

Group Internal Audit Charter

Purpose

GIA operate in compliance with the Global Internal Audit Standards to support the Audit Committee and Executive Management in discharging their roles and responsibilities.

Internal Audit supports the Board and Executive Management of Quilter plc (“Quilter”) in providing independent, risk-based, objective assurance, advice, insight, foresight, and advisory activity designed to add value, improve the organisation's operations and support the delivery of good customer outcomes. It helps Quilter accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of:

- Risk management, control, and governance processes,
- Decision-making and oversight,
- Quilter’s reputation and credibility with its stakeholders, and
- Quilter’s ability to serve the public interest.

Authority

Internal Audit is authorised by the Quilter plc Board Audit Committee (Audit Committee), and with strict accountability for confidentiality and safeguarding records and information consistent with the UK Data Protection Act and the EU General Data Protection Regulation, has full, free and unrestricted access to any, and all of Quilter’s records, physical properties and personnel pertinent to carrying out an engagement. All employees are required to assist Internal Audit in fulfilling its roles and responsibilities.

Organisation

The Chief Internal Auditor is accountable to the Audit Committee through a functional reporting line to the Chair of the Committee and reports administratively to the Quilter Chief Financial Officer. The Chief Internal Auditor also has access to the Chair of the Board.

The Chief Internal Auditor will periodically assess, and report to the Audit Committee, on the continued adequacy of the function’s mandate, authority and responsibility in order to enable it to accomplish its objectives.

It is the responsibility of the Chief Internal Auditor to deliver the Internal Audit mandate for Quilter plc and its subsidiaries, including all separately regulated entities, and in doing so is supported by a leadership team which comprises two Heads of Audit and a Business Manager. The members of the leadership team are appointed by the Chief Internal Auditor. The relevant Heads of Audit, as delegated by the Chief Internal Auditor, have reporting lines and access to the Chairs of Quilter group and subsidiary Boards, Governance Audit and Risk Committees, Audit Committees or equivalent fora.

The Internal Audit leadership team is responsible for all formal functional reporting requirements to the Audit Committee and the Quilter group subsidiary Boards, Governance Audit and Risk Committees, Audit Committees or equivalent fora. The Chief Internal Auditor is also responsible for establishing an independent risk-based Quality Assurance (QA) framework and reporting the outcome of the QA work to the Audit Committee annually.

Scope and responsibility

Internal Audit forms Quilter's 'Third Line of Defence' and is independent from responsibilities of Management. The scope of Internal Audit's activities extends to all businesses owned, controlled and governed by Quilter, including any joint ventures, in all jurisdictions.

Internal Audit's activities encompass the examination and evaluation of the design adequacy and operating effectiveness of Quilter's system of internal controls and associated risk management processes. This includes:

- Internal governance structures and processes,
- Certain information presented to the Board and Executive Management for strategic and operational decision making or specific requests from the Board (e.g. Due Diligence reviews),
- The setting of and adherence to risk appetite,
- The risk and control culture of the organisation including whether processes, actions and "tone at the top" are in line with the values, ethics, risk appetite and policies of the business - including with respect to regulation requiring firms to act to deliver good outcomes for customers and act in good faith,
- The management of risks including, but not limited to:
 - Conduct and Consumer risks, including the integrity of dealings with customers (acting in good faith, avoiding foreseeable harms, enabling and supporting customers to pursue their financial objectives) and interactions with relevant markets and control of products, services and processes in line with relevant regulation (including the Financial Conduct Authority's Consumer Duty),
 - Key risk areas and regulation highlighted by the Financial Conduct Authority, Central Bank of Ireland, European Securities and Markets Authority, Dubai Financial Services Authority and the Jersey Financial Services Commission,
 - Climate-related risks, and
 - Capital and liquidity risks,
- Key corporate events including the information being used to support key decisions,
- The outcomes of policies and processes and whether these are in line with the objectives, risk appetite and values of the organisation including as they relate to Inclusion & Diversity and Conduct regulation (including the Consumer Duty),
- Lessons learned analysis following significant adverse events, and
- Advisory services for which internal audit does not take on management responsibility for the activity under, or the outcome of the review e.g. identifying opportunities to improve the efficiency of governance, risk management and control processes and communicating opportunities to the appropriate stakeholders.

Internal Audit is responsible for determining the audit universe and performing its own assessment of risks to determine the risk-based audit plan.

Independence and objectivity

The Chief Internal Auditor is positioned at a level in Quilter that enables Internal Audit to maintain its independence in the discharge of its responsibilities without interference (see Organisation section for details) and is responsible for ensuring the Internal Audit function can carry out their responsibilities in an objective matter. Appropriate arrangements are in place to support maintenance of independence and objectivity including:

- The annual risk-based audit plans (comprising plans specific to the respective segments, business units and the Group plan), annual budget and resourcing plans, and any material changes, are reviewed and approved by the Audit Committee. The respective subsidiary Boards, Governance Audit and Risk Committees, Audit Committees or equivalent fora are consulted on and approve the proposed coverage of the annual plan as it relates to the respective business units and any material changes to the respective audit plans. The Internal Audit leadership team reports all audit related matters to the Audit Committee and communicates directly with the Audit Committee through attendance at its meetings, as well as reporting relevant audit matters to, and attending those of each subsidiary Boards, Governance Audit and Risk Committee, Audit Committee or equivalent fora,
- Internal Audit, in consultation with the Chief Executive Officer, is empowered to attend and observe all or part of the Executive Committee meetings and any other key management decision making fora,
- The Chief Internal Auditor's right to attend the Quilter Executive Committee is on a non-voting basis. At a minimum, the Chief Internal Auditor will attend the Quilter Executive Committee or Quilter Executive Risk Management Committee to present Internal Audit's full year opinion, half year opinion and annual plan,
- Internal Audit staff are required to exhibit the highest level of professional objectivity in carrying out their duties, must make a balanced assessment of all available and relevant facts and circumstances, remain impartial and seek to avoid any professional or personal conflict of interest, bias and undue influence,
- Internal Audit staff will not have any operational management role, including initiating or approving transactions or directing the activities of any employee external to the internal audit function, and are not permitted to audit any activity for which they had authority or responsibility within the past year, and
- From time-to-time Internal Audit may be requested to provide advisory services to a business area. Where such services entail significant involvement with the business or result in the business instigating major changes to its processes or activities, the Internal Audit staff involved will only provide assurance services to that area where there is no perceived or actual conflict of interest.

The Chief Internal Auditor will confirm to the Board, at least annually, the organisational independence of the internal audit function.

Internal Audit must be free from interference in conducting, and reporting the results, from its work. The Chief Internal Auditor will disclose such interference to the Audit Committee and discuss any implications. The Audit Committee Chair provides input into the performance review and remuneration outcomes for the Chief Internal Auditor, the remuneration for the Chief Internal Auditor is approved by the Remuneration Committee.

Ethics and Professionalism

The Chief Internal Auditor is responsible for ensuring that internal auditors:

- Conform with the Global Internal Audit Standards, including the principles of Ethics and Professionalism: integrity, objectivity, competency, due professional care, and confidentiality.
- Understand, respect, meet, and contribute to the legitimate and ethical expectations of Quilter and be able to recognise conduct that is contrary to those expectations.
- Encourage and promote an ethics-based culture.

Report behaviour that is inconsistent with Quilter's ethical expectations, as described in applicable policies and procedures.

Relationship with other assurance functions

Internal Audit will consider the work of other assurance functions within Quilter, including functions forming the Second Line of Defence, as well as requirements from external bodies such as the external auditors and Quilter's regulators when determining the level of Internal Audit activity in any business area.

Through the exercise of informed judgement, the Chief Internal Auditor and Heads of Audit will take account of the work of other assurance functions following a thorough evaluation of the effectiveness of that function in relation to the area under review.

Internal Audit will establish and maintain a close and continuous relationship with Quilter's regulatory authorities. In addition, Internal Audit will work closely with external auditors and where possible align annual plans to ensure maximum reliance can be placed on the work of Internal Audit.

Reporting

A report will be prepared and issued following the conclusion of each assurance engagement and will be distributed as appropriate. Detail of key audit results (including significant risk exposure, control issues, including fraud risks, governance issues and other areas of focus), results of advisory services and the status and progress of the internal audit plan will be reported to the Audit Committee, subsidiary Boards, Governance Audit and Risk Committee's, Audit Committees or equivalent fora, Risk Committee and members of the Executive Committee and Board.

On a quarterly basis, the Chief Internal Auditor will be responsible for monitoring and reporting the status of open audit issues to the Audit Committee and subsidiary Boards, Governance Audit and Risk Committee's, Audit Committees or equivalent fora. In addition, through a quarterly Issues Assurance process, Internal Audit will report the status of closed audit issues to the Audit Committee and subsidiary Boards, Governance Audit and Risk Committee's, Audit Committees or equivalent fora and assess whether the risks originally identified in audits have been appropriately addressed by Management.

The Chief Internal Auditor is responsible for reporting periodically where the internal audit function determines Management's response to risk may be unacceptable or acceptance of a risk that is outside of Quilter's risk appetite, to the Audit Committee, subsidiary Boards, Governance Audit and Risk Committee's, Audit Committees or equivalent fora, Risk Committee and members of the Executive Committee and Board.

The Chief Internal Auditor will be responsible for providing the Audit Committee, and subsidiary Boards, Governance Audit and Risk Committee's (or equivalent fora), at least annually, with an

assessment of the overall effectiveness of the governance and risk and control framework of the organisation; together with an analysis of themes and trends emerging from internal audit work and their impact on the organisation's risk profile.

Internal Audit Plan

The Chief Internal Auditor is responsible for developing and submitting an annual audit plan to the Audit Committee for review and approval. Individual business unit audit plans will also be presented to the relevant subsidiary Boards, Governance Audit and Risk Committee's, Audit Committees or equivalent fora for feedback and approval. As authorised by the Audit Committee the annual audit plan will be based on a risk-based methodology, incorporating input from Senior Management and will be subject to ongoing review.

As part of the development of the plan the Chief Internal Auditor is responsible for assessing whether the skills, budget and resources of the function are sufficient and confirming to the Audit Committee. Any significant revisions to, and resource limitations on, the approved internal audit plan or budget will be communicated as part of a periodic reporting process on internal audit activity.

Skills and resources

All Internal Audit engagements will be conducted with proficiency and due professional care. The Chief Internal Auditor is responsible for ensuring that each engagement team collectively possesses or obtains the necessary knowledge, skills, and other competencies and qualifications to conduct the engagement appropriately and meet the requirements of the Global Internal Audit Standards.

The Chief Internal Auditor will continually assess the capability of the function. Where gaps are identified, the Chief Internal Auditor, as authorised by the Audit Committee will address these through training, recruitment or where appropriate, use of independent internal or external technical specialists to supplement the core team, including through the use of co-source partners.

The qualifications and competencies of the Chief Internal Auditor as expected by Quilter are determined by the Audit Committee Chair as described in the Global Internal Audit Standards.

Quality Assurance and Improvement Programme

Internal Audit will maintain a Quality Assurance and Improvement Programme that covers all aspects of the internal audit function. The programme will include external and internal evaluations of Internal Audit's conformance with the Global Internal Audit Standards and the Chartered Institute of Internal Auditors (CIIA) Internal Audit Financial Services Code of Practice ("CIIA Code"). The programme also assesses the efficiency and effectiveness of Internal Audit and its progress towards achievement of its objectives as well as identifying opportunities for improvement, including consideration of emerging trends and successful practices in internal auditing.

The Chief Internal Auditor will communicate to the Audit Committee the results of Internal Audit's Quality Assurance and Improvement Programme, including results of ongoing internal assessments (annually), and external assessments conducted at least once every three years.

Standards of audit practice

The Chief Internal Auditor is responsible for ensuring the Internal Audit function adheres to the mandatory elements of the Institute of Internal Auditors' International Professional Practices Framework, which are the Global Internal Audit Standards and Topical Requirements. The Internal Audit function also adheres to the requirements as set out in the Chartered Institute of Internal Auditors Internal Audit Financial Services Code of Practice. The Chief Internal Auditor will report periodically to the Audit Committee on Internal Audit's conformance with these standards.

In addition, Internal Audit will adhere to Quilter's relevant policies and procedures and carry out its audit work in accordance with Internal Audit procedures and methodology. Where adherence to Quilter's policies and procedures conflict with the internal audit charter or the Global Internal Audit Standards these will be resolved or documented and communicated to the Audit Committee.

Changes to the Charter

The Audit Charter is reviewed at least annually and, on an ad-hoc basis when significant changes to the organisation, laws and regulations and industry standards arise. Any changes to the Charter are submitted to the Audit Committee for review and approval.

Approval:

Quilter plc Board Audit Committee

4 December 2024