilter's broader commitment to addressing climate change across our operations, investment activities, and regulatory obligations, Quilter Affluent has published its inaugural CAP. This outlines our intention to assess how a decarbonisation strategy could be applied across the assets we manage, while upholding our fiduciary duty to existing customers. We recognise that the financial services sector's approach to net zero is evolving, and our strategy must adapt accordingly.

A key consideration is that our investment solutions are primarily implemented through third-party managers. These managers differ in their net zero commitments and their capacity to influence the carbon footprint of their portfolios. This variability may impact our ability to meet our own climate targets.

To ensure our investment approach aligns with our customers' climate goals, we plan to engage with both customers and advisers to understand their expectations. We will also provide training to colleagues to build awareness and capability in climate-related topics. Our aim is to empower advisers to discuss climate risks confidently and offer products that reflect customers' sustainability preferences – supported by a platform that clearly communicates relevant climate information.

To support these objectives, we have been working on several milestones which support the key milestones we set out for 2025:

- integrate climate considerations into our manager research processes;
- assess climate risks and integration across priority fund investments;
- analyse climate metrics availability and relevance across our investment book;
- ensure access to climate-related data and research for all portfolio managers; and
- establish a prioritisation framework and baseline KPIs for engagement based on materiality;
- develop policies and assess net zero commitments across our investment solutions.

These milestones have laid the groundwork for 2026 and beyond, where we aim to enhance our manager research processes further and explore setting emissions reduction targets for our investments.

High Net Worth

Purpose and commitment of Quilter Cheviot's CAP:

- climate change is identified as a defining issue and a material investment risk;
- Quilter Cheviot commits to being a responsible investor, actively contributing to global decarbonisation and aligning with the Paris Agreement; and
- the plan is a living document, intended to evolve with data, regulation, and industry best practices.

The CAP has the following strategic aims:

1. Be a responsible steward
 - focus on engagement over divestment; and
 - embed accountability and support a just transition.
2. Measurable impacts
 - use quantifiable metrics and third-party frameworks; and
 - avoid vague or unachievable targets.
3. Materiality-led strategy
 - prioritise high-impact sectors and heavy emitters; and
 - recognise dependencies on governments, peers, and investee companies.

To deliver the CAP we use the following levers:

- engagement - direct dialogue with companies;
- voting: climate issues integrated into Voting Policy;
- collaboration: participation in initiatives like Climate Action 100+, Nature Action 100, and CDP campaigns; and
- education: internal climate upskilling programme for investment teams.

We have set the following timeline and milestones:

2025:

- complete climate baseline for monitored assets;
- launch internal education and publish climate materiality guides; and
- begin disclosing climate alignment KPIs.

2026:

- set formal climate targets;
- explore SBTi validation; and
- align strategy with Transition Plan Taskforce ("TPT") recommendations.



Appendix 1: Entity governance



Subsidiary governance structure

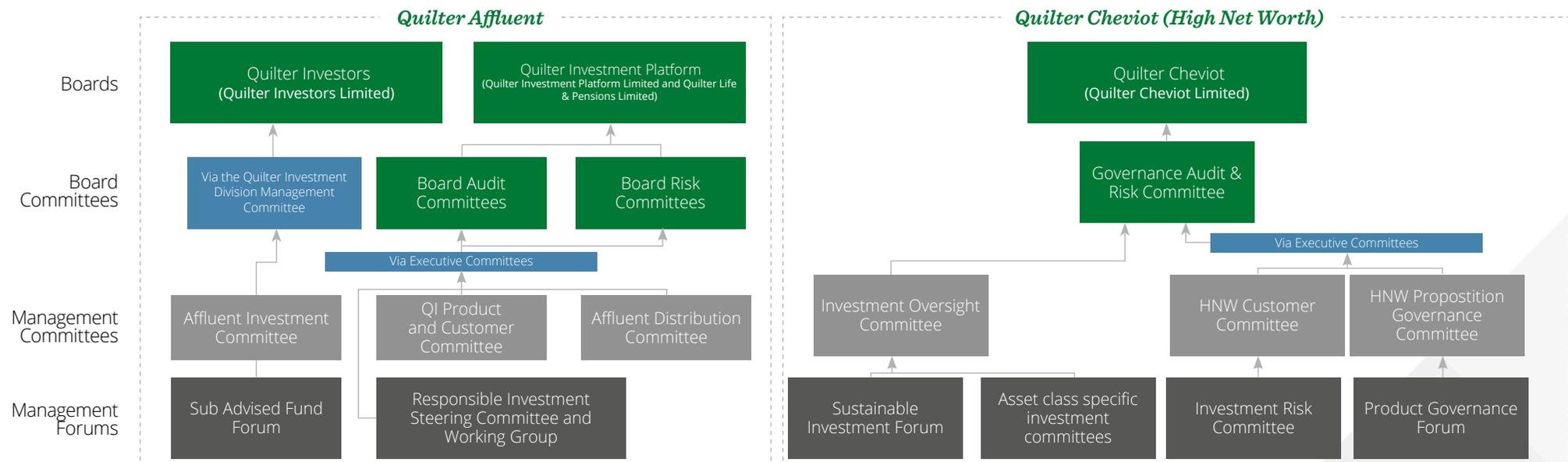
The Quilter plc Board is the ultimate decision-making body for matters of Group-wide strategic, financial, risk, regulatory, or reputational significance. It is responsible to shareholders for creating and delivering sustainable shareholder value through the management of the Group’s business areas whilst having regard to the interests of our key stakeholders, being our advisers, colleagues, communities in which we operate, customers, investors, and regulators. It determines the strategic objectives and policies of the Group to deliver long-term value, providing overall strategic direction within a framework of effective risk management and control.

The Boards of Quilter Investment Platform Limited, Quilter Investors Limited, Quilter Life & Pensions Limited and Quilter Cheviot Limited (together, the “Subsidiary Boards”) act independently to deliver their respective business strategies and objectives. They hold management to account in respect of business performance, risk identification and mitigation, regulatory responsibility, and customer outcomes. Their oversight supports the delivery of each business area’s strategy within the context of the overall Quilter strategy.

The Subsidiary Boards have, where appropriate, delegated authority to a number of Board Committees, which assist them in delivering their responsibilities and ensuring that there is appropriate and independent oversight of internal control and risk management. Decisions on certain matters are specifically reserved for the Subsidiary Boards, including the approval of each company’s strategy and financial budgets, risk appetite, financial statements, dividends, material corporate transactions, and Subsidiary Board appointments.

The Subsidiary Boards have also delegated authority for the operational management of each business area to their respective Chief Executive Officer within certain limits for execution to support the effective day-to-day running and management of each company. The Chief Executive Officer of each company has delegated responsibility to certain senior executives (principally other members of the Affluent and High Net Worth executive committees) within prescribed limits. Each Chief Executive Officer and executive committee are supported by management committees which operate under delegated authority. The authority of these management committees is documented within their respective Terms of Reference.

The diagram below outlines the key governance committees and forums that play a role in overseeing our Affluent and High Net Worth entities’ approaches to responsible investment and climate-related risk management. For more information around the role of each committee and forum and their climate-related oversight activities in 2025, please see pages 69-72.



Quilter Affluent governance

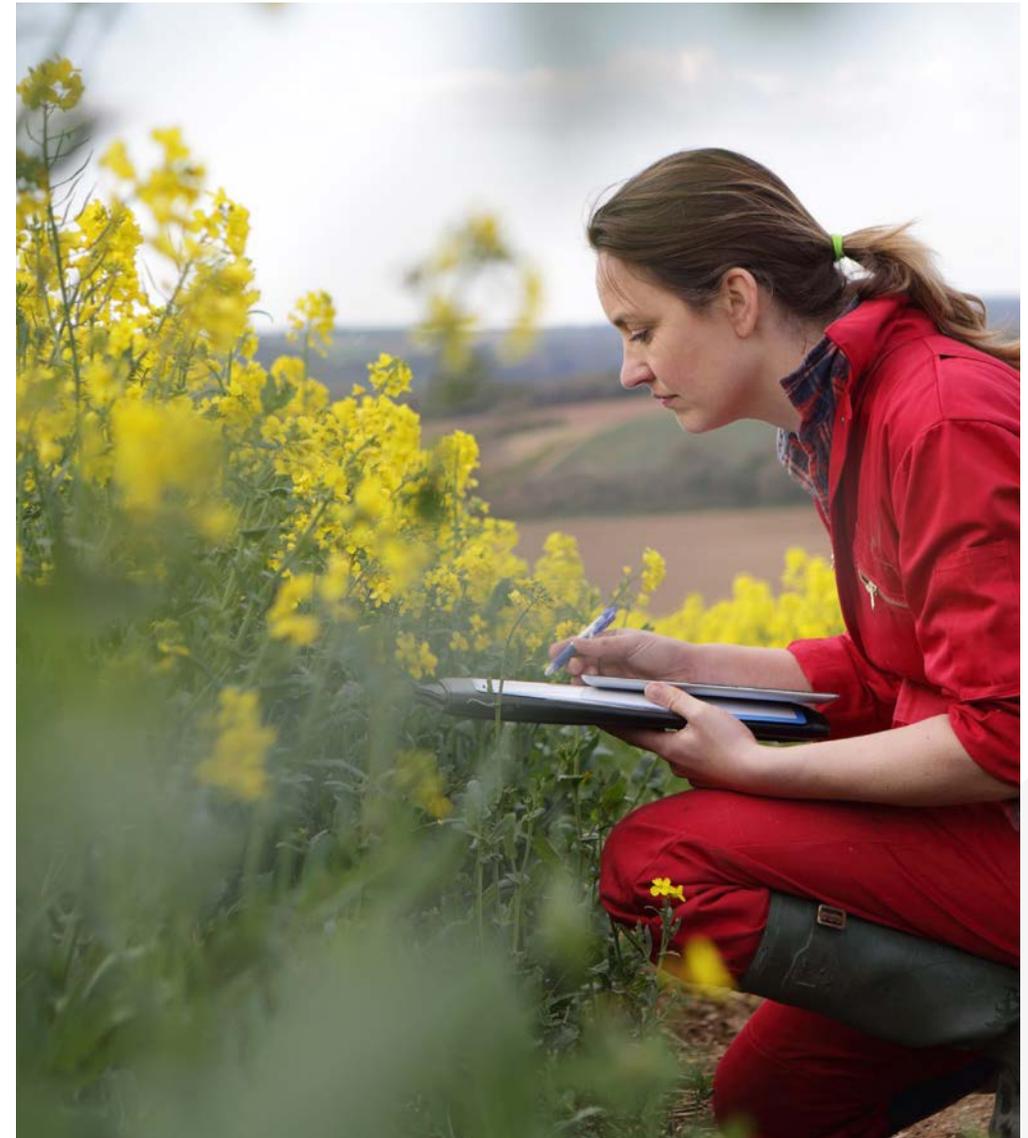
The Boards of Quilter Investment Platform Limited, Quilter Life & Pensions Limited, and Quilter Investors Limited (together, the “Affluent Boards”) are responsible for setting and overseeing the delivery of their strategic priorities, including those in relation to responsible investment and corporate sustainability. The Affluent Boards are briefed regularly on responsible investment performance.

The Board Audit Committees of Quilter Investment Platform Limited and Quilter Life & Pensions Limited oversee the principles, policies, and practices adopted in the preparation of climate-related disclosures as they relate to each entity. They receive updates on the production of 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. Following review and recommendation by the Board Audit Committees, the TCFD Report is reviewed and approved by the respective Board.

The Board Audit Committees are also responsible for overseeing the Internal Audit function, including approving the annual audit plan that provides independent assurance on the effectiveness of the controls for the risks to each respective entity, including the Sustainability Control framework and disclosures. They receive regular updates and reports from Internal Audit on the outcomes of this assurance work and the actions taken by management to address any identified issues.

The Board Risk Committees of Quilter Investment Platform Limited and Quilter Life & Pensions Limited are responsible for overseeing the management of risks, including the structure and implementation of Quilter’s Risk Management Framework as it applies to each entity. In relation to climate-related risks, these Committees assess the risk disclosures and mitigating actions included in our TCFD reporting. They also challenge the assessment of financial risks as part of the Quilter Investment Platform Limited Internal Capital Adequacy and Risk Assessment Reports and the Quilter Life & Pensions Limited Own Risk and Solvency Assessment Report, which include climate-related scenarios.

The Board of Quilter Investors Limited is directly responsible for the oversight of audit and risk matters. This includes the review of its Internal Capital Adequacy and Risk Assessment Report and TCFD metrics, controls, and reporting.





Management oversight of climate-related risks and opportunities

Climate-related risk and opportunity management is embedded across Quilter and in the various strategic and day-to-day processes. The following governance meetings are fundamental to the oversight of the multi-asset portfolios, sub-advised funds, and managed portfolio services.

Management body	Climate-related responsibilities	Activity in 2025
Affluent Investment Committee ("AIC")	<ul style="list-style-type: none"> – provides oversight and challenge of portfolio management activities for the multi-asset, sub-advised funds, and managed portfolio services manufactured within the Affluent segment, with the aim of ensuring that investors are provided with products that perform as expected; – monitors the adequacy and effectiveness of the Responsible Investment policies and the integration of ESG factors (such as climate risks and opportunities) and stewardship into the investment process, ensuring that customer objectives are being met; and – first stage of formal escalation related to risks in the investment process. 	<ul style="list-style-type: none"> – the Quilter Investors Cirilium, Creation, Monthly Income Portfolios, and WealthSelect MPS were regularly reviewed with the aim of ensuring the portfolios were being managed as expected, including their RI commitments; – detailed monitoring of those solutions with ESG-specific objectives, such as: <ul style="list-style-type: none"> • WealthSelect Responsible and Sustainable Portfolios, including carbon emissions data, where appropriate; • QI Ethical Equity, QC Global Income and Growth for Charities, and QI Timber funds; and – regular discussions on the preparation for new regulations such as SDR.
Responsible investment strategic working groups and Steering Committee	<ul style="list-style-type: none"> – collaborating and hands-on participation through focused working groups including the responsible investment working groups (cross-business and Affluent-specific) and the Responsible Investment Steering Committee, made up of senior Affluent decision-makers; and – the groups comprise representatives from responsible investment, advice, distribution, risk, and finance, to ensure alignment across the Affluent segment, oversight, and compliance against Group and entity level responsibilities and obligations. 	<ul style="list-style-type: none"> – oversaw projects and responsible investment activity across TCFD, SDR, portfolio attribute changes, the CAP, responsible investment policy developments, and other topics. Outputs are driven by responsible investment teams through working groups that meet monthly, with oversight and decision-making from the Responsible Investment Steering committee that meets quarterly.
Quilter Investment Division Management Committee	<ul style="list-style-type: none"> – responsible for reviewing the TCFD methodology for Affluent disclosures. 	<ul style="list-style-type: none"> – oversaw, reviewed, and approved the 2025 Affluent entity-specific TCFD content.

In addition to the Management Committees outlined in the table above, to enable robust oversight of the day-to-day management, the Quilter Investors Sub-Advised Funds Forum provides independent oversight of Quilter Investors Limited sub-advisers and the activities they perform on behalf of Quilter Investors. Management forums are in place to provide more frequent oversight and collaboration of investment management activities and climate-related risks. Matters discussed at these forums are escalated as required to the Management Committees above.



High Net Worth governance

The Board of Quilter Cheviot Limited is responsible for setting and overseeing the delivery of strategic priorities, including those in relation to responsible investment and corporate sustainability. The Board is briefed regularly on responsible investment performance.

The Governance, Audit, and Risk Committee (“GARC”) of Quilter Cheviot Limited oversees the principles, policies, and practices adopted in the preparation of climate-related disclosures. It receives updates on the production of 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. Following review and recommendation by the GARC, the TCFD Report is reviewed and approved by the Board.

The GARC is also responsible for overseeing the Internal Audit function, including approving the annual audit plan that provides independent assurance on the effectiveness of the controls for the risks to Quilter Cheviot Limited, including the Sustainability Control Framework and disclosures. It receives regular updates and reports from Internal Audit on the outcomes of this assurance work and the actions taken by management to address any identified issues.

The GARC is responsible for overseeing the management of risks, including the structure and implementation of Quilter’s Risk Management Framework as it applies to Quilter Cheviot Limited. The GARC challenges the assessment of financial risks as part of the Quilter Cheviot Limited Internal Capital Adequacy and Risk Assessment Report, which includes a climate-related scenario. It also receives regular updates on ESG risks which are relevant to the High Net Worth business.

Management’s role regarding climate-related risks and opportunities

Board Committee	Climate-related responsibilities	Activity in 2025
Investment Oversight Committee (“IOC”)	<p>The role of this committee is principally to agree and set the broad principles of Quilter Cheviot’s Investment Process Policy, implementation of the oversight of the process, and monitoring client outcomes across our direct client, intermediary, and fund business at a high level to ensure the process remains appropriate to achieve good customer outcomes.</p> <p>This includes reviewing and approving, where appropriate, responsible-investment-related policies and processes.</p>	<ul style="list-style-type: none"> – reviewed and approved the six-monthly reporting on comparison of core strategies in regard to climate-related metrics; – reviewed and approved the quarterly Responsible Investment Engagement and Voting Disclosure Report; and – responsible investment is a standing item on the agenda, and the committee receives updates at each monthly meeting.
HNW Proposition Governance Committee	<p>Amongst the committee’s responsibilities it:</p> <ul style="list-style-type: none"> – approves new products and significant changes to existing products, including all investment products offered by Quilter Cheviot and Quilter Cheviot’s Centralised Investment Proposition (“CIP”), ensuring they meet the needs of the target market; and – oversees the implementation of product governance frameworks and the processes for regular monitoring and review of products and services. 	<ul style="list-style-type: none"> – reviewed the strategies offered within the Quilter Cheviot responsible investment Engaged categorisation.
HNW Proposition Governance Committee	<p>Amongst the Committee’s responsibilities it:</p> <ul style="list-style-type: none"> – assesses, considers, reviews, challenges, and requests client-related management information on HNW’s approach to clients in line with Quilter’s customer strategy at the HNW level. Additionally, it oversees operational matters that are relevant to HNW’s performance in meeting the Consumer Duty. <p>From a climate-risk perspective this focuses on ensuring that client responsible investment preferences are being met through Quilter Cheviot’s proposition.</p>	<ul style="list-style-type: none"> – ongoing monitoring and evaluation of client responsible investment preferences to understand trends relating to client types and future proposition developments; and – greenwashing-related complaints were added to the scope of committee reporting in Q1, but no greenwashing complaints were received in 2025.



Management forums

In addition to the Management Committees outlined in the table above, the following management forums are in place to provide robust oversight of investment management activities and climate-related risks. Matters discussed at these forums are escalated as required to the Management Committees above.

- **Product Governance Forum** provides oversight of product development and delivery to ensure that investment products and strategies deliver appropriate outcomes for clients, including those with responsible or sustainable investment objectives;
- **Sustainable Investment Forum** oversees the management and investment decisions of our sustainable investment strategies and products;
- **Investment Risk Committee** amongst other priorities, monitors adherence to customers' responsible investment preferences and mandates;
- **Asset-class-specific investment committees**, including the Asset Allocation Committee, oversees investment decisions within the Quilter Cheviot investment models, considering the risks and opportunities associated with each investment decision.



Appendix 2: Emissions methodology and reporting criteria



Operational emissions criteria

Reporting frameworks and principles

Quilter's operational emissions are calculated in accordance with the GHG Protocol Corporate Standard. Our emissions are reported in terms of 'CO2 equivalent' for comparability, but our measurements account for all seven greenhouse gasses in the GHG Protocol:

1. Carbon dioxide ("CO2").
2. Methane ("CH2").
3. Nitrous oxide ("N2O").
4. Hydrofluorocarbons ("HFCs").
5. Perfluorocarbons ("PFCs").
6. Sulphur hexafluoride ("SF6"), HFC, PFC, SF6, and NF3.

For our most material emissions sources, only CO2, CH4, N2O are relevant, but all are included in our emissions factors and calculations where relevant.

Our reporting boundary and methodology is aligned with the GHG Protocol reporting principles:

Principle	Quilter's approach
Relevant	We calculate and report the emissions that are material to our business operations. For Quilter, this is the Scope 1 and Scope 2 emissions from our offices, and our Scope 3 supply chain and travel emissions. As a service-based business, Scope 3 Categories 9-14 (downstream value chain emissions) do not apply to Quilter. This ensures that reported information is meaningful and useful for both internal and external decision-making.
Complete	We account for all relevant GHG emissions sources and activities within our operational boundary. We explain our methodology for filling gaps in our data and any excluded emissions sources are disclosed in our reporting.
Consistent	We maintain consistent methodologies year-on-year to allow for meaningful comparisons of emissions over time. If we make changes to our methodology, we recalculate historic emissions using the new methodology to enable reliable performance tracking.
Transparent	We disclose our methodology for calculating our emissions in this appendix, including our data sources, categorisations, assumptions, and exclusions.
Accurate	We aim to use as much actual data in our calculations as practicable; where this is not possible, we use Quilter- or country-specific data sources to estimate for our data gaps as accurately as possible. We select the most recent, country-specific emissions factors for our activities where possible and review these annually. Additionally, our operational emissions calculations are subject to limited assurance by our external auditor.



Reporting period

The climate metrics reporting period is aligned to our fiscal year. Data points are collected throughout the course of the reporting year, and metrics are calculated in January of the following year using the most up-to-date data and emissions factors available at the time of calculation.

In some instances, data for the reporting year that is provided by third parties, may not be available in time for inclusion in our TCFD Report. For operational emissions, due to the time required for internal validation checks and governance reviews, any outstanding data not received by 20 January 2026 is estimated using the consistent methodology outlined below.

Reporting boundaries

Quilter plc reports emissions on a consolidated group basis, incorporating all subsidiaries, and has set reporting boundaries based on financial control. We review our reporting boundary and emissions inventory annually to ensure that we are capturing our emissions appropriately.

This includes the activities and resulting emissions associated with:

- all offices occupied by Quilter or any of its subsidiaries for the period in which Quilter is financially responsible, as stated in the lease;
- all employees of Quilter or any of its subsidiaries for the period covered by their employment contract;
- owned and leased assets where Quilter is contractually or financially responsible for maintaining the assets; and
- business travel for which Quilter is financially responsible.

The following is outside of our reporting boundary:

- office space sub-leased to other parties;
- assets included as part of a broader building lease, for which the landlord holds contractual or financial responsibility for the maintenance and running of the asset;
- advisers that operate as capitals of Quilter but are not part of Quilter plc; and
- specific exclusions that are stated throughout this document.

Estimation methodology

In 2025, 96% of our Scope 1 and 2 emissions, and 75% of our waste emissions were calculated based on actual data.

Our estimation methodologies are mostly utilised to fill gaps in our utilities consumption and waste data. Depending on the data available and the emissions source in question, one of the following estimation methodologies are utilised:

► Historical data

This is the preferred method for producing estimations and is utilised when actual (not estimated) data is available for at least 11 months of the previous year. If this condition is met, data from the previous year, for the period in question, is used to fill the data gaps.

In 2025, approximately 1% of our Scope 1 and 2 emissions were calculated based on historical data.

► Quilter House as proxy

When data for an office was estimated in the previous year, Quilter House data is used as a proxy. This proxy is calculated based on the square footage of the office in question relative to Quilter House. Quilter House is used as it is our only office location where we occupy the entire building, allowing full visibility and control over utilities and services without the need for apportionment or reliance on third parties to provide data. As a result, Quilter House is the most accurate and reliable data available throughout the reporting year.

In 2025, approximately 3% of our Scope 1 and 2 emissions were calculated based on Quilter House proxy data.

► National average as proxy

Where Quilter House data is not available, or is not specific enough for our estimations, national average consumption data is utilised as an alternative proxy. Currently, this applies only to natural gas consumption, as the gas utilisation varies significantly across offices depending on the available facilities. Additionally, Quilter House is the only office using a combination of gas and geothermal sources for heating, which would make its gas consumption data an inaccurate basis for estimating gas usage in other offices that do not have access to geothermal heat sources.

In 2025, approximately 1% of our Scope 1 and 2 emissions were calculated based on national average data.



Restatements

Quilter operates a formal restatement policy to ensure transparency and consistency in our emissions reporting. We will restate previously disclosed emissions figures when we determine that a change is material, defined as an impact greater than 5% on any individual emissions category.

Restatements may occur due to:

- changes in calculation methodology;
- corrections or improvements to input data accuracy;
- identification of calculation errors; and
- access to more appropriate or accurate emissions factors.

To maintain comparability across reporting years, any changes in methodology are applied retrospectively to prior year disclosures, and restatements are made regardless of materiality.

However, where estimated data has been used and actual data becomes available after publication, we do not retrospectively update the figures. This approach is intended to reduce confusion and limit the frequency of restatements, while maintaining the integrity of our published disclosures.



Scope 1 – Direct operational emissions

The direct GHG emissions that occur from sources that are owned or controlled by Quilter, such as company vehicles and office facilities.

► Stationary fuel combustion

This captures the emissions resulting from the combustion of fuels at our office locations.

Natural gas:

Most of our buildings consume natural gas for heating and for catering equipment. Where Quilter is invoiced directly, natural gas consumption data is provided by the supplier. However, for some of our smaller offices, the landlord is financially responsible for utilities and invoices Quilter via a service charge. For these offices, gas consumption data, in the form of meter readings, is sourced from the landlord. Where this data is provided for the entire building, an apportionment calculation is applied based on the square footage of Quilter's leased demise. Where consumption data is not available for an office, this is estimated based on the UK national average natural gas consumption per square metre for office buildings.

All buildings that Quilter and its subsidiaries occupy are in scope.

To calculate the associated emissions, total gas consumption is multiplied by the natural gas emissions factor produced by the Department of Energy and Net Zero ("DESNZ").

Diesel:

Some of our buildings have back-up diesel generators to produce electricity for our buildings in the event of a power outage. Our facilities management contractors maintain the generators and their fuel levels, and provide Quilter with the consumption data from this source in the form of purchased diesel records.

The generators that Quilter is financially responsible for are in scope. Where the landlord is financially responsible for the maintenance and operation, these generators are outside of Quilter's operational boundary and related emissions are the responsibility of the landlord.

To calculate the associated emissions, total diesel consumption is multiplied by the natural gas emissions factor produced by DESNZ.

► Mobile fuel combustion

This captures the emissions resulting from the combustion of fuels generated by company vehicles. In 2025, as part of the acquisition of MediFintech, Quilter acquired one company vehicle; vehicle emissions from employee business travel are captured within our Scope 3 emissions.

Because distance and fuel-consumption data for this vehicle was not recorded in 2025, the distance travelled has been estimated using the average mileage claimed per employee through Quilter's car-mileage expense process.

► Fugitive emissions

This captures the unintentional gas or vapour leakages from pressurised refrigerant and air conditioning systems in our offices. Our facilities management contractors are responsible for maintaining refrigerant systems within Quilter's operational boundary. Our Property and Facilities Projects team manages the installation and decommissioning of refrigerant systems. Reports are produced during installation, maintenance, and decommissioning works that track refrigerant leaks.

Refrigerant systems that Quilter is financially responsible for maintaining are within our operational boundary. Where the landlord is financially responsible for maintaining the system, the related fugitive emissions are the responsibility of the landlord. For most of our buildings, the landlord is responsible for the refrigerant systems that cool the office space. Where Quilter maintains a server or comms room within the building, a separate, Quilter-owned, refrigerant system is usually installed to maintain an appropriate temperature for this room that is separate from the remainder of the building.

To calculate the associated tonnes of carbon dioxide equivalent ("tCO₂e") emissions, the amount of each refrigerant leaked is multiplied by the corresponding emissions factor produced by Intergovernmental Panel on Climate Change ("IPCC") reports.



Scope 2 – Indirect operational emissions

The indirect GHG emissions associated with the purchase of electricity, steam, heat, or cooling consumed at Quilter controlled facilities, which are generated by energy suppliers. Emissions captured under Scope 2 are those resulting from the generation of purchased energy only. In line with the GHG Protocol, the emissions from transmission and distribution losses, and upstream ‘well-to-tank’ emissions resulting from the extraction, refining, and transportation of primary fuels before their use in the generation of electricity are accounted for in our Scope 3 emissions.

► Purchased electricity

A range of approaches are used to determine the electricity consumption at our offices due to the varied data availability.

Electricity consumption data for each of our offices is collected from invoices or meter readings in kilowatt-hours (“kWh”). For the majority of our offices, our occupied demise within the building has a sub-meter, which allows us to determine the amount of electricity consumed directly by Quilter. Where primary data is not available, consumption data may be extrapolated to fill monthly data gaps based on the data for the same month in the previous year. Where the data for the missing month is not available from the previous year’s data or data for an office is not provided by the landlord, electricity consumption is estimated by calculating an intensity figure per square foot, using actual data from Quilter House, and applying this to the square footage of our leased demise of the offices with missing data.

All offices for which Quilter has a lease agreement in place are within our operational boundary and are reported under Scope 2.

Location-based method

Our location-based Scope 2 emissions are calculated by multiplying our energy usage by an emissions factor based on the national grid. We use the following emissions factors for our offices:

Office location	Emissions factor source
UK	DESNZ
Dubai, Jersey, and Ireland (Dublin)	International Energy Agency (“IEA”)

Market-based method

Market-based emissions utilise a supplier-specific emissions factor, where available, to reflect the actual emissions from the electricity procured by Quilter, rather than the average of the entire grid. Where renewable energy contracts have been sourced, an emissions factor of zero has been applied as there are no emissions associated from the generation of this electricity. As per the GHG Protocol, the remaining consumption that is not procured from a renewable source, is multiplied by the most recent residual mix emissions factor for the location. In line with the GHG Protocol, if a residual mix emissions factor is not available for the office location, the location-based emissions factor will be applied.

Where a supplier-specific emissions factor is not available at the time of producing emissions calculations, the residual mix emissions factor will be applied.

► Purchased heat

Our Southampton office is partially heated using the District Geothermal Energy Scheme. The consumption data is sourced directly from the supplier and multiplied by the relevant emissions factor. For the location-based emissions, this is the DESNZ district heat and steam emissions factor. The market-based emissions factor is sourced directly from the supplier. There may be instances where the market-based emissions factor is not available in time for our reporting and in these cases we will use the emissions factor provided from the previous year.



Scope 3 – Indirect operational emissions

The indirect emissions that occur in Quilter’s upstream value chain, which are outside of our operational control.

► Purchased goods and services including capital goods (Category 1 and Category 2).

This captures the emissions resulting from the production of goods and delivery of services procured by Quilter. For the purposes of our reporting, the purchase of capital goods and serviced offices without a lease agreement are included in this category.

Spend data and product type is captured within our internal procurement system. The spend-based methodology, as set out in the GHG Protocol, is used to calculate the emissions for our spend with each supplier.

For suppliers that make full emissions disclosure in their public sustainability reporting or to CDP, we are able to calculate supplier specific emissions factors to allocate emissions to Quilter based on our spend as a portion of their revenue. To calculate the supplier specific emissions factor, our emissions calculation system follows the GHG Protocol guidelines by taking the sum of scope 1, scope 2 (market-based when available, otherwise location-based), and upstream scope 3 emissions and dividing this by total company revenue¹³. For a supplier-specific emissions factor to be included in our calculations, the supplier must have calculated and disclosed at a minimum:

- Scope 1, Scope 2, and either Scope 3.1 or 3.2;
- all material upstream scope 3 sub-scopes are reported (i.e. if the report states that a given sub-scope is ‘relevant’ or ‘calculated’, there must be a value present for the given sub-scope).

To ensure the accuracy of our supplier-specific emissions factors, the emissions factor must be within one order of magnitude of the industry average. For example, if the industry average emissions factor is 1kg CO₂e per £1m revenue, a supplier-specific emissions factor <0.1kg CO₂e per £1m revenue or >10kg CO₂e per £1m revenue, would be rejected. If there is no comparable industry, a supplier-specific emissions factor will not be used.

Where we are unable to source sufficient data to utilise a supplier-specific emissions factor, an emissions factor is sourced from the CEDA¹⁴ database based on the type of product or service procured. Suppliers are categorised within our spend management system during the

onboarding process; these categories are mapped to Bureau of Economic Analysis (BEA) codes within our emissions management system. The BEA codes are used to determine the industry emissions factor from the CEDA database.

In 2025, we were able to source supplier-specific emissions factors for 83% of our spend.

The following categories are excluded from our purchased goods and services calculations as per the GHG guidance:

- regulatory fees and taxes;
- intercompany expenditure;
- charitable donations;
- pass-through costs for employee benefits;
- fees paid to our travel partner (accounted for in Category 6);
- rent for offices (accounted for in Scope 1 and 2); and
- electricity and gas (accounted for in scope 2)

Due to data availability, goods and services purchased by employees and expensed via our expenses system are excluded. This is not material in relation to our total spend; in 2025 this accounted for less than 1% of our total spend.

Water

In accordance with the GHG Protocol, emissions resulting from water consumption across our offices is included within 3.1.

Water consumption data for the entire building is collected via invoices or meter readings and apportioned to Quilter based on the square footage of our leased demise as a percentage of the building. For our UK offices, the DEFRA water consumption emissions factor is applied to calculate the resulting emissions. For our Dubai, Jersey, and Ireland offices, the Ecoinvent tap water global emissions factor is applied as country specific factors are not available in these regions.

► Fuel and energy-related activities (Category 3)

This accounts for the upstream emissions resulting from the extraction, production, and transportation of primary fuels, electricity, and heat consumed by Quilter that are not accounted for in Scope 1 or Scope 2.

¹³ The exchange rate for currency conversions is the latest month’s rate sourced from Open Exchange Rates.

¹⁴ CEDA – Comprehensive Environmental Data Archive | GHG Protocol



Upstream (well-to-tank) emissions of purchased fuels

The combustion of fuels is accounted for in our Scope 1 stationary combustion and mobile combustion emissions. This category captures the upstream emissions associated with the extraction, refinement, and transportation of fuels consumed by Quilter.

The natural gas and fuel consumption data collected for our Scope 1 emissions is also utilised for the calculation of upstream emissions. In 2025, all fuels were consumed at our UK offices or in UK-based vehicles; the region-specific 'well-to-tank' emissions factor was therefore applied to this consumption data.

Upstream (well-to-tank) emissions of purchased electricity and heat

The emissions associated with the generation of purchased heat and electricity consumed by Quilter are accounted for in our Scope 2 emissions. This category captures the upstream emissions associated with the extraction, refining, and transportation of primary fuels before their use in the generation of the electricity consumed by Quilter.

The electricity and heat consumption data collected for our Scope 2 emissions and electricity consumed at our data centres, is utilised to calculate the upstream emissions of purchased electricity and heat.

For purchased heat and electricity in our offices and data centres, the DESNZ 'well-to-tank' emissions factor is applied to consumption data to account for extraction and refinement of primary fuels. To calculate the upstream WTT T&D losses, our emissions management system assumes a 5% loss and the region-specific 'well-to-tank distribution' emissions factor is applied to account for distribution losses.

For electricity consumed at our UK offices, the DESNZ emissions factors are utilised to calculate WTT emissions. For our overseas offices, the region specific emissions factor is sourced from the IEA emissions factor library.

Transmission and distribution losses

The emissions associated with the electricity and heat loss that occurs in transmission of energy to Quilter that is purchased via the grid.

The data collected for our purchased electricity and heat is also utilised to calculate the transmission and distribution losses by applying an additional emissions factor published by DESNZ, or the IEA depending on the office location.

We also account for the transmission and distribution losses that occur upstream during the generation of electricity and heat, also known as the well-to-tank transmission and distribution losses. This is calculated by applying an additional emissions factor to our purchased electricity and heat consumption data.

Exclusions

The well-to-tank emissions from our business travel activities are included within our Business Travel emissions category; this includes the fuels burned in car, rail, and air travel. The transmission and distribution losses from the charging of electric vehicles for business travel purposes are also included in the Business Travel emissions category.

► Waste generated in operations (Category 5)

This captures the emissions resulting from the treatment of waste produced from Quilter's operational office facilities, in terms of both solid waste and wastewater.

All waste and wastewater generated from office facilities is in scope for this metric. Due to data limitations and lack of a standardised procedure, we are unable to account for the impact of waste and wastewater for colleagues working from home.

Solid waste

For offices where Quilter is directly financially responsible for the removal of waste, we source waste data from our waste solutions providers, who either weigh waste at the point of collection, or estimate based on bin capacity using industry standard methodology. The waste types and disposal methods are reported by our waste contractors and categorised in line with the DESNZ guidance for an emissions factor to be applied. Where the landlord is financially responsible for the removal of waste, this data is provided by the landlord annually for the entire building and apportioned to Quilter based on square footage of leased demise.

Where data for an office is not available or does not meet our data quality standards, we estimate the waste data for that building, based on square footage of leased demise, using Quilter House as proxy data. When estimating waste data, or where waste type or treatment is unknown, it is assumed that all waste is mixed commercial and industrial waste, and that all waste is combusted with energy recovery, as this is the most common form of disposal for this waste type.

We may also utilise assumptions with regards to waste treatment methods based on the waste disposal facility and the waste type using information provided by our waste broker in instances where this has not been recorded.



Emissions factors are sourced from DESNZ and applied to our waste data based on weight, type of waste, and treatment of waste.

In the absence of national emissions factors for waste disposal at our overseas offices, the DESNZ waste emissions factors have been applied to calculate these emissions.

Wastewater

As our buildings do not have wastewater meters, the industry standard calculation (multiply water usage by 95%), is applied to the water usage to estimate the wastewater for each of our offices.

The DESNZ emissions factor for water treatment is applied to account for the treatment of water returned into the sewage system.

In the absence of national emissions factors for activities related to our Dubai and Dublin offices in this category, we have applied the DESNZ published emissions factors to calculate our emissions.

► Business travel (Category 6)

This category captures emissions resulting from employees travelling for businesses purposes, paid for by Quilter, that had a booking/invoice date in 2025.

For each area of travel the DESNZ 'well-to-tank' and 'transmission and distribution' emission factors are applied to the relevant fuel consumption and miles travelled by each transport method to calculate related upstream emissions. The spend-based emissions factors for business travel incorporate the 'well-to-tank' and 'transmission and distribution' emissions.

Air travel

All flight data is captured either via our third-party travel partner booking system or our expenses platform. The two platforms collect different datasets and therefore require a different methodology.

Where flights are booked via our third-party travel partner, the departing airport, destination airport, and travel class is recorded. Our emissions management system calculates the distance travelled between two airports using the geodesic distance. The relevant DESNZ emissions factor is selected based on the travel class and whether the flight was short haul or long haul. The emissions factor is multiplied by the distance travelled to produce a tCO₂e figure. In 2025, flights booked via our travel partner, and calculated using this methodology, accounted for c.97% of our spend on air travel.

In instances where flights are booked directly by employees and paid for by Quilter via our employee expenses system, due to current data limitations in the recording of departing and destination airports, the distance travelled data is unavailable. It is therefore not possible to apply the same DESNZ emissions factor to these flights. In the interests of completeness, the aggregated spend data for flights is multiplied by the region-specific 'Air Transport' emissions factor from the CEDA database. However, as colleagues are encouraged to utilise our third-party travel partner to book all business travel, in 2025 this only accounted for c.3% of our spend on air travel.

Due to data availability, we are unable to account for flight upgrades that are arranged after the point of booking. Where this is funded by the employee, this is outside of our operational boundary as Quilter does not have financial or operational control over the additional emissions associated with the upgraded flight class.

Rail travel

All rail travel data is captured via our third-party travel partner booking system or our expenses platform. Depending on the data availability and specificity, one of two methodologies outlined below is applied.

Where rail travel is booked via our third-party travel partner, the distance between stations is calculated using the Rail Delivery Group's 'National Routeing Guide Data Feed Specification' (document reference RSPS5047) data, where available, or using the Haversine algorithm and Ordnance Survey ("OS") grid references to determine the distance between stations.

The distance travelled is multiplied by the DESNZ emissions factor for National Rail or International Rail depending on whether the journey began or ended outside of the UK. As the dataset does not include details as to whether London Underground, light rail, or trams were used as part of this journey, the National Rail emissions factor is applied to the entire journey as this results in the highest possible emissions.

Where colleagues are reimbursed for train tickets via our expense platform, or where travelcards are booked via our travel partner, the dataset does not include distance travelled or start/end stations for each journey. In this instance, the region-specific CEDA 'Rail transportation' spend-based emissions factor is applied to our spend on travelcards and rail travel expenditure during the reporting year.



Car travel

In 2025, as part of the acquisition of MediFintech, Quilter acquired one company vehicle. Emissions from the operation of this vehicle are captured in Scope 1 – Mobile Combustion.

Where colleagues use their personal cars for business travel purposes, colleagues are reimbursed on a per mile rate via our expenses platform. As Quilter is financially responsible for this travel, this is included within our reporting boundary. The dataset includes mileage travelled and the fuel type of the car in question.

For UK car travel, the DESNZ conversion factor is used to calculate the fuel consumed based on the fuel type for an average car (as car type/size is unknown) and multiplied by the relevant DESNZ stationary combustion emissions factor. For Ireland car travel, the US Department of Energy Alternative Fuels Data Centre (“AFCD”) Average Fuel Economy by Vehicle Type¹⁵ is used to calculate the fuel consumption per mile and the AFLEET tool is used to estimate the electricity consumption per mile for electric vehicles. This is then multiplied by the EPA stationary combustion emissions factor based on the fuel type.

Taxi travel

Colleagues may be reimbursed for taxi travel via our expense platform. Whilst the recorded data does capture the ‘Origination’ and ‘Destination’, this is only by city and not exact location and, as such, it is not possible to determine the distance travelled. Consistent with other travel types where distance travelled is unknown, the region-specific CEDA spend-based emissions factor for ‘Transit and ground passenger transportation’ is multiplied by our spend on taxis to calculate the related emissions.

Sea travel

Sea travel cannot currently be booked via our travel partner, and colleagues must expense this travel via our expense platform. As the dataset does not include distance travelled by sea, consistent with other modes of transport where distance data is not available, the region-specific CEDA spend-based emissions factor for ‘Water transport is’ multiplied by our spend on sea travel to calculate the related emissions.

Hotel stays

Hotel stays are mostly booked via our third-party travel partner, but on occasion, colleagues may be reimbursed via our expense platform for hotel stays.

The data provided from our travel partner includes the hotel country, number of rooms, and number of nights per booking. The number of nights is multiplied by the relevant DESNZ emissions factor based on the country in which the hotel is located. Where an emissions factor is no longer available for a country, the most recent previously published emission factor for that country will be used. If the country-specific emission factor is not available, a global emission factor is used, based on the 75th percentile of available country-specific factors. Where an emissions factor is no longer published by DESNZ, the last available country-specific emissions factor will be applied.

However, the dataset from our expense platform does not capture the number of rooms or nights stayed under each booking. In this instance, the country-specific CEDA spend-based emission factor is applied to the amount expensed.

Car hire

Cars may be hired for business travel purposes either through our third-party travel provider or directly by employees who are then reimbursed by Quilter via our expenses platform. We collect the spend data and apply the region-specific CEDA spend-based emissions factor for vehicle rental and leasing.

Exclusions

Bus travel is also excluded as data on specific bus journeys is not currently collected.

We do not account for bicycle mileage expensed as there are no emissions associated with this travel type.

¹⁵ <https://afdc.energy.gov/data>



► Employee commuting (including working from home)

This captures the emissions that result from employees commuting to our offices and the emissions generated from working at home.

To calculate Quilter's average number of total full-time employees ("FTE") across the reporting year, monthly FTE numbers are totalled and divided by 12.

Employee commuting

To calculate the total number of commutes carried out by employees during the reporting period, we calculate the average monthly number of FTE at each of our offices and assume all employees attend the office 50% of their working days, in line with our internal guidance. To calculate this we assume 262 working days in a year. Our emissions management system uses data published in the UK National Travel Survey¹⁶ to estimate average commute mix and distance for our colleagues' commutes. For our London office, we supplement this with Numbeo¹⁷, which provides more granular, London-specific travel data. In the absence of equivalent national survey data for our Jersey, Dubai, and Ireland offices, we also use region-specific Numbeo travel data to derive commute mode and distance. This is applied to the total number of commuting employees in each location to determine miles travelled by bicycle, car, public transport, and walking. This is multiplied by the DESNZ emissions factor to calculate the emissions from commuting. These include the well-to-tank emissions factors. We assume biking and walking have no associated emissions.

Our employee management system tracks the number of days staff are absent for annual leave, parental leave, sick days etc. This is factored into our calculation by discounting this portion of commuting days emissions.

Working from home

To determine the total number of employee days worked from home in the reporting year, we calculate the average monthly number of FTE at each of our offices and assume all employees attend the office 50% of their working days, in line with our internal guidance. We combine this with the number of fully remote workers to determine the number of days worked from home by all employees.

The resulting figure represents the total number of days those employees worked from home during the reporting period and is multiplied by the DESNZ emissions factor to provide a tCO₂e figure for Quilter's working from home emissions.

¹⁶ [Mode of travel - GOV.UK](#)

¹⁷ [Numbeo](#)

Our employee management system tracks the number of days staff are absent for annual leave, parental leave, sick days etc. This is factored into our calculation by discounting this portion of working from home days emissions.

► Upstream leased assets (Category 8)

Quilter accounts for emissions generated from leased office space in Scope 1 and Scope 2. Emissions in this category are related to those resulting from our leased data centres. Any other cloud services will be accounted for in our Purchased Goods and Services category.

Electricity consumption in the data centres leased by Quilter is provided directly by the supplier in kWh. The data is specific to the energy used to run Quilter servers. The consumption is then multiplied by a Power Usage Effectiveness ("PUE") ratio that represents the additional electricity used for cooling, networking, and lighting. The combined energy consumption is multiplied by the DESNZ emissions factor for UK electricity consumption.

Energy consumption

Our total energy consumption figure is calculated in accordance with the Streamlined Energy and Carbon Reporting ("SECR") requirements and guidance. The disclosed figure comprises:

- natural gas consumed at our offices;
- purchased electricity consumed at our offices;
- purchased heat consumed at our offices; and
- fuels consumed in personal cars when used for business travel purposes (reimbursed by Quilter).

In line with the regulatory guidance, we exclude the following from our energy consumption calculations:

- energy consumption from our upstream leased assets (data centres); these are accounted for in the supplier's consumption disclosure; and
- fuels associated with procured forms of business travel such as trains, flights, or taxis.



Financed emissions criteria

Variance in our methodologies

Our two business segments have distinct investment processes, which influence how they manage and utilise data. Each segment maintains its own systems and data solutions tailored to its specific needs. Due to differences in systems and approaches, there may be slight variations in how each entity calculates financed emissions and intensity metrics. The variances are noted throughout this section.

Reporting frameworks

We report in accordance with:

- the GHG Protocol;
- TCFD; and
- Partnership for Carbon Accounting Financials (“PCAF”) methodology.

Data sources

MSCI is used to source the issuer level climate data used in our climate metrics (financed emissions, WACI, and carbon footprint). MSCI sources reported Scope 1, 2, and 3 emissions from public reporting and provides estimated emissions figures where companies do not report.

Affluent utilises FactSet Fundamentals for EVIC data, reflecting the different systems employed in their calculations. In contrast, Quilter Cheviot, emissions and issuer level financial data, including Enterprise Value Including Cash (“EVIC”) and revenue, are sourced from MSCI. We use the latest available financial and climate data from our data providers. For the 2025 financed emissions reporting, we use (best available) holdings data as at 31 December 2025 and climate data from MSCI retrieved on 30 January 2026.

Note, emissions are typically reported with a one calendar year lag, meaning the reported emissions used in our calculations will be from the 2023 and 2024 reporting periods. The reason some of this data is from 2023 is due to delays or alterations in climate disclosure timing by corporates in 2025, which prevents data refresh cycles capturing recent data.

The data sourced from MSCI is subject to a number of assumptions and limitations, outlined below.

- the Scope 2 emissions sourced from MSCI contain a combination of location-based and market-based emissions. MSCI’s data hierarchy prioritises the Scope 2 approach (location- or market-based) historically disclosed by each company, for consistency. As of

2025, MSCI is adding further transparency to this data – identifying which accounting approach each company’s figures follow – however, this dataset remains very inconsistent. We are working towards disclosing two figures – one for all location-based, the other for all market-based – in future disclosures;

- data is continuously updated throughout the year. For MSCI All Country World Index (“ACWI”)–listed companies, updates occur within four months of publication; for non-MSCI ACWI-listed companies, updates occur within 12 months. Some data may date back to 2021, or further where company data disclosures have been inconsistent;
- MSCI sources emissions and revenue data from company reports and third-party providers like CDP. Revenue data may include unaudited reports and vary by business activity. Emissions are allocated to parent companies based on the reporting company’s GHG accounting approach (i.e. operational control, financial ownership);
- where issuers’ financial years do not align with calendar years, data from issuers with financial years ending before 31 May is assigned the previous calendar year (e.g. for a company disclosing end March 2023, this data would be labelled 2022);
- for Affluent and HNW holdings, EVIC is defined by MSCI as the sum of market capitalisation at fiscal year-end date, preferred stock, minority interest, total debt, cash, and cash equivalents.
- where estimated emissions values have been used, these have been calculated according to MSCI’s methodology. Estimated data has been included in this analysis, in the Scope 1, 2, and 3 data. This includes instances where companies altered their approach for reported Scope 2 emissions (e.g. from location-based to market-based); and
- there are holdings within our universe for which we are unable to provide climate data from MSCI. This is usually where there is no ISIN as the holding is not listed. This will include cash, financial instruments, unlisted companies, and physical property and infrastructure.

Further assumptions the HNW segment have made which apply to some of the input data include:

- where the value of the investment requires currency conversion, we use Bank of England foreign exchange rates; and
- when allocating values, we use EVIC to represent entity valuations. If EVIC is not available, we use market capitalisation.



Calculation methodology

Formulae and further specific assumptions for each climate metric are outlined below.

Please note that all climate metrics presented for High Net Worth are re-weighted for coverage. This means the figures include extrapolated average values to account for assets lacking emissions data. In contrast, on the Affluent side, total carbon emissions metrics are not re-weighted; the figures reflect only the portion of assets for which emissions data is available. However, both segments re-weight emissions intensity metrics (WACI and Carbon Footprint) to account for data gaps. This ensures the intensity figures are comparable across portfolios and aligned with PCAF guidance.

Scope 1, 2, & 3 carbon emissions

$$\sum_n^i \left(\frac{\text{current value of investment}_i}{\text{issuer's EVIC}_i} \times \text{issuer's Scope 1 \& Scope 2 GHG emissions}_i \right)$$

$$\sum_n^i \left(\frac{\text{current value of investment}_i}{\text{issuer's EVIC}_i} \times \text{issuer's Scope 3 GHG emissions}_i \right)$$

Notes

High Net Worth re-weight portfolio holdings and extrapolate to account for data gaps. Whereas Affluent do not re-weight holdings, the emissions figure reflects only the portion of assets for which emissions data is available. Both disclose the data coverage percentage.

Carbon footprint

$$\frac{\sum_n^i \left(\frac{\text{current value of investment}_i}{\text{issuer's EVIC}_i} \times \text{issuer's Scope 1 \& 2 GHG emissions}_i \right)}{\text{current portfolio value (\$M)}}$$

$$\frac{\sum_n^i \left(\frac{\text{current value of investment}_i}{\text{issuer's EVIC}_i} \times \text{issuer's Scope 1,2,\& 3 GHG emissions}_i \right)}{\text{current portfolio value (\$M)}}$$

Notes

The carbon footprint metric aims to be 'size neutral', i.e. an intensity figure, in contrast to financed emissions, which as an absolute figure will be influenced by the size of the reporting firm. We have therefore disclosed a Scope 1 and 2 carbon footprint figure and a separate Scope 1, 2, and 3 figure to enable maximum comparability. Affluent and High Net Worth portfolio holdings are re-weighted and extrapolated to account for data gaps and provide a comparable metric.

Weighted Average Carbon Intensity (WACI)

Equities/funds/corporate bonds

$$\sum_n^i \left(\frac{\text{current value of investment}_i}{\text{current portfolio value}} \times \frac{\text{issuer's Scope 1 \& 2 GHG emissions}_i}{\text{issuer's \$M revenue}_i} \right)$$

$$\sum_n^i \left(\frac{\text{current value of investment}_i}{\text{current portfolio value}} \times \frac{\text{issuer's Scope 1, 2, \& 3 GHG emissions}_i}{\text{issuer's \$M revenue}_i} \right)$$

Sovereign assets

$$\sum_n^i \left(\frac{\text{current value of investment}_i}{\text{current portfolio value}} \times \frac{\text{sovereign issuer's Scope 1 \& 2 GHG emissions}_i}{\text{sovereign issuer's \$M GDP}_i} \right)$$

$$\sum_n^i \left(\frac{\text{current value of investment}_i}{\text{current portfolio value}} \times \frac{\text{sovereign issuer's Scope 1, 2, \& 3 GHG emissions}_i}{\text{sovereign issuer's \$M GDP}_i} \right)$$

Assumptions

Where no revenue data is available for a holding, this is excluded from the portfolio's WACI.

Affluent and High Net Worth portfolio holdings are re-weighted and extrapolated to account for data gaps and provide a comparable metric.

We disclose a Scope 1 and 2 only WACI metric and a Scope 1, 2, and 3 WACI metric to facilitate comparability.



Estimated emissions data

MSCI uses three proprietary models to estimate Scope 1 and 2 emissions:

- 1. Production Model:** Used for emissions from power generation by electrical utilities, based on fuel mix data.
- 2. Company-specific Model:** Uses previously reported emissions data to calculate average carbon emissions intensity (tCO₂e per million USD revenue). This model is not used if the company has undergone significant changes, such as mergers or acquisitions.
- 3. Industry Segment Model:** Estimates emissions based on industry peers' emissions intensities. These intensities are multiplied by the company's revenue from each activity to get the total emissions.

MSCI uses a range of data sources to estimate Scope 3 emissions, including purchase data, energy consumption, material flows, and waste volumes. These datasets are used to generate emissions factors, which are then applied to company-specific activities and sector averages to calculate the supply chain emissions for each of the categories within Scope 3.

Use of estimations in our calculations

We include both reported and estimated data within our Scope 1 and 2 data because of the importance of these inputs in climate-related metrics; without operational emissions (Scope 1 and 2) figures, we cannot produce financed emissions metrics. Although reported emissions are increasingly becoming the industry norm across most companies, there remain some sectors and geographies where this data is not consistently available. Where this is the case, we have taken the prudent approach in reporting an estimated value rather than zero (which implies no emissions impact).

Although emissions calculation methodologies and disclosure rates are improving for Scope 3 emissions, the intricacies of calculating supply chain emissions mean that estimations remain an important part of our outputs if we are to disclose complete and consistent financed emissions.

The HNW segment has implemented a data hierarchy for the use of estimated emissions within its proprietary calculation engine which follows the precautionary principle. The hierarchy logic evaluates reported emissions against estimated emissions. It prioritises reported emissions when they are deemed realistic, but defaults to estimated emissions if they exceed the reported values by more than 10%. MSCI estimations are produced by models informed by vast inputs (i.e. emissions data of many companies) which enables sector-relative comparisons. We consider this to be a conservative approach that ensures underreported emissions are not used for any of our emissions calculations.

Affluent calculations follow a similar combined approach which utilises MSCI's proprietary data hierarchy to determine whether estimated or reported Scope 3 emissions values are used for their calculation.



Appendix 3: Independent Limited Assurance Report to the Directors of Quilter plc on climate-related metrics



Our limited assurance conclusion

Based on the procedures we have performed, as described under the “Summary of work performed” below, and the evidence we have obtained, nothing has come to our attention that causes us to believe that the information marked with an asterisk symbol in Quilter plc’s Task Force for Climate-related Financial Disclosures (TCFD) Report for the year ended 31 December 2025 (the “Report”) and summarised below (together, the “Subject Matter Information”), has not been prepared, in all material respects, in accordance with Quilter plc’s emissions methodology and reporting criteria (the “Reporting Criteria”) set out in Appendix 2.

What we were engaged to assure

The Subject Matter Information needs to be read and understood together with the Reporting Criteria in Appendix 2 in the TCFD report which Quilter plc’s Directors are solely responsible for selecting and applying. The Subject Matter Information is set out in the table below:

Subject Matter Information	Location of Subject Matter Information in the TCFD report
Scope 1 emissions - Global total	Refer to page 62
Scope 2 emissions (market-based) - Global total	Refer to page 62
Scope 2 emissions (location-based) - Global total	Refer to page 62
Total Scope 1 & 2 emissions (market-based) - Global total	Refer to page 62
Scope 3 emissions (excluding investments) - Global total	Refer to page 62
Total operational emissions (market-based) - Global total	Refer to page 62
Scope 3 emissions (excluding investments) – 1. Purchased goods and services	Refer to page 62
Scope 3 emissions (excluding investments) – 2. Fuel- and energy-related	Refer to page 62
Scope 3 emissions (excluding investments) – 5. Waste	Refer to page 62
Scope 3 emissions (excluding investments) – 6. Business travel	Refer to page 62
Scope 3 emissions (excluding investments) – 7. Employee commuting (including working from home)	Refer to page 62
Scope 3 emissions (excluding investments) – 8. Upstream leased assets	Refer to page 62

The scope of our work did not extend to information in respect of earlier periods or to any other information included in, or linked from, the Report including any images, audio files or videos.



Our work

Professional standards applied

We performed a limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) 'Assurance Engagements other than Audits or Reviews of Historical Financial Information' and, in respect of the greenhouse gas (GHG) emissions, in accordance with International Standard on Assurance Engagements 3410 'Assurance Engagements on Greenhouse Gas Statements', issued by the International Auditing and Assurance Standards Board.

Our independence and quality control

We have complied with the Institute of Chartered Accountants in England and Wales Code of Ethics, which includes independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour, that are at least as demanding as the applicable provisions of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code).

We apply International Standard on Quality Management (UK)¹⁸ and accordingly maintain a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Summary of work performed

We performed a limited assurance engagement. Because the level of assurance obtained in a limited assurance can vary, we give more detail about the procedures performed, so that the intended users of the Subject Matter Information can understand the nature, timing and extent of procedures we performed as context for our conclusion. These procedures performed vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

In performing our assurance procedures, which were based on our professional judgement, we performed the following:

- evaluated the suitability in the circumstances of Quilter plc's use of the Reporting Criteria as the basis for preparing the Subject Matter Information including the associated reporting boundaries;
- through inquiries, obtained an understanding of Quilter plc's control environment, processes and systems relevant to the preparation of the Subject Matter Information. Our procedures did not include evaluating the suitability of design, obtaining evidence about their implementation or testing operating effectiveness of particular control activities;
- evaluated whether Quilter plc's methods for developing estimates are appropriate and had been consistently applied, noting that our procedures did not involve testing the data on which the estimates are based or separately developing our own estimates against which to evaluate Quilter plc's estimates;
- compared year on year movements and obtained explanations from management for significant differences we identified;
- performed limited substantive testing of the Subject Matter Information, which involved agreeing arithmetical accuracy of calculations, and agreeing data points to or from source information to check that the underlying subject matter had been appropriately evaluated or measured, recorded, collated and reported; and
- evaluated the disclosures in, and overall presentation of, the Subject Matter Information.

Materiality

We are required to plan and perform our work to address the areas where we have identified that a material misstatement of the Subject Matter Information is likely to arise. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the nature, timing and extent of our procedures in support of our conclusion. We believe that it is important that the intended users have the information they need to understand the concept and the level of materiality to place our conclusion in context.

¹⁸ The maintenance and integrity of Quilter's website is the responsibility of the Directors; the work carried out by us does not involve consideration of these matters and, accordingly, we accept no responsibility for any changes that may have occurred to the reported Subject Matter Information or Reporting Criteria when presented on Quilter plc's website.



Based on our professional judgement, we determined materiality for the Subject Matter Information as follows:

Overall materiality

Materiality may differ depending upon the nature of the Subject Matter Information. We apply professional judgement to consider the most appropriate materiality benchmark for each aspect of the Subject Matter Information, having considered how the intended users may use the information. A benchmark materiality of 5% has been applied in each respect of the Subject Matter Information as set out on page 62, other than Waste, which due to its size has been set at 0.5 tCO₂e.

We also agreed to report to the Directors misstatements (“reportable misstatements”) identified during our work at a level below overall materiality, as well as misstatements below that lower level that in our view warranted reporting for qualitative reasons. The Directors are responsible for deciding whether adjustments should be made to the Subject Matter Information in respect of those items.

Areas of Assurance Focus

The Areas of Assurance Focus are those areas of our work that, in our professional judgement, require additional procedures. In the case of limited assurance, that means our procedures may be towards the upper end of those that might be expected for limited assurance. These areas were identified as part of our risk assessment and result of the assurance procedures performed, and include those areas of significant risk, areas that involved significant judgement or other areas where significant assurance effort was needed. This approach provides transparency about where we deemed it necessary to perform extra work. However, this does not imply - for limited assurance - the same level of assurance as would have been obtained under a reasonable assurance engagement.

We have determined that there are no areas of assurance focus to communicate in our report.

Challenges of non-financial information

The absence of a significant body of established practice upon which to draw to evaluate and measure non-financial information allows for different, but acceptable, evaluation and measurement techniques that can affect comparability between entities, and over time.

Non-financial information is subject to more inherent limitations than financial information, given the characteristics of the underlying subject matter and the methods used for measuring or evaluating it. The precision of different measurement techniques may also vary.

Reporting on Other Information

The other information comprises all of the information in the Report other than the Subject Matter Information and our assurance report. The Directors are responsible for the other information. As explained above, our conclusion does not extend to the other information and, accordingly, we do not express any form of assurance thereon. In connection with our assurance of the Subject Matter Information, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the Subject Matter Information or our knowledge obtained during the assurance engagement, or otherwise appears to contain a material misstatement of fact. If we identify an apparent material inconsistency or material misstatement of fact, we are required to perform procedures to conclude whether there is a material misstatement of the Subject Matter Information or a material misstatement of the other information, and to take appropriate actions in the circumstances.

Responsibilities of the Directors

As explained in the Directors’ Statement on page 3 of the Report, the Directors of Quilter plc are responsible for:

- determining appropriate reporting topics and selecting or establishing suitable criteria for measuring or evaluating the underlying subject matter;
- ensuring that those criteria are relevant and appropriate to Quilter plc and the intended users of the Report;
- the preparation of the Subject Matter Information in accordance with the Reporting Criteria including designing, implementing and maintaining systems, processes and internal controls over the evaluation or measurement of the underlying subject matter to result in Subject Matter Information that is free from material misstatement, whether due to fraud or error;
- documenting and retaining underlying data and records to support the Subject Matter Information;



- producing the Report that provides a balanced reflection of Quilter plc's performance in this area and discloses, with supporting rationale, matters relevant to the intended users of the Report; and
- producing a statement of Directors' responsibility.

Our responsibilities

We are responsible for:

- planning and performing the engagement to obtain limited assurance about whether the Subject Matter Information is free from material misstatement, whether due to fraud or error;
- forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained; and
- reporting our conclusion to the Directors of Quilter plc.

Use of our report

Our report, including our conclusion, has been prepared solely for the Directors of Quilter plc in accordance with the agreement between us dated 16 December 2025. To the fullest extent permitted by law, we do not accept or assume responsibility or liability to anyone other than the Board of Directors and Quilter plc for our work or our report except where terms are expressly agreed between us in writing.

Pricewaterhouse Coopers LLP

PricewaterhouseCoopers LLP
Chartered Accountants
London, UK
2 March 2026



Glossary



Glossary

Term	Definition
AuM	Assets under management, which unless stated otherwise, reflects gross AuM before intra-group eliminations.
CO₂e	Stands for CO ₂ equivalent. The emissions of different GHGs warm the earth at different intensities. For example, releasing 1 tonne of methane into the atmosphere has a greater warming potential than releasing 1 tonne of CO ₂ . This metric is used to express the impact of each different GHG in terms of the amount of CO ₂ that would create the same amount of warming so that the impacts of the different GHGs can be compared.
Data coverage	Data coverage refers to the percentage of the strategy and benchmark that MSCI ESG has provided climate metrics for.
ESG	Environmental, social, and governance.
ESG integration	ESG integration at Quilter is the explicit and systematic inclusion of ESG factors, including climate-related issues, in our investment analysis and decisions to better manage risks and improve returns.
FCA	Financial Conduct Authority.
FRC	Financial Reporting Council.
GHG	Greenhouse gas.
Greenhouse Gas Reporting Protocol	The GHG Protocol supplies the world's most widely used GHG accounting standards.
Greenwashing	Making misleading or unsubstantiated claims about environmental performance.
The Group	Quilter plc and its subsidiaries.
ICARA (formerly ICAAP)	The Internal Capital Adequacy and Risk Assessment process. The set of underlying risk and capital management processes which are performed through an annual cycle, or whenever there is a material change in the risk profile or business strategy, in order to manage the risk and capital profile of the investment and advice businesses within the Group and to support strategic decisions. The ICARA is performed for the subset of investment and advice businesses within the Group under the Investment Firms Prudential Regime.
IIGCC	Institutional Investors Group on Climate Change.
Net zero	Net zero refers to a state in which the greenhouse gases going into the atmosphere are balanced by removal out of the atmosphere.
NGFS	The Network of Central Banks and Supervisors for Greening the Financial System. The NGFS is an industry group of central banks and supervisors which develops climate-related risk management resources for the finance sector. It worked in collaboration with a global academic consortium to develop a range of future scenarios that can be used to appropriately assess climate risks to economic and financial systems.
NZAM	The Net Zero Asset Manager's Initiative. The NZAM is an international group of asset managers committed to supporting the goal of net zero GHG emissions by 2050 or sooner, in line with global efforts to limit warming to 1.5°C; and to supporting investing aligned with net zero emissions by 2050 or sooner.
ORSA	The Own Risk and Solvency Assessment. The set of underlying risk and capital management processes which are performed through an annual cycle, or whenever there is a material change in the risk profile or business strategy, in order to manage the risk and capital profile of the Group and to support strategic decisions. The ORSA is performed for the full Group under Solvency II requirements.



Glossary (continued)

Term	Definition
PRI	The Principles for Responsible Investment. The PRI is a UN-supported network of investors, working to promote sustainable investments.
SBT	Science Based Targets.
SBTi	The Science Based Targets initiative. The SBTi is a partnership between CDP, the United Nations Global Compact, World Resources Institute, and the World Wide Fund for Nature. The SBTi drives ambitious climate action in the private sector by enabling companies to set science-based emissions reductions targets.
Scope 1 emissions	The direct GHG emissions from sources that are owned or controlled by the company. Scope 1 emissions result from a company's internal operations, including on-site energy production, vehicle fleets, manufacturing operations, and waste. The values represent metric tonnes of CO ₂ equivalent.
Scope 2 emissions	The indirect GHG emissions attributable to operations that are owned or controlled by the company. Scope 2 emissions result from the emissions generated in the production of energy (electricity, steam, heat, and cooling) that is purchased by a company generated upstream from the organisation. For purchased electricity, organisations are required to report Scope 2 emissions according to a 'location-based' and a 'market-based' method.
Scope 3 emissions	These are all indirect emissions (not included in Scope 2) that occur in a company's value chain, including both upstream and downstream emissions (eg business travel, waste).
Sustainability	Whilst there is no single definition of 'sustainability', we use this term to refer to ESG factors or concerns. Environmental concerns include climate and broader environmental issues, like biodiversity. Social factors range from modern slavery to international development. Governance refers to the way that companies are controlled and directed.
Stewardship	Stewardship is the responsible allocation, management, and oversight of capital to create long-term value for customers and beneficiaries leading to sustainable benefits for the economy, the environment, and society.
TCFD	The Task Force on Climate-related Financial Disclosures. The Financial Stability Board created the TCFD to improve and increase reporting of climate-related information.
tCO₂e	Tonnes of CO ₂ e.
The Three Lines of Defence	An organisational model aimed at providing a structured framework for managing risk and exercising control within an organisation. Within the model, the first line has primary responsibility for managing organisational risks. The second line comprises the Risk Management and Compliance functions to help build and monitor the first line of defence's controls. The third line provides independent risk assurance.
UK Stewardship Code	The UK Stewardship Code 2020 sets high stewardship standards for those investing money on behalf of UK savers and pensioners, and those that support them. Stewardship is the responsible allocation, management, and oversight of capital to create long-term value for customers and beneficiaries leading to sustainable benefits for the economy, the environment, and society.
Weighted Average Carbon Intensity ("WACI")	A portfolio's exposure to carbon-intensive companies, expressed in tonnes CO ₂ e/\$m revenue. This metric is recommended by the TCFD. Certain asset classes are excluded from the WACI calculation. Most significantly, these include government bonds, asset-backed securities, cash, foreign currencies, and derivatives.