

UBS “SA Financial Services” Conference

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Quilter

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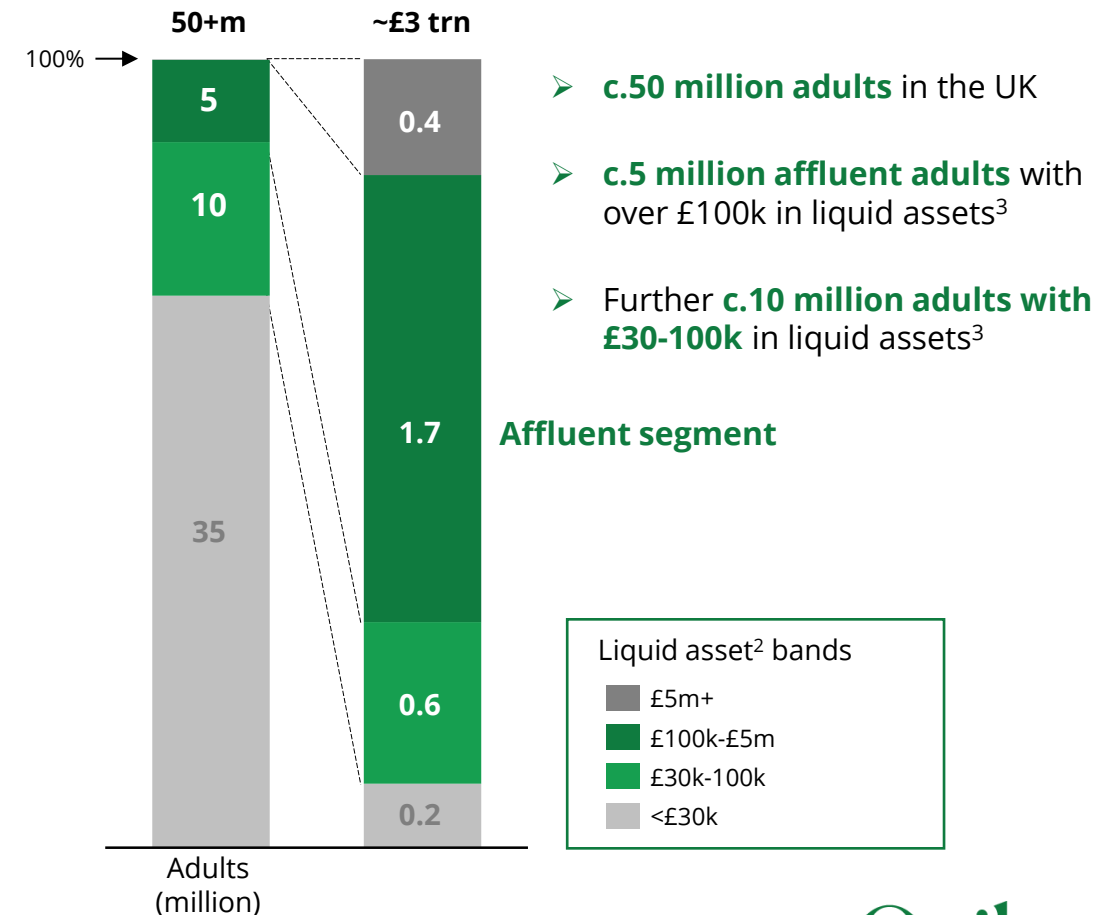
Quilter: A leading, UK-centric full service wealth manager

Business snapshot

- Leading UK and cross-border wealth manager with £100bn+ of customer assets
- Advice-led investment solutions to affluent customers in the UK and selected international markets
- LSE and JSE listed, with £2.3bn market cap¹
- A proven track record, with scale in a growing market, and momentum for future profit growth

Our target market

c.5 million affluent adults with £1.7 trillion wealth²

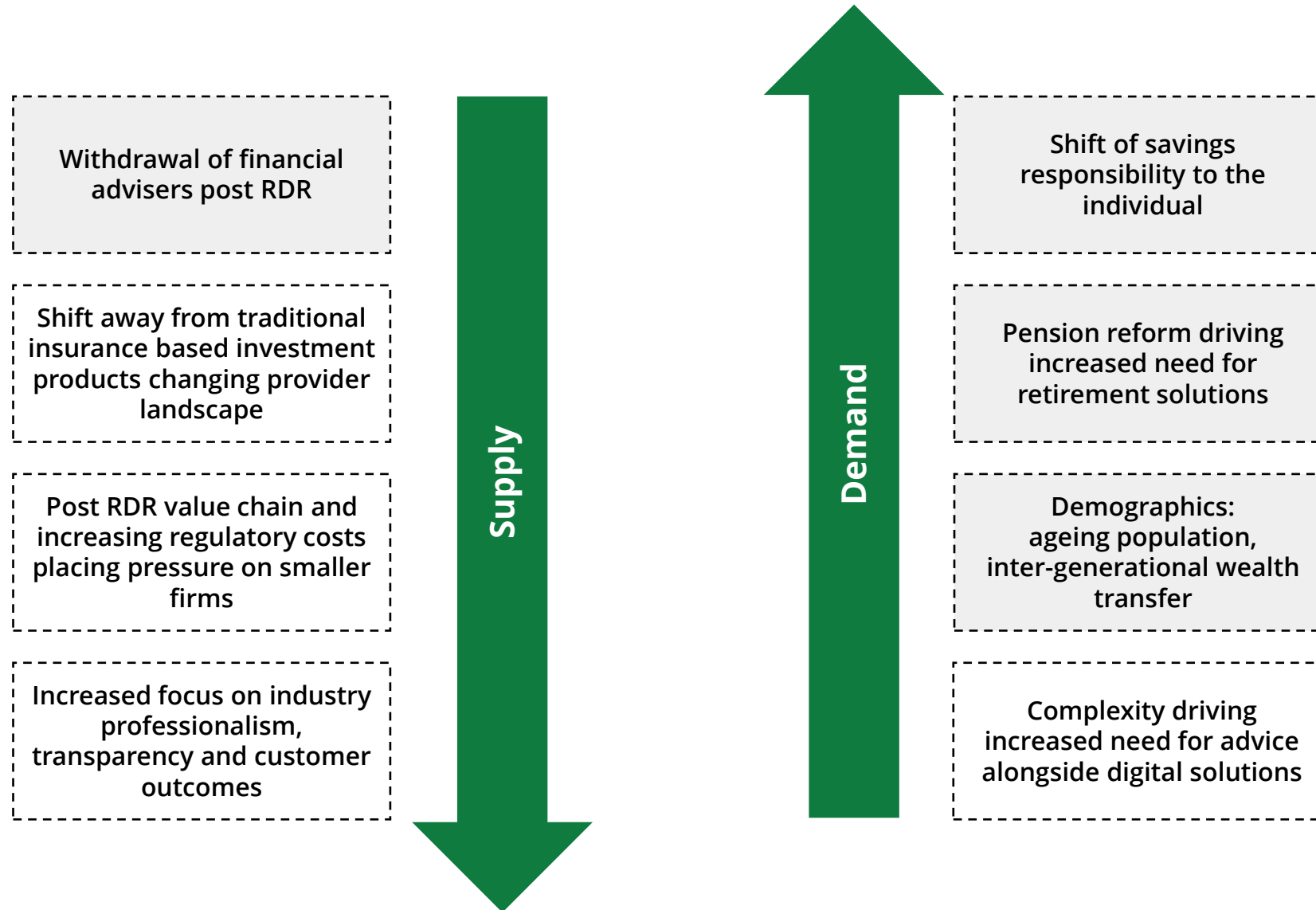




Evolution of the UK Advice Market

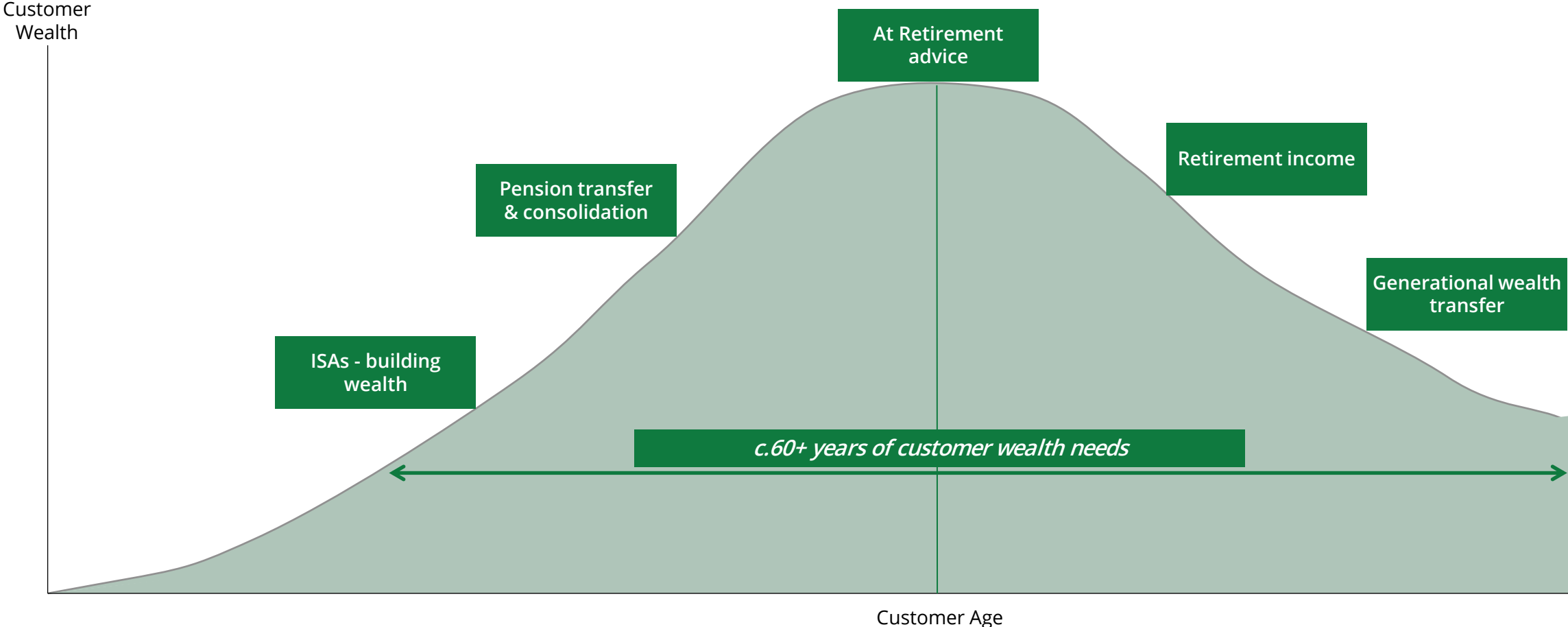
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A decade of disruption: supply and demand

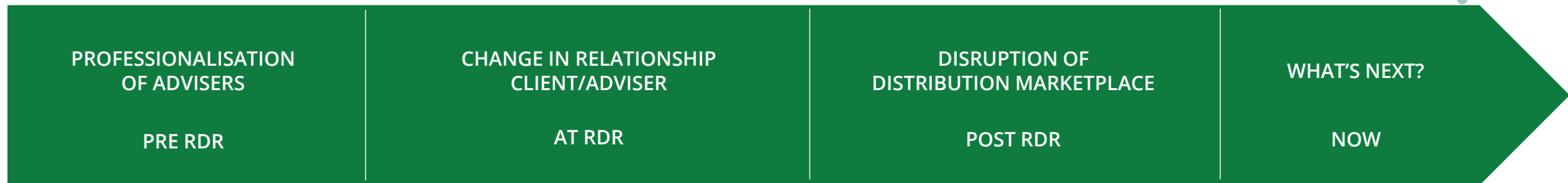
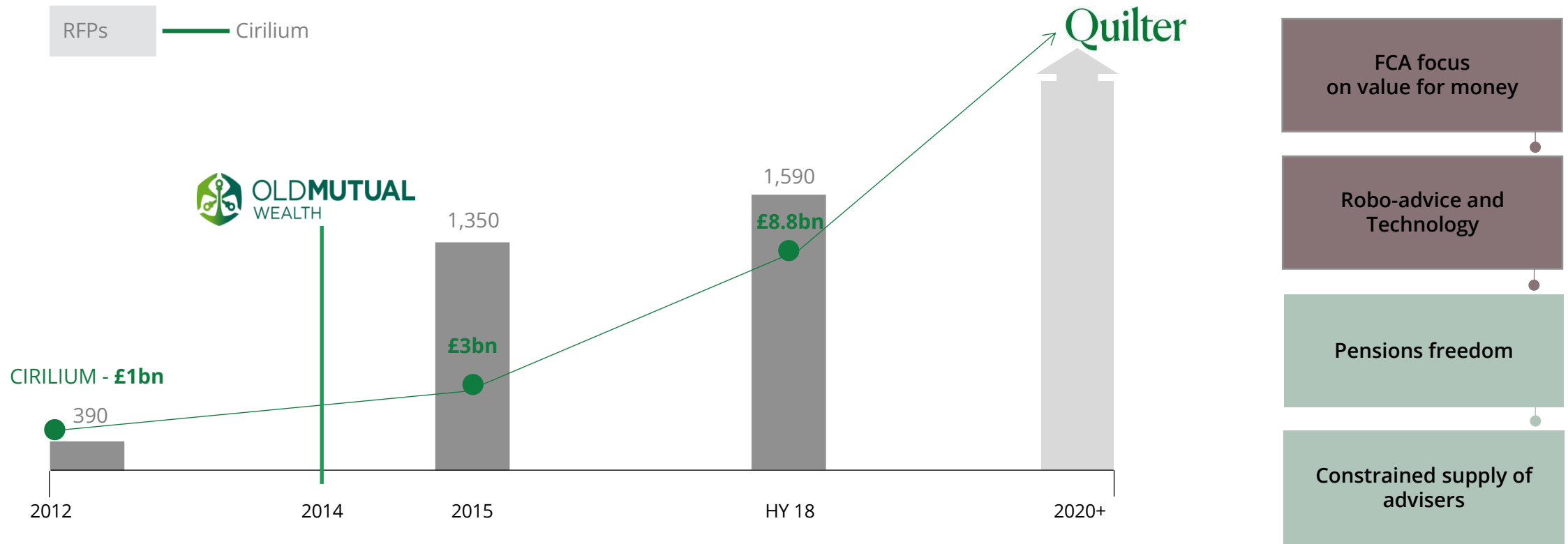


Demand: Customers now need trusted advice from cradle to grave

Opportunity to serve customers for c.60 years



A decade of disruption: UK advice market



Further disruption: MiFID II disclosure

- 3 Jan 2018: MiFID II came into effect
- 3 Jan 2019: **First full MiFID II ex-post costs and charges disclosures due**
- Research shows advised customers want a more meaningful conversation as a result of disclosure



Race for distribution



Diminished number of advisers



Increased demand for advice

Winners:

- Regional boutique players
- Successful consolidators
- Scale players – Quilter, SJP

New entrants:

- Re-emergence of banks
- Potential Scale Acquirer?
- Guided / Robo-advice player

Losers:

- Sole traders
- Unsuccessful consolidators
- Subscale networks

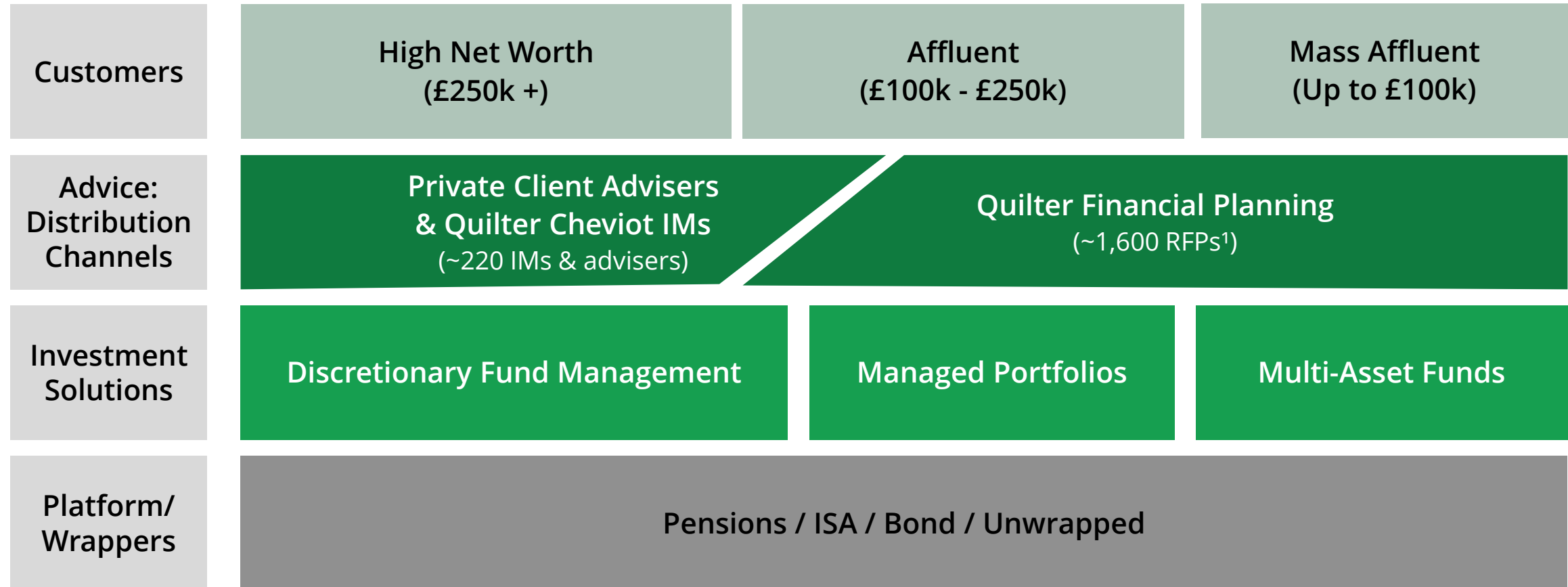


Our response

Quilter

The Quilter Advised multi-channel wealth model

Designed with customer choice in mind



1. Restricted Financial Planners.

Advice Business: Strategic Priorities

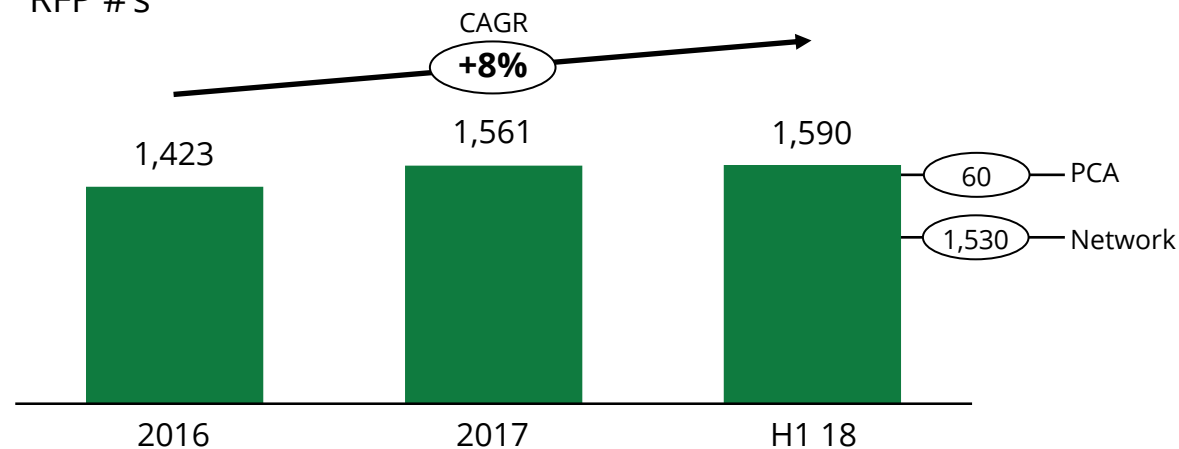
Delivering an excellent customer experience through controlled distribution

- The **customer sits at the heart of our strategy** and demonstrable delivery of good customer outcomes remains our focus
- To be at the core of Quilter's strategy, **providing strong and sustainable NCCF** to the group
- To **build on our strong position** in the UK Restricted Advice market through:
 - Continued expansion of PCA as a national wealth business, organically and through targeted acquisitions
 - Growth of Wealth Network, organically and through opportunistic acquisitions
 - Growth in advice revenues and integrated flows, from developing and building on successful acquisitions e.g. Caerus, June 2017
- To **build a sustainable advice business**, while supporting growth elsewhere in Quilter

Advice and Wealth Management: Advice contribution

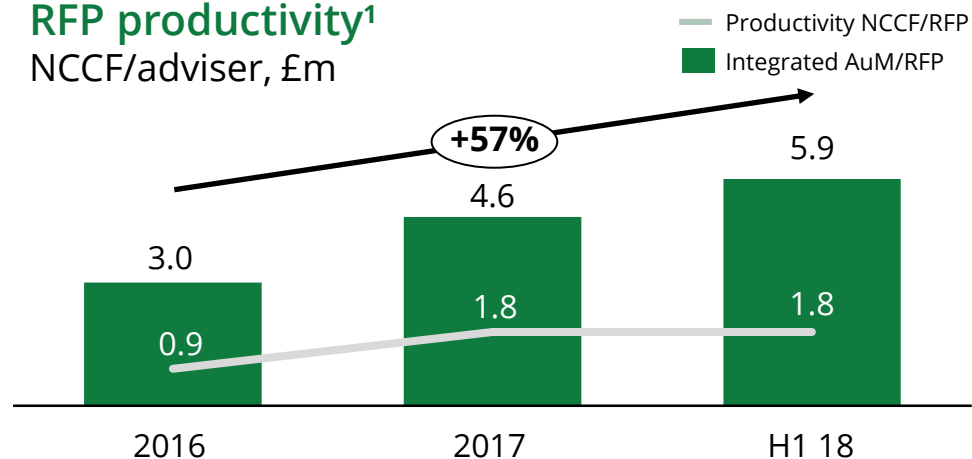
Quilter Financial Planning & PCA

RFP #'s



RFP productivity¹

NCCF/adviser, £m



1. Integrated productivity including PCA.

Growth drivers

RFPs	<ul style="list-style-type: none"> ✓ Recruitment in a fragmented market ✓ Financial Adviser School ✓ Adviser retention ✓ Acquisition
Productivity	<ul style="list-style-type: none"> ✓ Pensions freedom ✓ Productivity growth with tenure/seasoning ✓ PCA and Quilter Cheviot alignment
Delivery for customers	<ul style="list-style-type: none"> ✓ Co-ordinated customer experiences ✓ Wide range of managed investment solutions ✓ Delivering value

Since launch, PCA has become an established part of our business

Successes to date

- Launched in October 2015, targeting upper affluent and high net worth customers
- Employed RFPs leveraging OMW/Quilter branding
- To end June 2018, PCA had completed 23 acquisitions
- Operates across 6 offices in the UK
- Average portfolio size¹ : £343,000
- Advise over 6,000 households, 393 of which have invested >£1m
- Achieved £1bn of integrated assets²

1. As at 31 Dec 2017.
2. As at 30 June 2018.

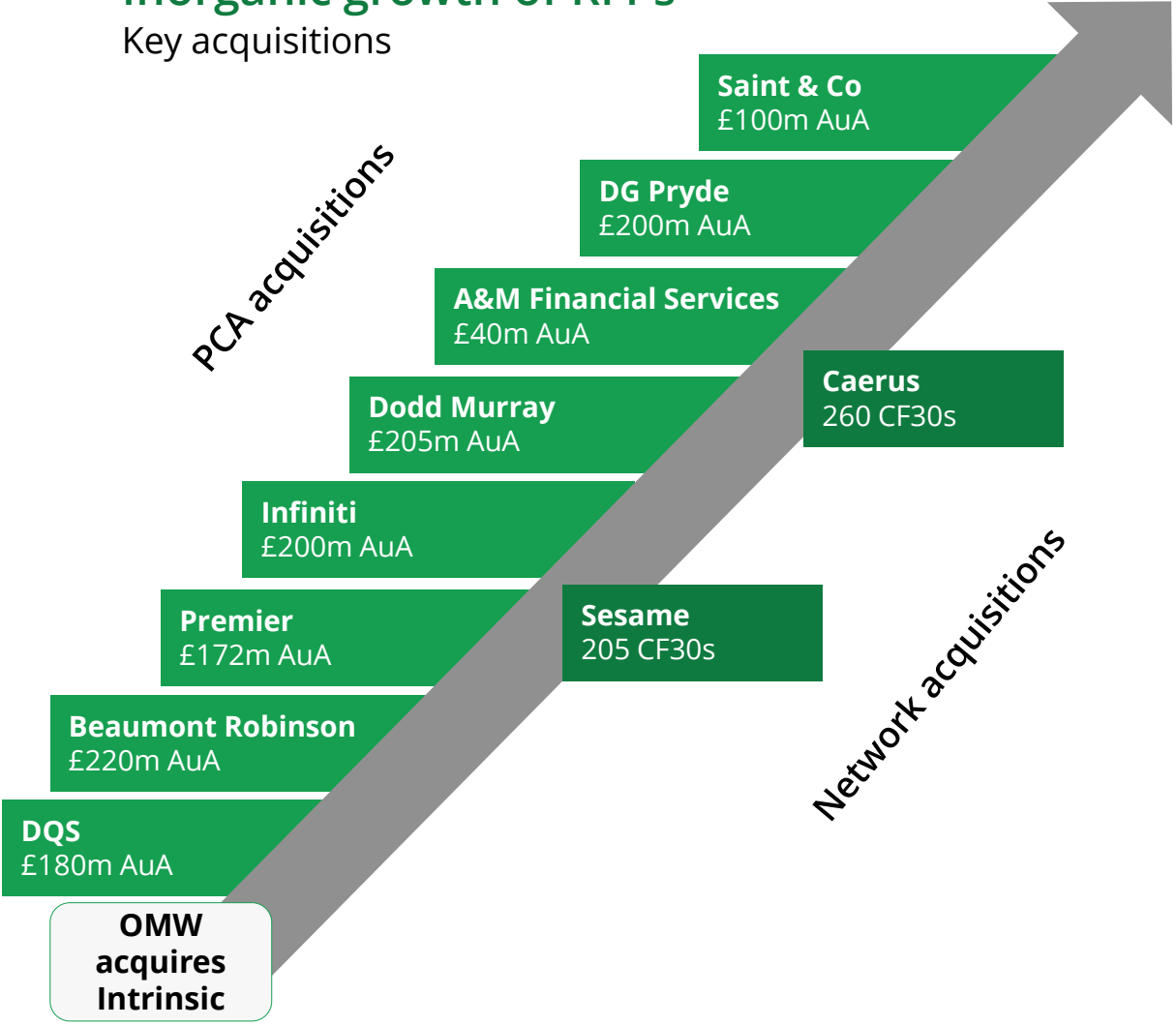
Proven business model ... which can grow further

- Strong proposition at the high end of the market
- Successfully integrating acquisitions with aligned target markets
- Positive contributor to the Group
- Customer validation through feedback and increasing recurring fees
- Building on a proven model to accelerate growth and deliver integrated flows
- Opportunity to broaden model and footprint from pure High Net Worth into the Affluent market

Scale-up: Strong adviser growth through investment and acquisition

Inorganic growth of RFPs

Key acquisitions



Acquisition philosophy: Network

- Targets larger in scale
- Focus on adding RFPs (“CF30s”), which in time delivers flow to Group
- Acquisitions opportunistic in nature

Acquisition philosophy: National

- Due diligence looks for right geographical, cultural and customer fit
- Focus on acquiring customers and assets
- Greater number of potential transactions

Why do advisers join us?

Proposition, scale and development opportunities

Key benefits to advisers

- **Attractive** home for advisers
- Protect advisers and customers with **robust proposition**
- **Knowledge of advice** and advice businesses
- **Investment in technology** and digital capabilities
- **Ongoing development and training** for advisers
- **Practice buy-out model** provides business continuity and value realisation

Investing in the future – Financial Adviser School

- Acquired in 2016
- **Commitment to future** of face-to-face advice
- Makes advice more accessible, **supports advice firm growth**
- **Promote professionalism** and confidence in industry
- At 31 December 2017, **83 students** enrolled; 42 students graduated to date



Summary of our vision

Advice: National

Business model now proven & delivering:

- Advice profitability
- Higher than anticipated household wealth demographic
- Good alignment with wider Quilter propositions
- Aligns well with Quilter strategic plans, delivers value to Group on many levels

Over time we expect to scale the model to deliver:

- Greater geographical coverage
- Increased group integrated flows
- Further alignment with Quilter Cheviot
- Increased organic customer generation, increase Quilter Cheviot penetration and optimise the business
- Scalable high-end advice proposition with scope to be broadened into the wider affluent market

Advice: Network

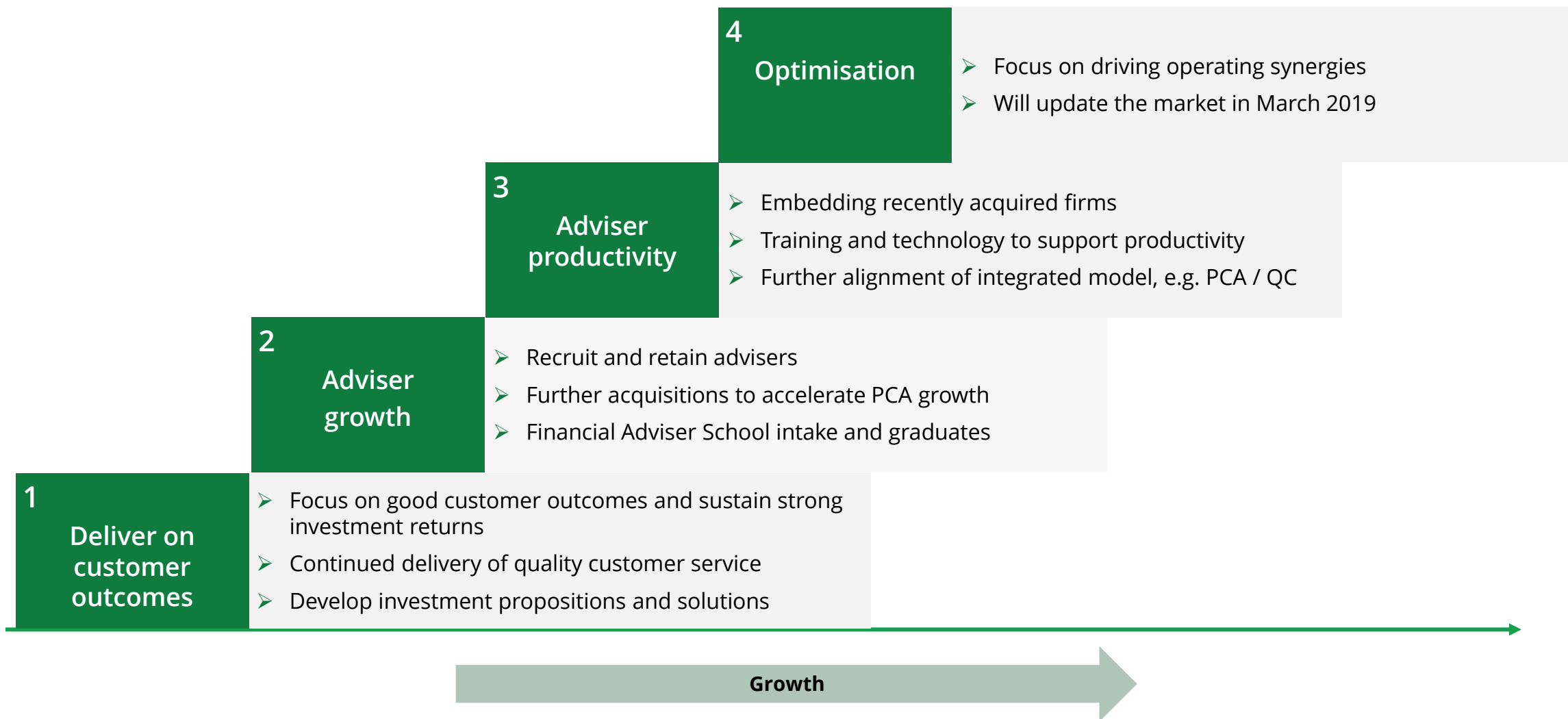
A well established, mature business:

- Delivering consistent flows into Quilter solutions
- Servicing mass-affluent customer base across middle UK
- Good alignment with wider Quilter propositions
- Aligns well with relationships held with ~4,000 3rd party, open-market adviser firms

Over time we expect to evolve the model to deliver:

- Fewer but larger appointed representative firms
- Increased group integrated flows, where we design solutions for customers
- Further alignment with Quilter Investors and Wealth Platforms
- Increased support for advisers and customers through technology
- Opportunistic acquisitions undertaken to add scale and the ability to grow acquired firms by adding RFPs

Opportunities to deliver further growth



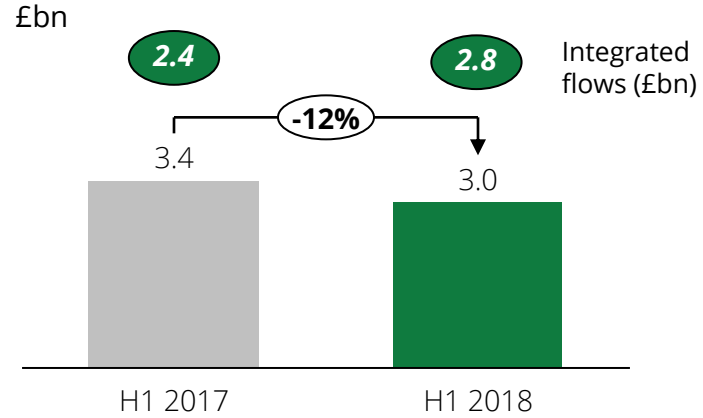


Investment case

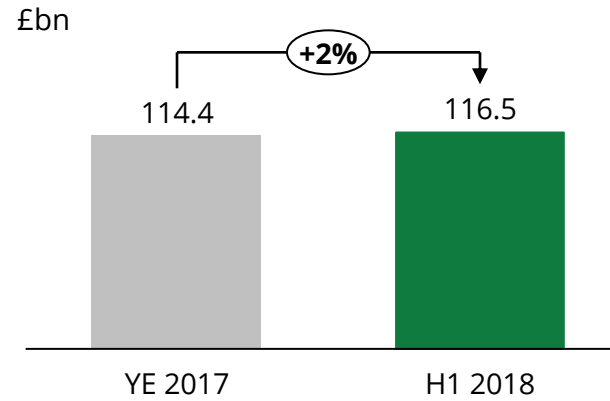
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Operational performance

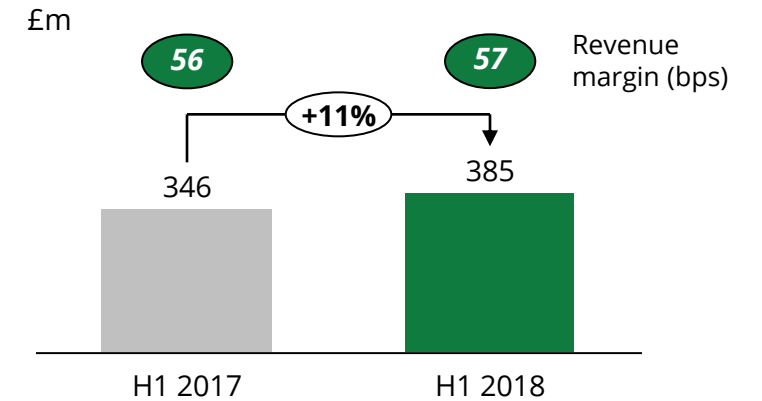
NCCF (excl. Quilter Life Assurance)



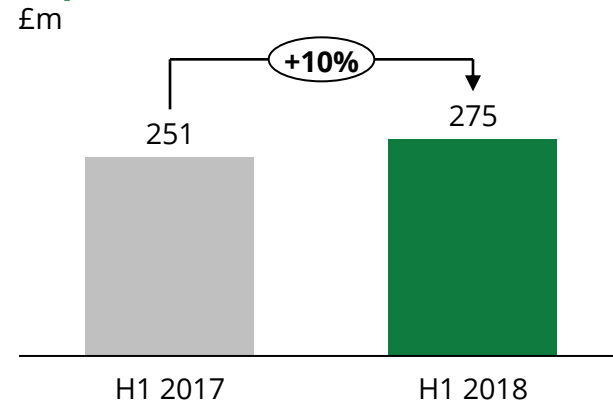
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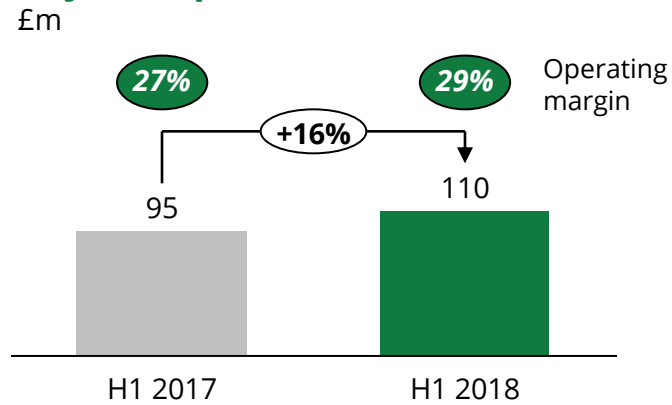
Revenue



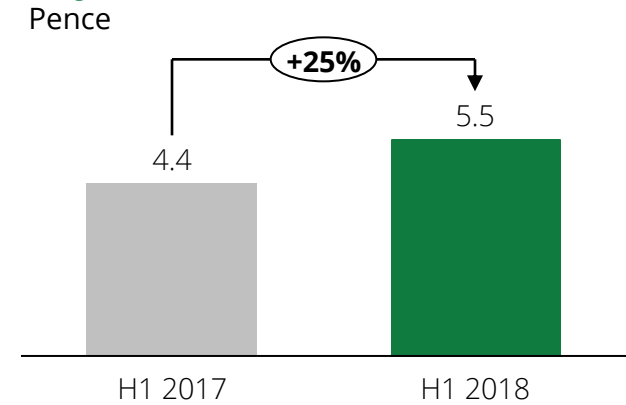
Expenses



Adjusted profit before tax



Adjusted EPS



¹ Includes Quilter Life Assurance

Quilter investment case

A unique combination of capabilities, scale and market positions

1

Full service wealth manager providing choice and delivering good customer outcomes

2

Leading positions across one of the world's largest wealth markets with strong structural growth drivers

3

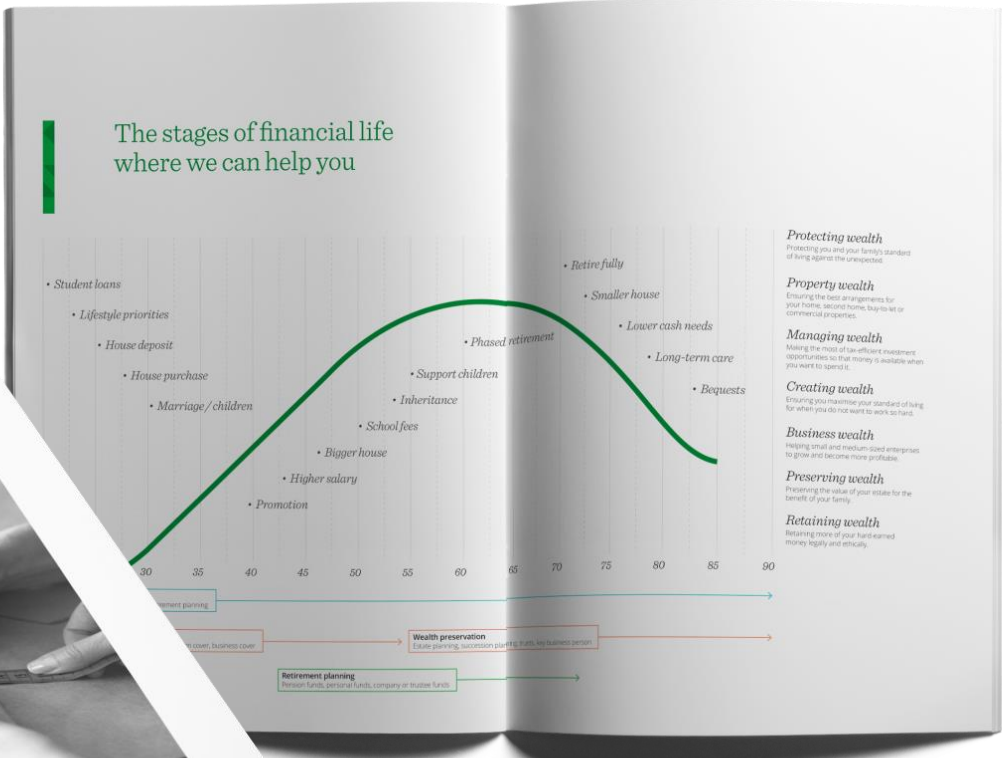
Multi-channel proposition and investment performance driving integrated flows and long term customer and adviser relationships

4

Attractive top-line growth and the opportunity for operating leverage

5

Strong balance sheet with low gearing and improving cash generation to drive shareholder returns



Protecting wealth
 Protecting you and your family's standard of living against the unexpected.

Property wealth
 Ensuring the best arrangements for your home, second home, buy-to-let or commercial properties.

Managing wealth
 Making the most of tax-efficient investment opportunities so that money is available when you want to spend it.

Creating wealth
 Ensuring you maximise your standard of living for when you do not want to work so hard.

Business wealth
 Helping small and medium-sized enterprises to grow and become more profitable.

Preserving wealth
 Preserving the value of your estate for the benefit of your family.

Retaining wealth
 Helping more of your hard-earned money legally and ethically.



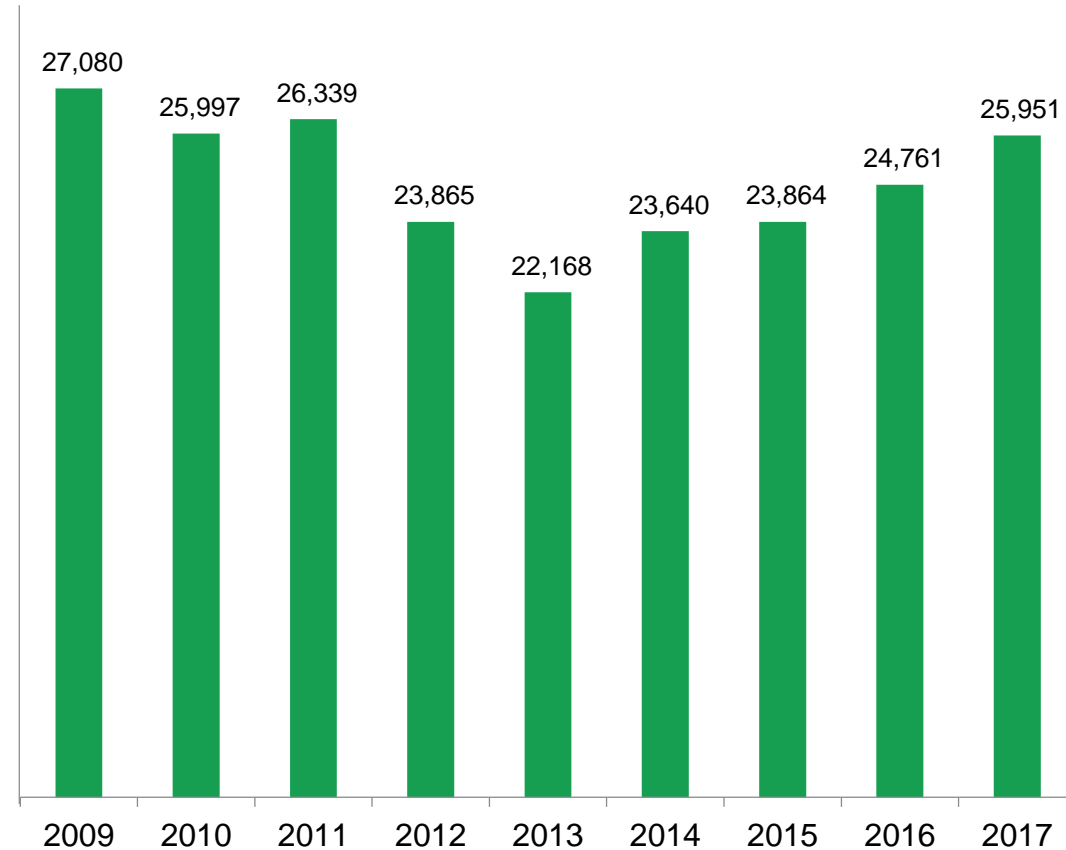
Appendix

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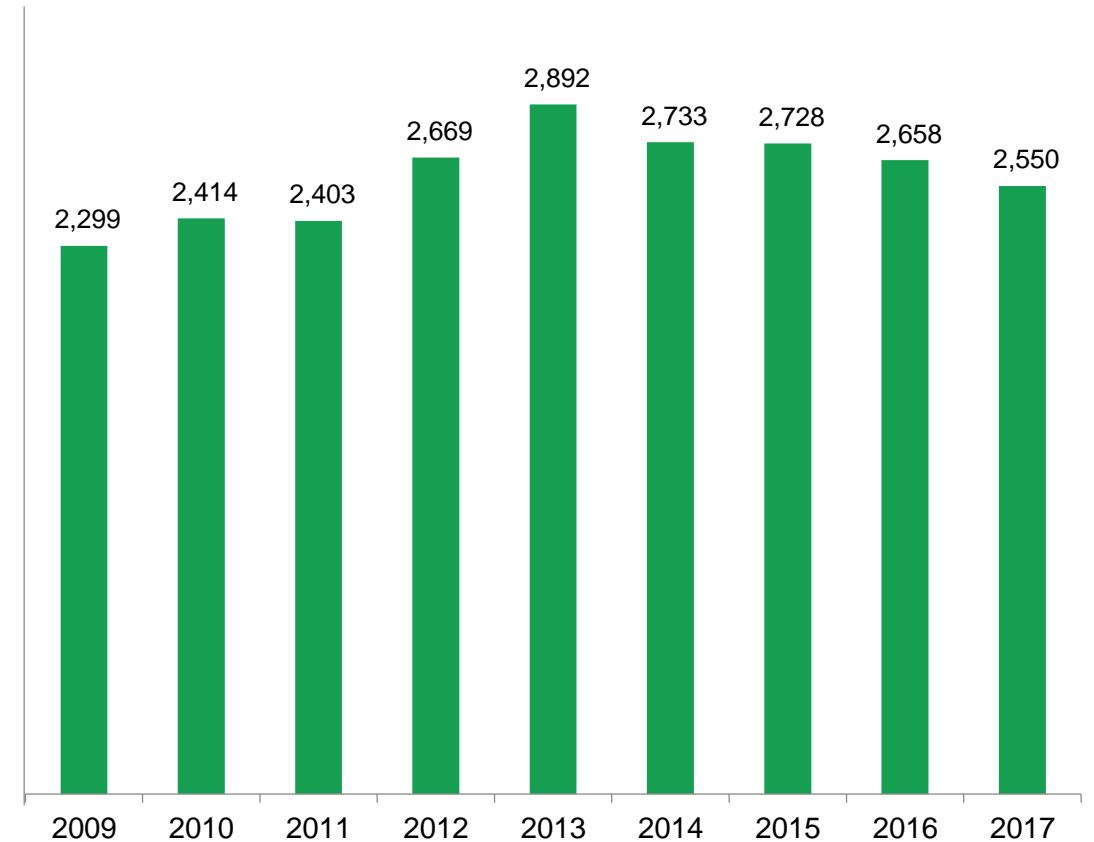
Supply: RDR drove professionalisation of advisers

Demand for advisers remains high

UK financial advisers¹



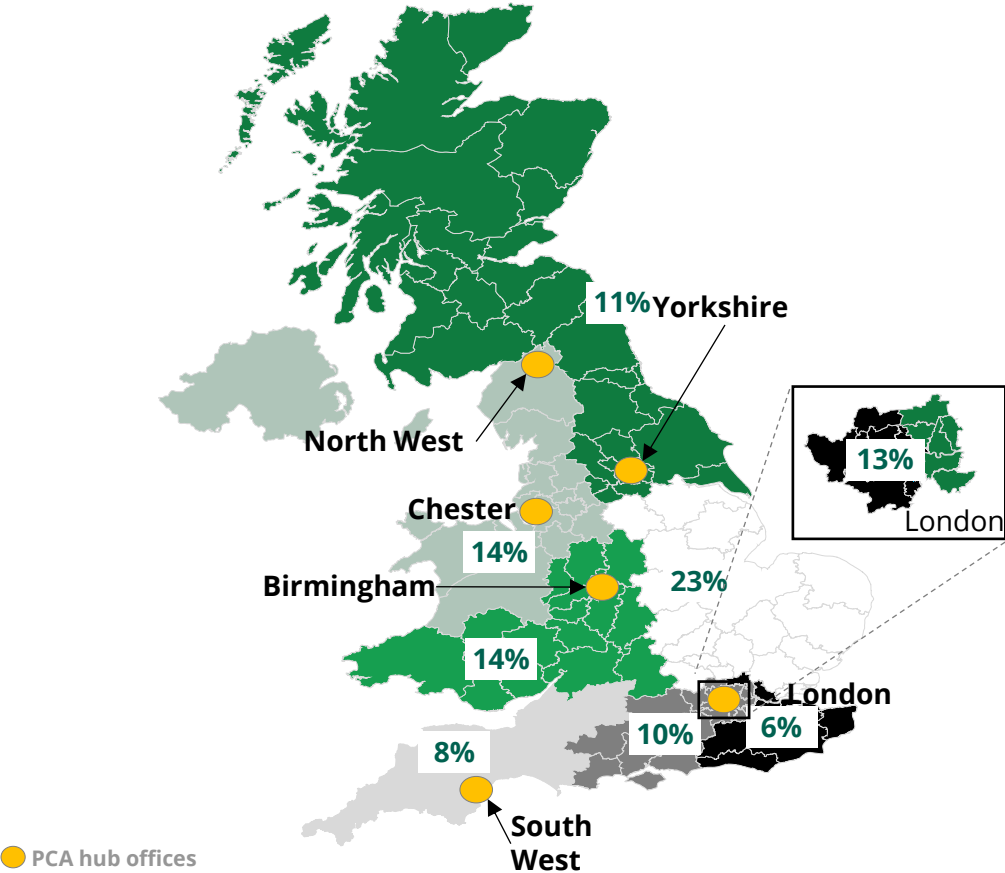
UK population divided by number of financial advisers²



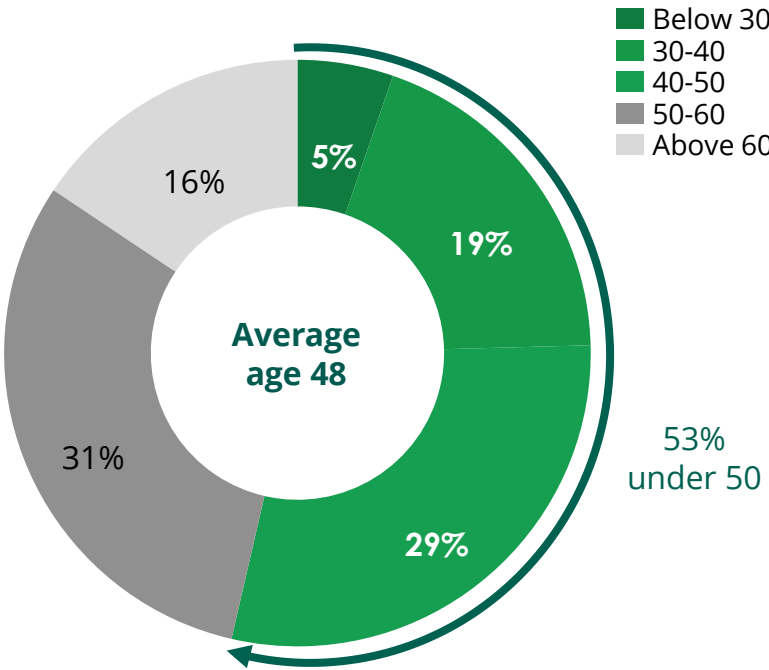
1. Source: JP Morgan, APFA, FCA.
2. Source: JP Morgan, APFA, FCA and ONS.

National reach: attractive regional footprint and adviser demographic

Geographic breakdown by adviser¹



Adviser age²



1. Data as at June 2017, Breakdown based on number of advisers.
 2. Excludes Caerus advisers.



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