



UBS SA Financials Conference: “Navigating the road to recovery”

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Quilter

Disclaimer

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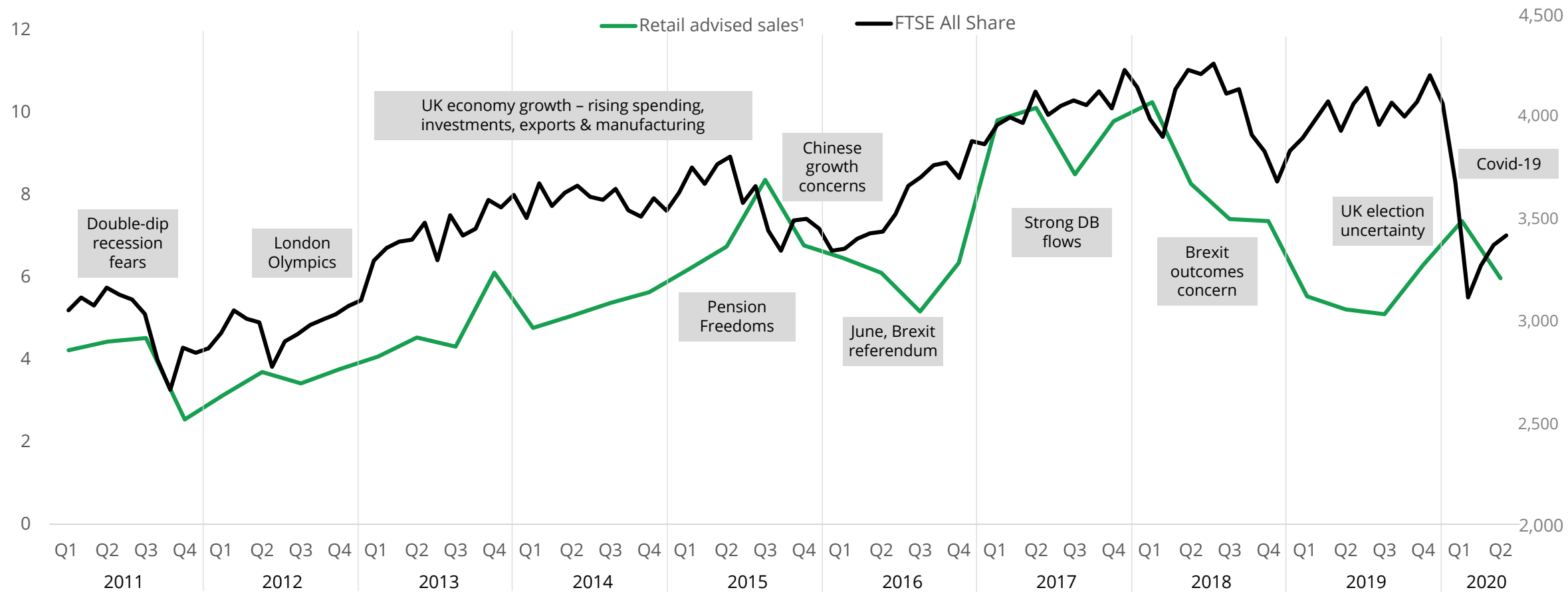
Managing through Covid-19 and beyond for all our stakeholders

	Tactical		Structural & BAU		Cultural	
Colleagues	Move to 98%+ WFH by early April	Defer optimisation-linked redundancies during lockdown	Restructure offices to be Covid-compliant		Expanded staff health and wellbeing programme, including mental health wellbeing, while in lockdown	
Clients and Advisers	Enable remote call centres	Ensuring business continuity Advisers supporting clients through market decline	QFP & QC systems upgrade	Support greater digital adoption to meet client demands and improve efficiency	'There for you' rolled out to 23,000 firms nationally	
					Adviser financial support arrangements in place	
Community	Not taken HMT support	Financial Adviser School remained open and initial module made available online for free		Quilter Foundation supporting Young Carers		£200k UK NET donation
Shareholders	£375m share buyback, dividend & Odd-Lot Offer		On-track to deliver £50m Optimisation benefits to improve 2021 operating margin			
	£30m tactical cost saves targeted in response to more challenging markets		Improved Q1/Q2 flows	Substantially deliver PTP in 2020	New CEO appointments in Quilter Investors and Quilter Financial Planning	
			Strong H1 results vs expectation			

Industry dynamics: Robust saving trends through market cycles and Covid-19 downturn

UK Platform industry net client cash flow¹ (LHS) vs FTSE All Share (RHS)

£bn // £

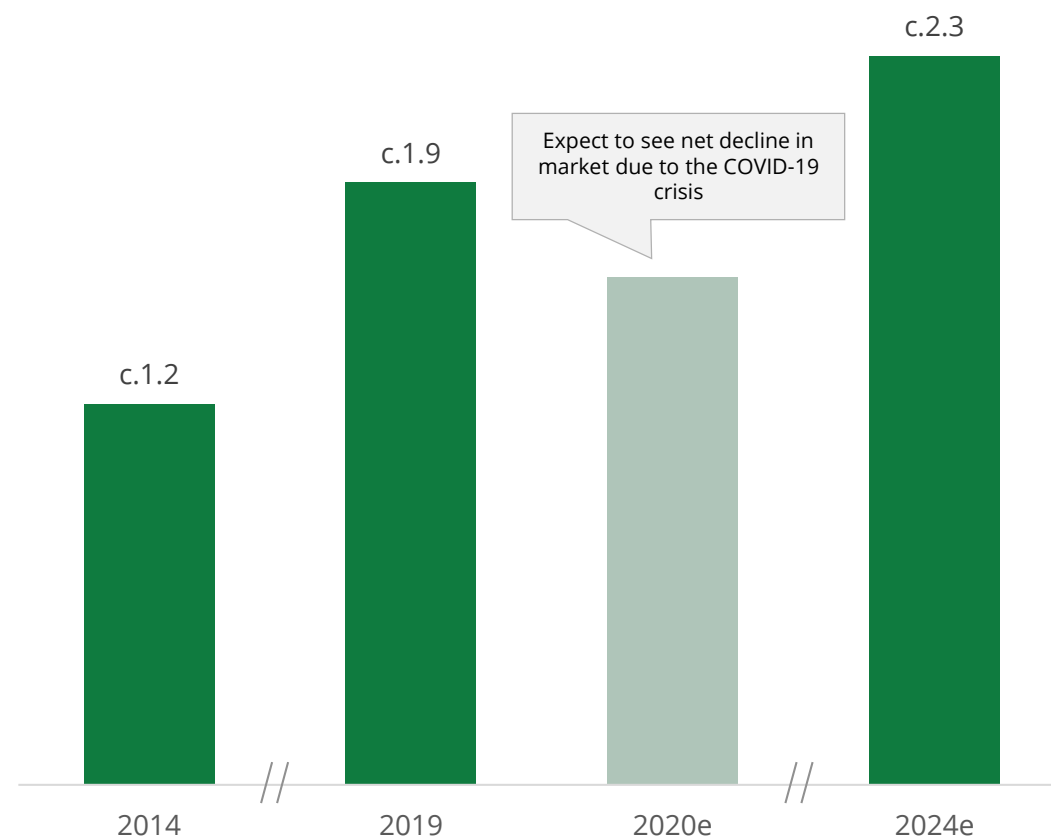


1. Source: Fundscape - Platinum Database.

Pandemic aside, continue to operate in an industry with secular growth potential

- Fifth largest wealth management market in the world¹
- A large and growing industry with continued secular growth drivers
 - Savings responsibility shifted to the individual
 - Aging population with inter-generational wealth transfer
 - Shift from DB to DC
 - End of compulsory annuitisation
 - Increase in accessibility from Pensions Freedom
- Current trends reaffirming need for Advice in the UK
- Pandemic's fall-out disrupted many industries globally, including potential headwinds for UK Wealth
 - Wealth taxes
 - Pension allowance changes
 - Lower asset returns

UK long-term savings market forecast²
AuMA £trn

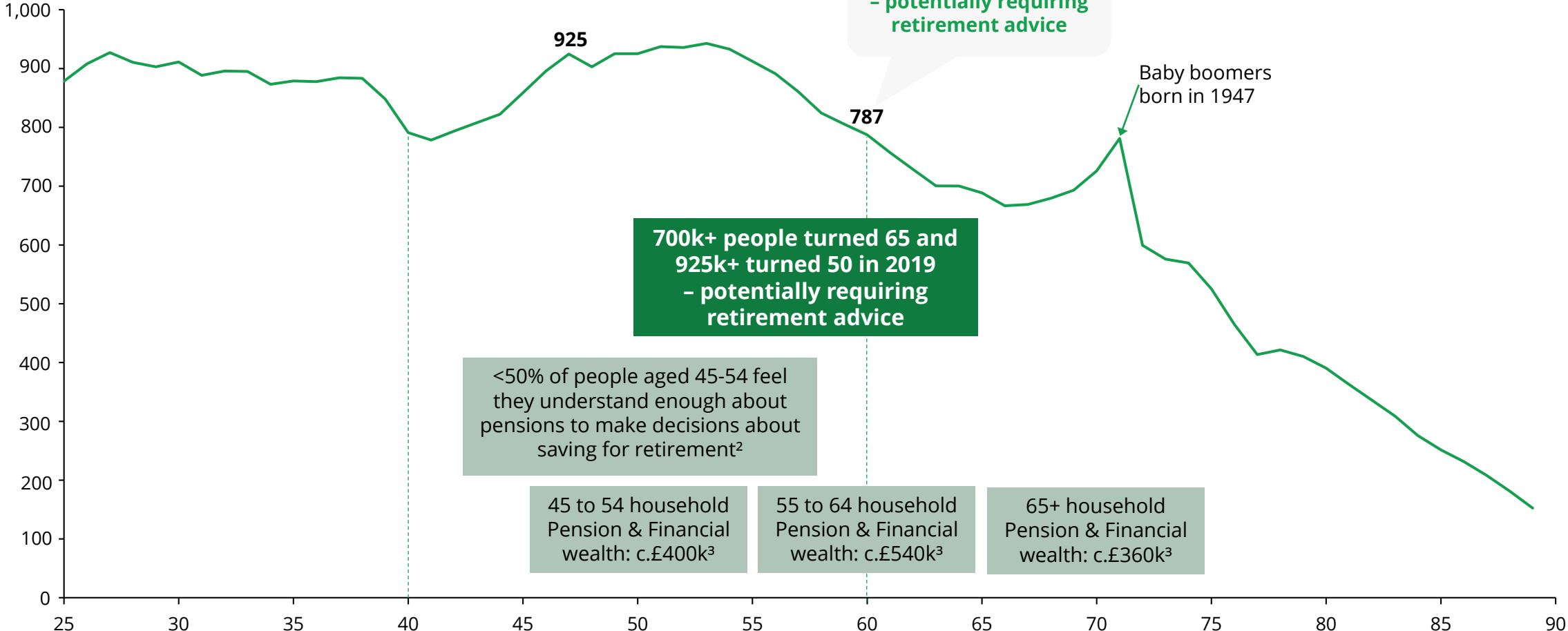


1. Source: Credit Suisse, Global Wealth Databook 2019.

2. Source: FCA, Platforum, Pimfa, PAM Directory, Oliver Wyman estimates; Includes assets managed by financial advisers, wealth managers and held on platforms. Does not include occupational pensions or annuities.

Industry drivers: Retirement demographics continuing advice demand

UK England & Wales Population¹
('000 by age year, 2018)



1. Source: ONS.
 2. Source: ONS "Early indicator estimates from Wealth and Assets Survey", published August 2020.
 3. Source: ONS "Total wealth in Great Britain: April 2016 to March 2018", published December 2019. Pension Wealth and 'net' Financial wealth excludes physical wealth (assets) and net property wealth.

Continued strong demand for Advice as cost of delivery increases

- Adviser trend to serve fewer active clients continues:
 - Compensation model from commission to fees
 - New model built on ongoing client servicing
 - Focused on smaller number of clients with higher investable assets
 - Demographics support opportunity to serve customers' wealth needs for longer

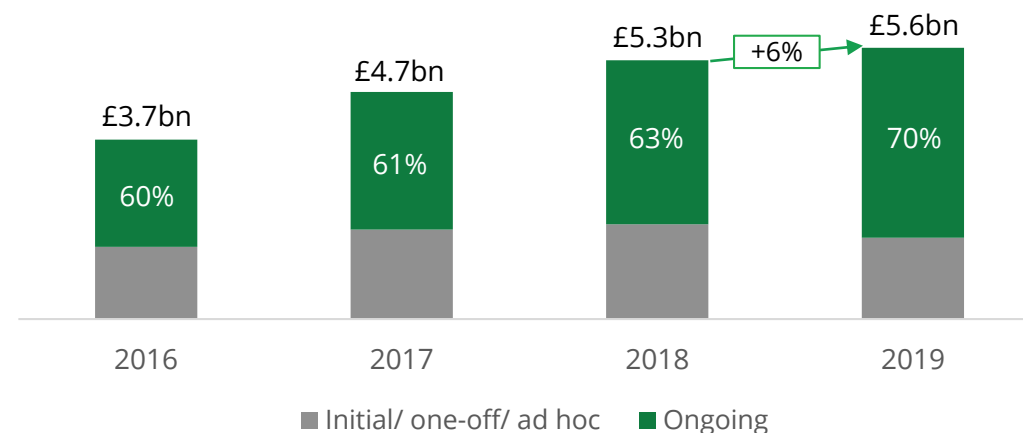
- Regulatory environment making it harder for independents
 - Pandemic demonstrating benefits of network such as Quilter
 - Regulatory oversight and higher PII costs

- Fast, scale growth harder as larger firms scarcer to acquire
 - 90% financial adviser firms have fewer than 5 advisers¹

1. Source: FCA, Retail Intermediary Market Study 2019.

Market total revenue from adviser charges¹

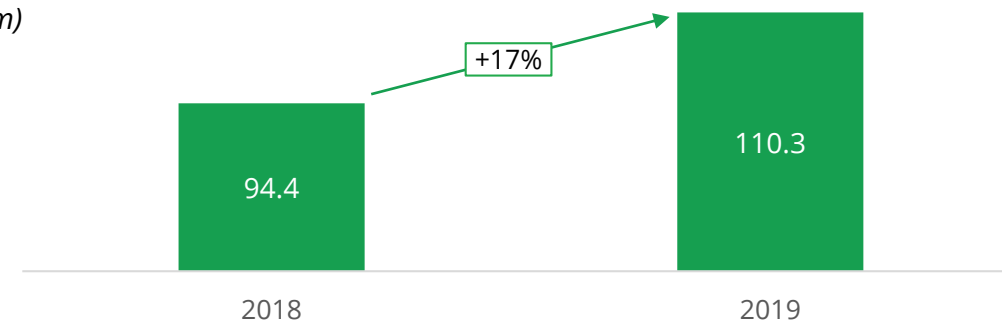
Revenues on investment advice and related charges



PII premiums paid by financial adviser firms¹

Increases reflect changes in Ombudsman award limits and claims experienced by market

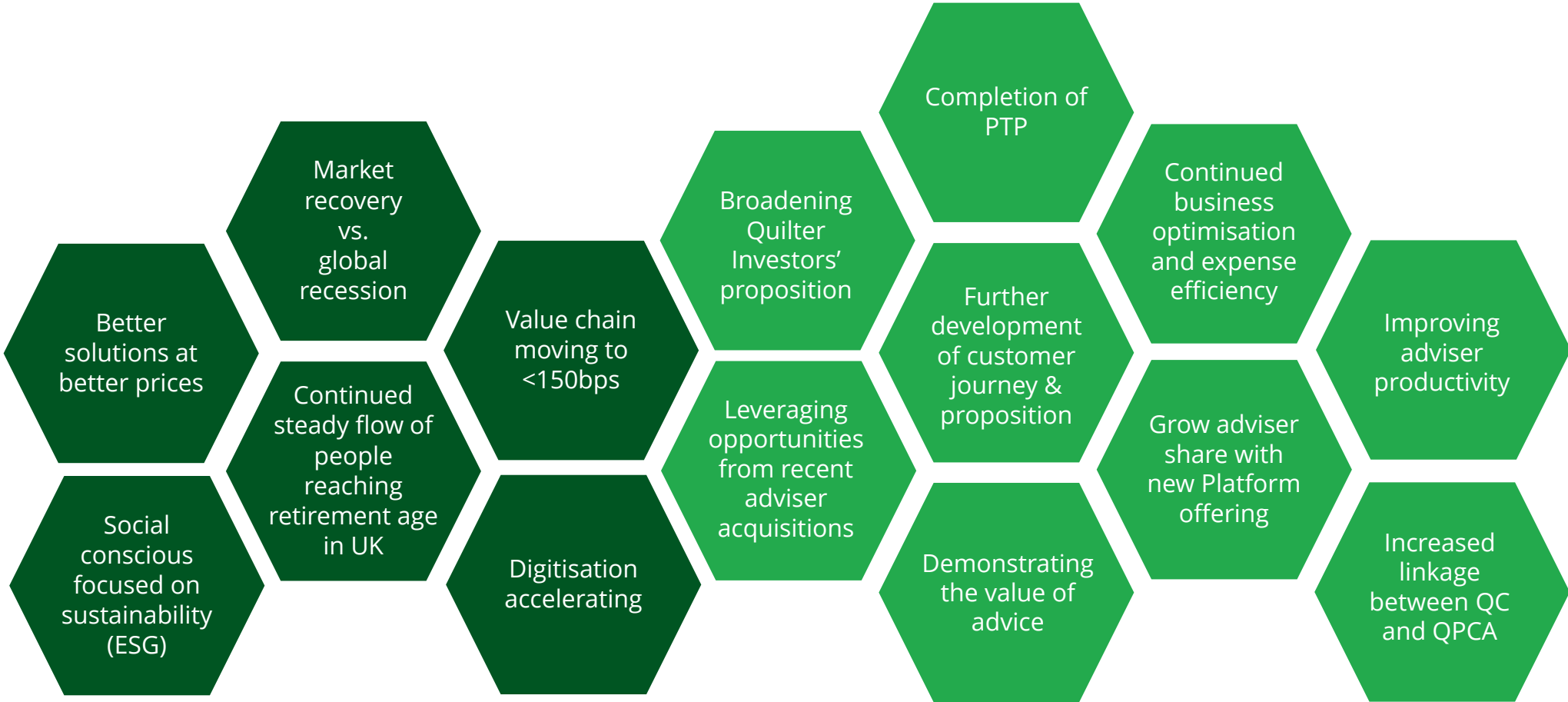
Total annualised PII premiums: growth exceeding revenues (£m)



Covid-19 brought the future forward: Navigating the road to recovery

External forces

Internal catalysts



Themes for future-thinking

- Continuing to improve the customer journey, with client at heart of organisation
- Readying for a lower all-in-fee world while improving operating margin
- Embedding ESG in advice proposition and investment solutions
- Continuing to optimise, leveraging benefits of digitisation and agile working



Q&A

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