

St
James's
Place

Real lives,
real advice

St. James's Place Annual Report and Accounts 2025

25

Real lives, real advice

Over a million clients trust us to help them navigate a complex and turbulent world so they can enjoy life, feeling supported at every stage. Our Partnership approach provides them with personal advice to make the most of their options, backed by scale and expertise to secure their goals.

In 2025 we shared fresh insight through our second Real Life Advice report series, which explores the when, what and how of accessing financial advice, and the impact it can have on people's lives and personal wellbeing. The report's findings are brought to life through the diverse experiences of our clients and advisers.

→ Find out more about our research
sjp.co.uk/real-life-advice



What we do

We're the UK's leading provider of advice-led wealth management. We provide over one million clients with financial advice, long-term investment products and investment management as part of a single service.

Why we are here

Our purpose is to empower clients with invaluable advice to realise bolder ambitions. Our client focus and collective, unwavering belief in the value of advice is what drives everyone in the SJP community.

→ Our business model on page 08

How we deliver

We deliver invaluable advice to clients through our Partnership of 4,934 financial advisers, the largest network in the UK. They build long-term, trusted relationships with clients, helping them to navigate through every stage of their life journey.

→ Our strategy on page 15

About this report

This Annual Report and Accounts provides information on our operating and financial performance for 2025, and provides detail on our strategy and corporate governance.

Throughout this report you will find indicators to additional content, data and insights, denoted by these icons:

→ Additional content in this report

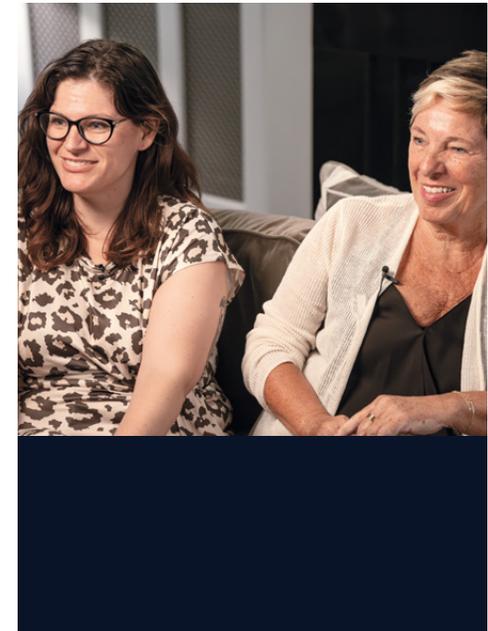
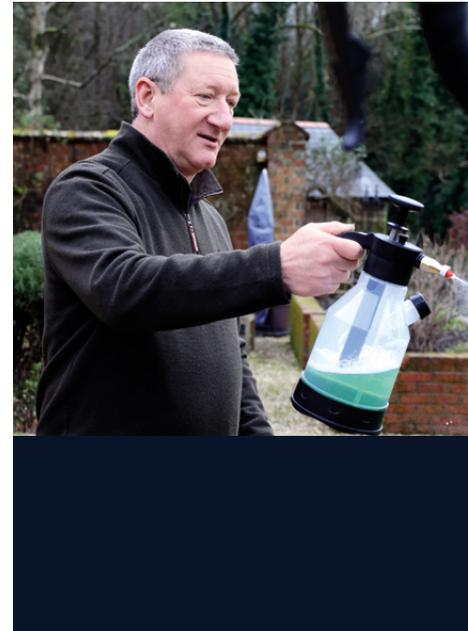
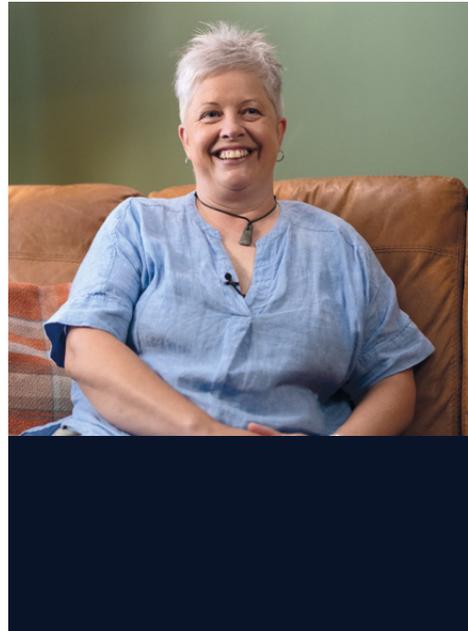
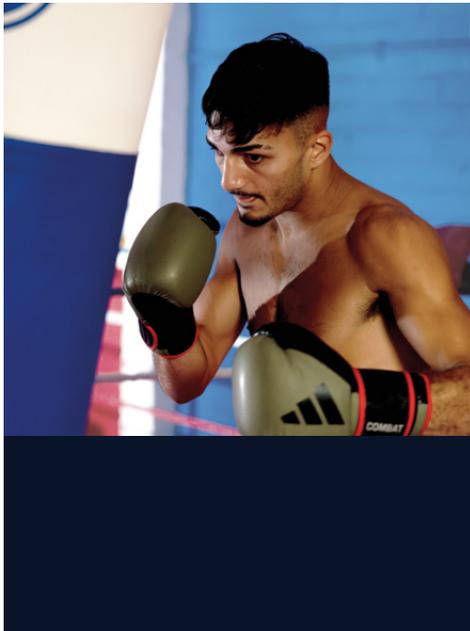
→ Additional content from external sources

Reporting suite

Our wider reporting suite provides additional information and disclosures, including our sustainability report. These are available online in the shareholders section of our website.

→ Our reports, presentations and webcasts
sjp.co.uk/shareholders/reports-presentations-webcasts

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Highlights of the year

Our business performance in 2025 has been strong from both an operational and a financial perspective. This is testament to the strength of the relationships our advisers have with clients, the invaluable advice they provide, and the long-term nature of our client proposition.

Funds under management

94.9%

Client FUM retention rate¹
2024: 94.5%

12.4%

Net investment return as percentage of opening FUM
2024: 10.5%

£220.0bn

Funds under management (FUM)
Up 16% from £190.2 billion at 31 December 2024



Financials

£531.4m

IFRS profit after tax
2024: £398.4 million

£462.3m

Underlying cash result²
Up 3% from £447.2 million in 2024

ESG ratings



FTSE4Good

Overall percentile rank: 92%



ESG risk rating: Low⁴



MSCI ESG RATINGS

MSCI ESG rating: AAA⁵



AAA
As of Feb 2026

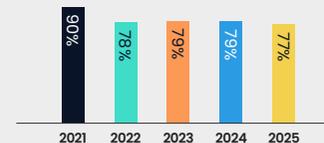
Clients

1,037,000

Number of clients
2024: 1 million+

77%

Client advocacy³
2024: 79%



Employees

90%

Core UK employee retention rate, excluding redundancies
2024: 93%

Strategic progress

- ◆ Implemented our **simple, comparable charging structure**, with advisers and clients successfully adapting to it
- ◆ Good progress made with our **review of historic ongoing service evidence** and our **cost and efficiency programme**
- ◆ **Launch of Polaris Multi-Index fund range** in October, which grew to over £1 billion in funds under management by the end of the year

1 Our client FUM retention rate is calculated allowing for surrenders and part-surrenders. It excludes regular income withdrawals and maturities.

2 The Underlying cash result is an alternative performance measure (APM). The glossary of alternative performance measures defines this APM and explains why it is useful. The Underlying cash result is reconciled to International Financial Reporting Standards (IFRS) in the financial review.

3 Client survey results from 19,300 responses throughout 2025. See our responsible business section for further information on the client survey.

4 As of June 2025, St. James's Place Plc received an ESG Risk Rating of 15.3 from Sustainalytics and was assessed to be at low risk of experiencing material financial impacts from ESG factors. See full Sustainalytics disclaimer on page 204.

5 In 2026, St. James's Place plc received a rating of AAA (on a scale of AAA-CCC) in the MSCI ESG Ratings assessment. See MSCI disclaimer statement on page 204.

Strategic report

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95%

of people receiving ongoing financial advice say it helps them reach and stay on track against their goals

 Find out more about the value of financial advice on page 09

 Find out more in our Real Life Advice Report sjp.co.uk/real-life-advice

Real advice that enabled Adam to stay ahead of the game

18-year-old Adam Maca recognises that boxing isn't a long career. Long-term financial planning has helped Adam understand and plan a financially secure position for retirement.

 Watch and read Adam's and other stories sjp.co.uk/client-stories



Chair's report

Focused on delivery...

We have made good progress in 2025, repositioning the business to maximise the significant opportunity in the wealth management market.

Our key focus has been on delivery of the change programmes we outlined last year. The Board's oversight has been important in ensuring alignment with the Group's objectives and stated purpose and making sure we performed well for our stakeholders.

Our refreshed Executive team has completed significant programmes of work, including the successful implementation of our simple, comparable charging structure and our organisational redesign. These and other projects have been completed whilst maintaining sound underlying business performance that demonstrates the power of our proposition and the need for financial advice.



◆
"During the year the Board has played a key oversight role in the delivery of change at SJP, ensuring alignment with our objectives and purpose."

Paul Manduca
Chair

The Board and governance

Helen Beck and Penny James joined the Board during 2025, succeeding the chairs of the Group Remuneration and Risk Committees respectively. Both have brought experience and diverse perspectives to the Board, gained during their extensive executive and non-executive careers. We have also seen the membership of the Group Executive Committee refreshed in the last 18 months. The Board has welcomed the new executives and will be closely overseeing both their performance and the establishment of future succession plans to ensure we build a strong pipeline of potential future executives.

Rosemary Hilary retired from the Board at the end of 2025, and I would like to express the Board's gratitude for her important contribution over the last few years. I am delighted to also welcome Evelyn Bourke, who will be joining the Board on 1 March 2026. More detail on succession planning and the appointment process can be found in the report of the Group Nomination and Governance Committee.

The Board believes that a healthy culture, underpinned by good governance, is essential if SJP is to deliver the right outcomes for stakeholders. Good governance is the Board's responsibility. We want to ensure a performance-oriented culture, but also one that involves transparency and accountability throughout the business. During 2025, the Board has strengthened our governance framework by establishing clearer rules and guidelines, and supporting employees to understand and embrace the benefits of effective governance.

...aligned with our objectives and purpose

The Board's priorities and our strategy

There have been significant government and regulatory interventions in 2025 to improve consumer access to retail investing opportunities, and many of these developments will start to be delivered publicly from 2026. The Board believes that SJP has an important role to play as the leading wealth manager in the UK and we have proactively engaged in programmes of work such as the Advice Guidance Boundary Review, reform of risk warnings, and the UK Retail Investment Campaign. We are determined that even those who do not receive or cannot afford financial advice should be helped to make better financial decisions, which will see them become more financially resilient. However, we still see a significant opportunity for more people to receive financial advice to help them navigate a complex world and plan for their financial futures.

We believe that the refreshed strategy we outlined last year will enable us to strengthen our support to advisers and existing clients, as well as helping us reach more people in need of advice. Overseeing the delivery of that strategy, as we move from the 'Strengthen' to the 'Amplify' phase, remains a key priority and focus of the Board. See our 'Strategy at a glance' summary on page 15 for further detail.

How we lead, govern and incentivise our people directly impacts and influences outcomes for our stakeholders, most notably clients. Alongside the enhancement of our governance framework there has been considerable focus on our people. Listening carefully to colleagues helps us gain a deeper understanding of their working experience, influencing our approach to areas such as diversity, equity and inclusion. The perception is often that the financial services sector lacks diversity. We know there is much still to do, but the make-ups of our Board and executive team now better reflect our workforce, the Partnership and our client base.

Shareholder returns

Shareholder returns proposed by the Board for 2025 are in line with our current guidance that the ordinary shareholder payout will be set at 50% of the full-year Underlying cash result. Alongside ordinary shareholder returns we are returning amounts released from our Ongoing Service Evidence provision during the year.

In addition, I'm pleased that the Board has been able to update our shareholder returns guidance for the 2026 financial year and beyond, a year earlier than originally planned. From 2026, the Board intends to return 70% of the full-year Underlying cash result to shareholders.

Full details of shareholder returns for 2025, 2026 and beyond, can be found in the Chief Financial Officer's report.

Concluding remarks

I would like to express my thanks to the Board and management for their continued support and hard work during 2025. On behalf of the Board, I would also like to express gratitude to our advisers and employees for their continued strong performance. Although I have touched upon some of the key areas of the Board's activity in 2025 above, I would also encourage you to read the corporate governance report, which provides more detail. I look forward to welcoming shareholders to this year's Annual General Meeting, which will be held in Cirencester on 30 April 2026.

Paul Manduca
Chair

24 February 2026

2025 key Board priorities

- ◆ Launch of the Group's simple, comparable charging structure
- ◆ Our organisational redesign and broader cost and efficiency programme
- ◆ Ongoing Service Evidence programme delivery

2026 key Board priorities

- ◆ Strengthening our fundamentals to prepare for the move to our 'Amplify' phase of strategy
- ◆ Evolution of our Group culture, becoming more performance-focused
- ◆ Oversight of client proposition developments to further drive good client outcomes

➔ See the Corporate Governance Report on page 55 for more insights into the Board's key highlights, activities and our compliance with the UK Corporate Governance Code 2024

Market overview

UK consumers need help to make better financial decisions...

The UK wealth management market is large and growing...



There are three key gaps shaping the wealth management landscape.

¹ Invested assets includes bonds, equities, mutual funds, DC pensions (in accumulation) and other invested assets. Cash savings includes time deposits, sight deposits and NS&I accounts. Source: Global Data, ONS Reports, Investment Association report, Statista, NS&I, Bank of England.

1 Investment gap

Too many UK consumers hold excessive amounts of wealth in cash, rather than investing for the long term. Barclays estimates that there is over £600 billion of excess cash which could be invested, and this total is growing. It means households miss out on the potential for higher returns, and they are exposed to greater inflation risk. This investment gap is driven by:

- ◆ A lack of understanding about the need to take risk to achieve higher returns
- ◆ UK consumers exercising caution when it comes to their finances.

£614bn

of excess cash held by UK consumers²

² Barclays, 'UK investment gap swells to over £610 billion', 15 September 2025.

2 Advice gap

During 2024 only 9% of UK adults received regulated financial advice. There are many more who would benefit from advice, but are unable to access it. This advice gap is exacerbated by a shortfall in the number of financial advisers in the UK and increasing demand for financial advice to help consumers navigate a complex world, characterised by:

- ◆ Geopolitical and macroeconomic uncertainty
- ◆ The proliferation of investment information available to consumers
- ◆ Tax and pension planning complexity.

9%

of UK adults received regulated financial advice in the 12 months to May 2024³

³ FCA's 'Financial Lives' May 2024 survey.

3 Retirement savings gap

The long-term shift from defined benefit pension schemes to defined contribution schemes means that many people are not setting aside enough money for a comfortable retirement. This is known as the retirement savings gap, and it has stark consequences. Per a recent Scottish Widows report:

- ◆ 39% of people are on track for a less than minimum lifestyle in retirement
- ◆ 27% are concerned they will need to work for longer than they would like to ensure they have sufficient savings
- ◆ 15% do not expect ever to be able to retire.

39%

of people are on track for a less than minimum lifestyle in retirement⁴

⁴ Scottish Widows' Retirement Report, 2025.



The Government and FCA – alongside the wider industry – are committed to addressing these gaps as policy priorities, adding stability to the market.

Market overview

...creating growth opportunities for our advice-led business

We are the UK's leading advice-led wealth manager with a trusted brand...

+20%

Serving over 20% of UK adults who receive advice¹

c.10%

Managing c.10% of all advised invested wealth²

The gaps in the landscape provide significant growth opportunities for our business and we are capitalising on these opportunities.

1 Opportunity presented by the investment gap

Redirecting even a portion of over £600 billion of excess cash into productive investments represents a major opportunity to help UK consumers make better financial decisions, and to grow our business.

How we're addressing the opportunity

- ◆ Through the Partnership we are educating and coaching clients on the need to invest to grow their wealth, and we provide an end-to-end service to advise, manage, and protect their wealth
- ◆ Continuing to champion investing through advertising, media appearances and proprietary research
- ◆ Participating in the Investment Association-led Retail Investment Campaign, and the industry working group on risk warnings prior to making an investment.

2 Opportunity presented by the advice gap

As the largest provider of advice-led wealth management in the UK with 4,934 advisers, we are ideally placed to grow our client base, providing financial advice to help more people to secure their financial futures.

How we're addressing the opportunity

- ◆ We are providing superior support to our 4,934 advisers to ensure they can work as productively as possible, enabling them to support more clients
- ◆ Training the next generation of financial advisers in the UK through our award-winning Academy, the largest adviser training programme in the country
- ◆ Continuing to raise our profile and champion financial advice
- ◆ Supporting the FCA's Advice Guidance Boundary Review work, constructively engaging in consultations on targeted support to ensure it's designed as a useful tool to help consumers make better financial decisions.

3 Opportunity presented by the retirement savings gap

Pensions are a core part of our business, making up over 50% of our funds under management. Our advisers help clients to understand what they have saved, bring pension pots together, and create a plan for a sustainable retirement every day, and so we are ideally placed to help more people plan for a comfortable retirement.

How we're addressing the opportunity

- ◆ The investment and advice gaps fuel the size of the retirement savings gap, and so all measures set out to enable us to capitalise on the investment and advice gap opportunities equally apply here.

Competition

Alongside the significant market opportunities, we are aware of evolving competitive dynamics. There are a wide range of different options available to consumers looking to manage their wealth, from D2C platforms to banks keen to expand their financial advice capabilities to insurance companies. Digital-led offerings are increasingly available, and AI usage to help manage and plan financial affairs is on the rise. These solutions can effectively serve segments of the market, particularly those with simpler financial affairs or those with lower amounts of investable assets.

Our strength remains holistic financial advice built on trusted, long-term relationships, primarily helping those with more complex or higher value financial affairs. The human element is very important here, adding material value to clients. We focus on ensuring that our advisers have the digital and AI tools needed to best serve their clients, using technology to strengthen relationships between advisers and clients - not replace them.

The market is seeing increased consolidation of independent financial advisers and smaller advice firms, in part due to the increased regulatory expectations for advice firms which require significant time and resource to meet. This increases barriers to entry for new players, as does the fact that holistic financial advice is people-led: building a scale workforce of advisers is challenging, underlining the value of our Partnership.

1 FCA's 'Financial Lives' May 2024 survey, SJP client data.
 2 Global Data, ONS Reports, Investment Association report, Statista, NS&I, Bank of England, SJP FUM data.

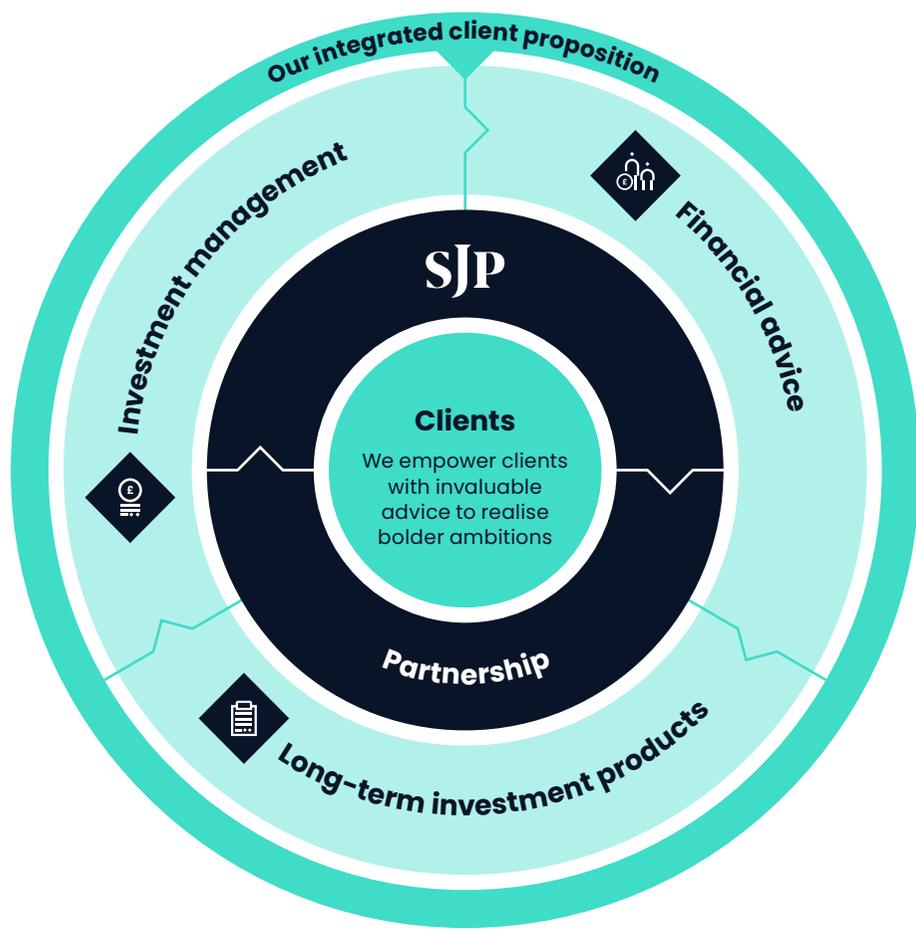
Business model

We have a distinct and successful business model

Our advice-led wealth management business...

...and strategic focus...

...creates benefits for our stakeholders



Our strategy provides a clear path forward so we can drive great outcomes for our clients and all our stakeholders.

It is underpinned by our purpose – to empower clients with invaluable advice to realise bolder ambitions – which is what drives everyone in the SJP community. This strategy is based on four pillars, and sees us strengthen our fundamentals and drive sustained growth.

-  **Brilliant Basics**
-  **Differentiated Client Proposition**
-  **Leading Adviser Offering**
-  **Performance Focused Organisation**

 [Read more about our strategy on pages 15 to 19](#)

Underpinned by a risk-aware culture, an effective control environment, rigorous governance and a responsible business mindset

<p>Our clients An end-to-end, integrated proposition focused on great long-term outcomes</p>	<p>94.9% FUM retention rate in 2025 (2024: 94.5%)</p>
<p>Our Partnership Superior support to build great businesses over the long term, and realise their value</p>	<p>4,934 advisers (2024: 4,920)</p>
<p>Our employees Empowered and engaged colleagues who build responsible relationships</p>	<p>66% employee engagement (2024: 72%)¹</p>
<p>Society Create a positive and lasting impact on the world around us</p>	<p>£6.7m raised in 2025 for the St. James's Place Charitable Foundation² (2024: £9.0 million)</p>
<p>Our shareholders Long-term sustainable growth in funds under management and financial results</p>	<p>£462.3m Underlying cash result in 2025 (2024: £447.2m)</p>

1 The metrics which contribute to the employee engagement score have changed year on year.
2 With Company matching.

Business model



Financial advice

We are strong advocates of financial advice...

...and champion closing the investment, advice and retirement savings gaps

The value of financial advice

Our advisers build long-term relationships with clients to understand their needs and ambitions, providing them with invaluable advice and building a holistic financial plan that keeps them on track for the future.

With ongoing advice, our advisers review clients' financial plans and help them to:

- ◆ **Plan for what matters** – whether that's a comfortable retirement, helping family, or protection from the unexpected.
- ◆ **Make more of their money** – by matching clients' investments to their goals.
- ◆ **Keep more of what they earn** – by making full use of financial products and tax allowances.
- ◆ **Stay on track** – when markets wobble or there's Budget speculation, advisers remind clients why they're investing and stop them making knee-jerk decisions. Our recent Real Life Advice Report found that 95% of individuals say that taking ongoing financial advice helps them stay on track.

Research suggests that people who receive financial advice are typically better off than those who do not receive financial advice.¹

Financial advice supports financial wellbeing, and peace of mind, and can help turn people in the UK from savers into investors. This is critical given the long-term outperformance of risk-based investing compared to cash and savings rates.

As well as measurable financial benefits, advice also provides the reassurance of knowing that your savings are working hard for you and your loved ones.

How we are driving awareness of financial advice through leading the conversation in UK wealth management

Promoting financial advice

Using our position as the UK's leading advice-led wealth manager, we champion financial advice and the wide-ranging benefits it provides. The more people understand the value of financial advice, the more the advised wealth market will grow, which is positive for the industry and the UK economy as a whole.

During 2025 we shared fresh insights into the benefits of financial advice through the second iteration of our Real Life Advice Report. This proprietary research explored topics including the role of advice in providing confidence and optimism in an uncertain world, and shaping the financial relationships of the future.

Working with Government and regulators

By leveraging our expertise and building trusted relationships with policy stakeholders, we give SJP a voice at the table on issues that matter to us and to society. This helps us to shape the public policy agenda, mitigate risks, and drive meaningful change to the benefit of wider society.

A top policy issue impacting the wealth management sector is how best to address the advice gap. We have played an integral role on the Advice Guidance Boundary Review industry working group, including participating in the FCA-led targeted support sprint this year, and we continue to engage constructively with consultations as plans take shape.

40%

of consumers who don't invest say a lack of knowledge is a key barrier to investing²

95%

of people say that taking financial advice helps them stay on track³

93%

of investors believe having a human to talk to is extremely important⁴

91%

of people say financial advice they received was helpful in managing their money⁵

¹ Examples include: Vanguard, Quantifying Adviser's Alpha in the UK: Putting a value on your value, June 2025; What it's worth – revisiting the value of financial advice, ILC, November 2019.

² FCA, PS25/22.

³ Real Life Advice Report 2025.

⁴ Client Connect: The Vanguard Advice Survey 2025.

⁵ The Lang Cat, The Advice Gap 2025.

Business model



Long-term investment products

We offer a broad range of long-term investment products designed to support our clients throughout their financial journey. These enable our advisers to deliver comprehensive financial planning tailored to individual needs and life stages.

Core product range

Pensions

Designed to help clients build savings for retirement in a tax-efficient manner.

Investment bonds

A flexible investment option, often used as part of tax planning strategies.

Individual Savings Accounts (ISAs)

A simple and tax-efficient way to invest, with easy access and transfer options.

Unit trusts

Typically used within stocks and shares ISAs, or independently, for clients seeking medium- to long-term growth and income.

Most of these products are structured within tax-efficient wrappers, helping clients make the most of available tax reliefs while growing their wealth. When clients invest in these products, their assets become part of our funds under management (FUM), which are managed through our distinctive investment management approach (outlined on page 11).

Discretionary fund management (DFM)

For clients with more bespoke investment needs, we offer discretionary fund management services. These provide a more personalised approach to investment management. While DFM assets are included in our FUM, they are managed distinctly from our core investment management approach.

Complementary solutions

To ensure our advisers can deliver truly holistic financial planning, we also offer access to a curated range of third-party products from outside the SJP Group. These include:

- ◆ Mortgages
- ◆ Life insurance
- ◆ Banking services
- ◆ Specialist tax-advantaged investments, such as Enterprise Investment Schemes (EIS).

Investments in these third-party products do not form part of our FUM, but they play a vital role in helping clients achieve their broader financial objectives.

SJP advisers

Access to our core products is exclusively through SJP advisers. This ensures clients receive expert financial planning advice and invest in solutions that align with their long-term financial goals.

Business model



Investment management

We build investment solutions. As the main driver of both opportunity and risk, asset allocation is the cornerstone of our process. We then select who we consider to be the best investment managers from around the world, bringing together their expertise and our own to create our funds.

We are...

Builders of solutions

We offer diversified multi-asset funds and portfolios. These are carefully constructed with our disciplined asset allocation, expert fund manager selection and robust governance.

Experts selecting experts

Our reach and research mean we can access a deep bank of world-class fund managers – no matter where they are based.

Focused on choice and value

Leveraging our position as one of the UK's largest wealth managers, we offer our clients a range of competitively priced investment options spanning regions, asset classes, investment styles and outcomes.

What we do...

- ◆ **We design** portfolios suitable for clients' long-term objectives.
- ◆ **We decide** which asset classes to invest in over time.
- ◆ **We select** the strategies and managers to populate our portfolios.
- ◆ **We adhere** to a strong, robust and repeatable process.

This creates our range of solutions

Funds of funds

Polaris, Polaris Multi-Index & InRetirement

- ◆ Client investment is made into a single fund which invests in other funds. These are ready-made packages of our most sophisticated investment thinking.
- ◆ The funds are automatically rebalanced, ensuring that asset allocations remain aligned to the investment objective and the risk profile remains consistent.

Individual funds

Building blocks

- ◆ Client investment goes into individual funds covering anything from UK stocks to global smaller companies.
- ◆ Some use one manager, others several managers working together.
- ◆ These can help target very specific investment goals or markets – on their own or as part of a portfolio.

Our core principles

All of our funds and solutions are built using a set of core principles. These are the foundation of all our investment decisions.

Client focus

Meeting client goals is the cornerstone of everything we do.

Active views

Evidence-based, active decisions can improve client outcomes.

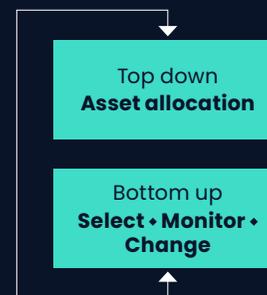
Diversification

Providing exposure to different asset classes and strategies improves portfolio outcomes.

Discipline

Understanding and managing behaviour is critical to long-term investment success.

Our portfolio construction



Opportunity – and risk – comes from what we invest in and where we invest. Short-term events and noise can distract. This is why we take a longer view of markets, formed by many factors, led by valuations.

We use external managers from around the world. We have relationships with some 50 different fund groups based in the UK, Europe, Asia and the US. We place a significant emphasis on the investment philosophy, process, people and culture of the firms we select.

Polaris 1 - 4

each outperformed their IA sector benchmark over three years to 31 December 2025

£1bn+

FUM in Polaris Multi-Index two months post launch

1,000+

Third-party investment manager meetings in 2025

Our equity story

Why invest in SJP?

We are the UK's leading provider of advice-led wealth management. We are continuously evolving to ensure we are best placed to capitalise on the compelling market opportunity in our industry, as we look to help more people secure their long-term financial futures. We are positioning for further success.



Established market leader of advice-led wealth management operating in a structurally growing market

- ◆ The market is forecast to grow 6% per annum compound to 2030, supported by a growing need for advice
- ◆ We currently have a 10% market share of the £2.0 trillion advised wealth market, and are well-positioned to capture further growth as the trusted home of financial advice



Strong market position underpinned our leading professional advice network - the Partnership

- ◆ The largest professional advice network in the UK
- ◆ Comprised of nearly 5,000 advisers who collectively service more than 1 million clients, predominantly in the mass affluent and high-net-worth space
- ◆ The trusted, long-term relationships between clients and advisers mean we have an unbroken track record of delivering net inflows through the cycle



Benefitting from scale advantage and unparalleled insight into the evolving needs of our client base

- ◆ As the leading advice-led wealth manager in the UK with a trusted and respected brand, we benefit from scale advantage. This creates operating leverage
- ◆ We have the scale and capability to work alongside leading third-parties, including technology vendors
- ◆ This is coupled with invaluable client insights gained from working closely with the Partnership



Capital-light asset gathering model, ensuring sustainable growth and capacity to invest

- ◆ This enables us to invest in our strategy to drive future growth, for example developing our adviser and client offerings and our technology stack



Highly cash-generative, compounding value creation via disciplined capital allocation, including reliable shareholder returns

- ◆ We are returning 50% of the Underlying post-tax cash result to shareholders for 2025
- ◆ We are increasing our ordinary shareholder returns payout ratio to 70% of the Underlying cash result for 2026 and beyond
- ◆ See the Chief Financial Officer's report for more information



→ Watch our video at sjp.co.uk/equity-story

Our ambitions

Leading adviser advocacy



High-performing, empowered and engaged colleagues



c.95% annual client retention



Mid- to high-single-digit annual FUM growth



Doubling the Underlying cash result between 2023 and 2030



Chief Executive Officer's report

2025 has been a year of strong delivery and execution...

2025 was a year defined by delivery. We entered the year with clear priorities and the conviction to keep driving good outcomes for the more than one million clients who rely on our advice. We exit the year stronger having delivered growth in new business and funds under management (FUM) alongside making strategic progress. We are well positioned to further our leadership as the home of financial advice.



◆

"Our achievements in 2025 are a testament to the enduring and growing need for what we provide – trusted financial advice – delivered through our unique Partnership model."

Mark FitzPatrick
Chief Executive Officer

Macroeconomic backdrop

2025 offered a more stable backdrop for UK consumers, though challenges persisted. Interest rates began to move lower, creating a more supportive environment for long-term planning. Equity markets reached all-time highs, but volatility remained, influenced by global trade tensions and uncertainty around UK fiscal policy. With household budgets still under pressure from elevated living costs and the economic outlook uncertain, consumer confidence has been fragile. In this environment, many individuals sought reassurance and clarity through professional financial advice, reinforcing the value of trusted relationships and disciplined financial planning.

Operating performance

We achieved strong operating performance in 2025. Gross inflows of £21.9 billion were 19% higher than 2024, reflecting strong underlying demand for financial advice and a healthy level of engagement between our advisers and clients. Retention improved to 94.9%, despite being impacted in the latter part

of the year by heightened short-term withdrawals linked to pre-Budget speculation around pensions tax-free cash allowances. Net inflows were £6.2 billion for the year, representing 3.2% of opening FUM.

Investment outcomes

Our investment approach continued to deliver for clients. In 2025, performance across our range of funds represented an investment return of 12% of opening FUM net of all charges.

High valuations and concentration risk, especially in the US market, were a concern for our Investment team in 2025 and they remain so heading into 2026. Through the past year, valuations led to significant differences in performance between regions. Because of these differences, active management became especially valuable and our investment team found good opportunities in places offering better relative value such as Japan, the UK, emerging markets, and Europe.

The past year marked the third anniversary of our flagship £94 billion Polaris range, which is a great example of our capability to deliver

at scale. From their launch to the end of 2025 the four risk-rated funds (1-4) have delivered annualised returns of 8%, 10%, 12% and 14%, respectively, net of fund charges. We're delighted at the positive impact these funds, which are exclusively available to SJP clients, have had on clients' financial wellbeing.

Financial performance

A strong year for operating and investment performance was mirrored by strong financial results. Our Underlying cash result of £462.3 million was 3% higher than we achieved in 2024, reflecting growth in FUM and new business alongside disciplined cost control, partly offset by the short-term impact of moving to our new charging structure.

The Board is pleased that the combination of another strong financial outcome together with good operational and strategic progress, has enabled us to update shareholder returns guidance a year earlier than originally planned. For financial year 2026 and beyond, we intend to increase total annual shareholder distributions to 70% of the Underlying cash result. This is expected to comprise both

ordinary dividends and share buy-backs. More information is set out in the Chief Financial Officer's (CFO's) report.

Championing financial advice

Many UK consumers are not taking enough investment risk or setting aside enough for a comfortable retirement, and nor are they receiving the professional advice that would support them with their finances. To put this into some context, Barclays estimates that there is £614 billion of excess cash held by UK individuals while Scottish Widows estimates that 39% of people are not on track for a comfortable retirement. Yet only 9% of adults in the UK are taking financial advice today. These issues are widely recognised by the government, regulators and the wealth management industry. Helping people to invest and grow their finances, represents a major opportunity for our industry. As the clear market leader, we have the scale, expertise, experience and trusted brand to lead real, positive change for the UK.

Chief Executive Officer's report

...and we look to the future with confidence

We are passionate advocates for holistic financial advice and the wide-ranging benefits it brings, although we recognise that it is not available or appropriate for all. As a result, we support other initiatives which aim to help consumers make better financial decisions. We have constructively engaged in consultations and industry discussions on the targeted support measures within the FCA's Advice Guidance Boundary Review, and we are pleased to be part of the Investment Association-led UK Retail Investment Campaign, which aims to get consumers' money working harder by promoting the benefits of retail investing.

We are also continuing to use our voice to share proprietary insights through our Real Life Advice and Financial Health reports. These help us drive positive debate around personal finances, and the range of invaluable solutions available to people today.

Strategic delivery – strengthening our fundamentals

When I first set out our refreshed strategy in July 2024, I committed to make SJP simpler, more efficient, and more transparent. This was about first strengthening our fundamentals so that we could amplify our growth ambitions from 2027 onwards. I am pleased to report that we made substantial progress in 2025.

1. Delivering our new charging structure

Our simple, comparable charging structure went live from 26 August 2025. This was a significant change that was carefully planned and successfully executed. We now operate with a charging structure that makes it easier for clients to understand our charges and assess value across our holistic proposition. We're very pleased with how our business and advisers have adapted to this new structure, and we're excited by the long-term opportunity it brings as we attract new advisers and clients to the business.

2. Delivering cost efficiencies and our Ongoing Service Evidence (OSE) programme

We progressed our multi-year programme to reshape our cost base for the future and remain on track to remove around £100 million from addressable costs by 2027. During 2025, we completed the implementation of a new organisational design, reduced our property footprint and began optimising our commercial relationships with suppliers. This has enabled SJP to become more efficient and better structured to deliver on our growth ambitions, alongside creating capacity to significantly increase investment spend.

During 2025 we also made good progress with our OSE programme, which has resulted in two releases from the associated provision – full details are set out in the CFO's report. With the business deep into the operational phase of this complex project, we remain confident that we will complete the exercise in 2026.

3. Delivering a broader investment shelf

We capitalised on our new charging structure being in place by launching the Polaris Multi-Index range of funds in October. This range of lower-cost multi-asset funds of funds implements our active asset allocation expertise through index-tracking funds. They complement our existing range of solutions, enhancing choice for clients across risk profiles, and have been well received by advisers and clients. FUM in Polaris Multi-Index surpassed the £1 billion mark by the end of the year, only two months after launch. By broadening our investment product shelf we're helping advisers in their conversations with existing and potential clients, deepening the positive impact they can have.

2026 priorities

As we look ahead, our focus in 2026 is on continuing to strengthen our fundamentals so we are ready to execute the next phase

of our strategy with pace and confidence. This means completing our major transformation programmes, continuing to simplify and standardise our processes, improving administration and embedding more automation. This will improve client experiences and enhance efficiency for our advisers. We will also embed a more performance-focused culture.

Ensuring we continue to provide a leading adviser offering, with advisers able to build bigger, better businesses within the SJP Partnership than outside of it will be a key focus. We will be evolving the range of support we offer our 4,934 advisers by extending our investment into trialling additional technology tools designed to streamline processes, reduce administrative burden, and boost day-to-day efficiency.

We already have a range of AI-enabled and digital tools which we've introduced or piloted. These include tools which respond to questions on our advice framework and business submission processes. We are also rolling out tools to capture client-adviser conversations and turn them into structured and compliant ready-to-use reports. In 2026 we will continue to build on this range. The goal is simple: to free up more time for advisers to focus on what they do best – building trust, deepening client relationships, and delivering personalised, high-quality advice. This will improve the great service they already provide to clients and enable them to reach more clients, growing their businesses and growing our business. We see technology strengthening the human relationships between clients and advisers, not replacing them.

We have a really privileged position here. As the market leader, we have the scale and capability to work alongside leading global technology vendors as we leverage their expertise. We are combining this with the

practical, end-user focused insight that only we can get from working day in, day out with nearly five thousand advisers across the UK.

While the 'Amplify' phase of our strategy formally begins from 2027, we will selectively accelerate elements of this work where we have capacity. In 2026, this includes refreshing our cash proposition for clients and enhancing our high-net-worth proposition to offer a dedicated, bespoke service to clients in that space.

Summary and outlook

2025 was a year of significant progress for SJP. We strengthened and improved our business for the future and delivered growth in new business, growth in FUM, and growth in the Underlying cash result. At the same time we delivered strong returns for our clients.

Our achievements in 2025 are a testament to the enduring and growing need for what we provide – trusted financial advice – delivered through our unique Partnership model. They are also testament to the unwavering effort and commitment of everyone in the SJP community, to deliver for clients and position the business for continued success.

We look to the future with confidence. While the external consumer outlook remains uncertain, the changes we have already made to our business, combined with our focus to strengthen and grow SJP over the long term, means we are well positioned to capture the structural market opportunity ahead and deliver for all our stakeholders in 2026 and beyond.

Mark FitzPatrick
Chief Executive Officer

24 February 2026

Our strategy

Strategy at a glance

Our purpose

To empower clients with invaluable advice to realise bolder ambitions

Our strategic focus areas



Brilliant Basics

Simplify and standardise our operations, delivering excellent client outcomes



Differentiated Client Proposition

Enhance our client proposition, tailoring for different client segments



Leading Adviser Offering

Continue to be the best place to be a financial adviser in the UK



Performance Focused Organisation

Drive empowerment, accountability and performance across our SJP community

How we will deliver

'Strengthen' 2024 to 2026 ▶ Enhance fundamentals for the future



'Amplify' 2027+ ▶ Elevate and expand our leading offering

Our ambitions

Leading adviser advocacy



High-performing, empowered and engaged colleagues



c.95% annual client retention



Mid- to high-single-digit annual FUM growth



Doubling the Underlying cash result between 2023 and 2030



Our strategy



Brilliant Basics

Our aim

To simplify and standardise our operations, ensuring we deliver great outcomes for our clients.

Our approach

Delivering for our stakeholders and maintaining our leadership in UK advice-led wealth management means doing the basics brilliantly. This commitment underpins a range of initiatives focused on continually improving how we serve both clients and advisers.

Key areas of focus include

Streamlining core processes

We're working to improve the efficiency and accuracy of administration, aiming to get it right first time. This involves better integrating our technology stack and simplifying and standardising our processes, making routine tasks easier for clients and advisers.

Enhancing data capabilities

By investing in our data infrastructure, we're unlocking the potential of our rich data universe to generate smarter insights and enhance decision-making.

Championing our industry

We continue to play a leading role in shaping the future of UK wealth management. We are passionate advocates for financial advice and the value it brings.

Brilliant Basics also includes two major programmes central to the 'Strengthen' strategic phase:

- ◆ **Our simple, comparable charging structure:** Making our fees easier to understand and compare, supporting transparency and trust.
- ◆ **Reviewing evidence of historic client servicing:** Ensuring records reflect the high standards of service we expect to deliver for our clients, and refunding clients where appropriate.

These initiatives lay the groundwork for the 'Amplify' strategic phase, which we will focus on more as 2027 approaches. By strengthening our foundations now, we're building the capacity to grow and innovate in the years ahead.

Progress during 2025

- ◆ We implemented our new simple, comparable charging structure in August, after almost two years of work on this significant project. The new structure delivers many benefits, for example enabling the launch of our Polaris Multi-Index range of funds in October.
- ◆ We made good progress in our historic client service evidence review, getting deep into the operational phase of this complex programme. During the year we released £109.5 million (before tax) from the provision held against this work. For further information see the Chief Financial Officer's report.
- ◆ We strengthened our brand awareness by deepening our media and advertising engagement, expanded the reach of our Sky Arts sponsorship, and shared fresh insights through our second Real Life Advice Report series.
- ◆ We joined 18 leading firms to launch the UK Retail Investment Campaign, a landmark initiative to reshape how Britons think about long-term investing.
- ◆ We introduced or piloted a range of AI tools to support the Partnership by making administrative processes more efficient. These include:
 - Tools which respond to questions on our advice framework and business submission processes
 - Meeting intelligence capabilities that transcribe and summarise client conversations.
- ◆ We started to simplify processes, acting on feedback from the Partnership.

Areas of focus for 2026

- ◆ Complete our historic client service evidence review.
- ◆ Improve our technology stack to enhance client and adviser experiences, for example through better integration of our systems.
- ◆ Elevate the value of financial advice delivered by the Partnership by sharpening our brand presence, increasing proactive media engagement, and continuing our sponsorship of Sky Arts.

Over 100%

Year-on-year increase in corporate and Partner website traffic

£109.5m

Pre-tax release from Ongoing Service Evidence provision in 2025

Our strategy



Differentiated Client Proposition

Our aim

To enhance our client proposition by tailoring it to the needs of different client segments.

Our approach

Our clients are diverse. They range from newborns to centenarians, with varying levels of wealth and financial goals. To enhance how we meet their needs, we are focused on:

Broadening investment choice

We are broadening our investment product shelf to provide clients with further choice, diversification and packaged solutions that support great long-term outcomes.

Enhancing digital engagement

We are developing our digital channels to give clients greater flexibility in how they engage with their financial planning, and harnessing data to deliver a more personalised experience.

Tailoring our services for different segments

We will continue to be the home of financial advice and deliver for our core mass-affluent clients, while investing in our high-net-worth proposition to offer a dedicated, bespoke service to clients. As an example, with enhanced administrative and technical support to help advisers deal with more complex financial affairs.

1,037,000

Number of clients
2024: 1 million+

55

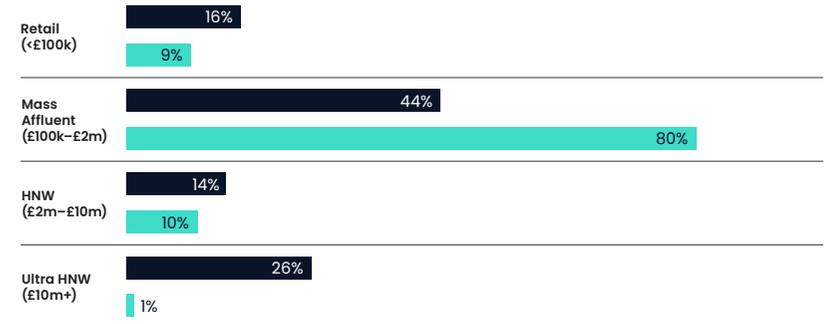
Average age of clients
2024: 57

79%

Client satisfaction
2024: 82%

FUM split by client wealth band

◆ Market AUM ◆ SJP FUM



Progress during 2025

- ◆ We successfully launched the Polaris Multi-Index range of funds, which implement our active asset allocation expertise through index-tracking funds. This broadened the range of investments available to clients. Just two months after launch by 31 December 2025, these funds had attracted over £1 billion of investment.
- ◆ We saw more than a 100% uplift in the number of clients registered to use our client app.
- ◆ We began work to enhance our high-net-worth proposition, recruiting key specialists to shape the proposition and establish a clear delivery roadmap.

Areas of focus for 2026

- ◆ Continue to broaden our investment product shelf to provide clients with greater choice, with our cash solution being the next area of focus.
- ◆ Advance our digital capabilities to enable greater personalisation and self-service, for example for clients to top up investments via our client app.
- ◆ Continue to enhance our high-net-worth proposition, including strengthening our technical support capability, improving administrative support and insight provision, and broadening our client events programme.

Our strategy



Leading Adviser Offering

Our aim

To remain the best place to be a financial adviser in the UK.

Our approach

Supporting our advisers so they can focus on what matters most: building long-term, trusted relationships with clients and delivering high-quality advice. Our leading adviser offering brings together three key elements:

Adviser support and community

We provide practical tools and resources to help advisers work efficiently and effectively as part of a strong, collaborative community, including:

Marketing services to grow their business	Technology solutions and cyber-security support	Technical training, helplines and drop-in sessions	Business checking and regulatory compliance support	Coaching and development opportunities	Connectivity with peers and subject matter experts
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Our business sale and purchase (BSP) proposition

Our BSP proposition supports Partners, advisers and management teams from recruitment to retirement, helping them to grow successful businesses and realise their value when the time comes to retire or downsize. We:

Match buyers and sellers within the Partnership	Facilitate fair valuations	Arrange or provide financing for transactions
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This ensures continuity for clients within the SJP ecosystem, supporting great client outcomes and retention.

Our Financial Adviser Academy

Our award-winning Academy is the largest and most comprehensive financial adviser training scheme in the UK. It's a key way we recruit for the Partnership given the shortfall in high-quality, qualified financial advisers in the UK. We have trained over 50% of those across our industry who are in their first year as financial advisers.

We train individuals from diverse backgrounds, which helps to enrich the Partnership to better reflect society and add longevity to it. At 31 December 2025, 27% of trainees were female, compared to 20% in the Partnership as a whole. The average age of trainees is 37.

Progress during 2025

- ◆ We transitioned our Field Management team to a new operating model focused on providing tailored support to Partner businesses at a level appropriate to their business size and lifecycle stage.
- ◆ We established a new performance business unit to increase the quality and productivity of the Partnership. This provides enhanced support to high performers and intervention for those who need help to improve.
- ◆ We increased the transparency of our BSP proposition by publishing quarterly reports on how the marketplace is operating.
- ◆ We renewed our focus on bringing the Partnership together by developing a range of regional events.

Areas of focus for 2026

- ◆ Complete our initial adviser quality and productivity programme and embed ongoing monitoring of productivity and quality across the Partnership.
- ◆ Continue to refine our Academy programme, providing the best support to build a career in financial advice.
- ◆ Enhance our market-leading BSP proposition, for example by creating a team dedicated to commercial succession planning.

£4.4m

Gross inflows per adviser
2024: £3.7 million

91%

Adviser retention
2024: 92%

Our strategy



Performance Focused Organisation

Our aim

To drive empowerment, accountability and high performance across the SJP community.

Our approach

We are building a culture that consistently delivers great outcomes for all stakeholders. This means:

Embedding high performance into our culture by empowering our people and driving clear accountability.

Maintaining disciplined capital allocation to support sustainable growth and shareholder returns.

Optimising our cost base to create capacity for strategic reinvestment, and align our operating model to our strategic goals. We aim to take out £100 million per annum from our addressable cost base by 2027, reinvesting around 50% of the savings over the next 5 years into initiatives which strengthen our business.

£313.3m

Total amount returned to shareholders in respect of 2025¹
2024: £222.7 million

66%

Employee engagement
2024: 72%²

90%

Core UK employee retention rate, excluding redundancies
2024: 93%

Progress during 2025

- ◆ Completed the implementation of our organisational redesign to align teams with strategic priorities and drive future growth.
- ◆ Secured cost savings through measures including our organisational redesign, optimising commercial relationships with suppliers and rationalising our property footprint.
- ◆ Demonstrated commitment to our capital allocation framework by providing reliable shareholder returns in line with our guidance, and returning to shareholders the full post-tax amounts released from our Ongoing Service Evidence provision during the year. More information about this can be found in the Chief Financial Officer's report.
- ◆ Refreshed our senior leadership team, adding new talent and experience and enhancing our organisational capabilities in a number of areas.

Areas of focus for 2026

- ◆ Complete our cost and efficiency programme to take out £100 million per annum from our addressable cost base by 2027, and increase reinvestment into our strategic initiatives.
- ◆ Develop our employees by continuing to analyse our leadership capabilities, and enhancing succession planning and talent mapping.
- ◆ Enhance our workforce engagement programme, led by Non-executive Board member Helen Beck, making it more dynamic by involving a rotating cross-section of employees and Group Executive Committee (GEC) representatives.
- ◆ Simplify our financial reporting to better align it to our simple business model, making it easier for investors to understand.

¹ Based on the number of shares at 31 December 2025. See the Chief Financial Officer's report for further information.

² The metrics which contribute to the employee engagement score have changed year on year.

Stakeholder engagement

Our stakeholder engagement

We are committed to delivering performance that drives sustainable, long-term value for our clients, advisers, shareholders, employees, as well as for society and other stakeholders.

Engagement with our key stakeholders is primarily undertaken at an operational level, with related reporting provided to the Board to ensure its oversight. The Board also engages directly with stakeholders when appropriate. This helps our Directors and the wider business understand what matters most to each stakeholder group, enabling that understanding to shape the decisions we make. More detail is provided in our section 172(1) Companies Act 2006 statement ('section 172(1) statement'), on page 22, which outlines the approach Directors have taken in fulfilling their section 172(1) duties during the year. It also sets out how consideration of stakeholders and other matters in the section has influenced decision-making.

Being mindful of our impact on others and the environment is part of our culture, led by our Board, not just something we do to ensure compliance with section 172(1). An example of how consideration of the matters under section 172(1) is embedded through our governance framework and Board activity, can be found in our corporate governance report on page 60.

The following information outlines some of the ways we've connected with our key stakeholders during the year and why this matters.

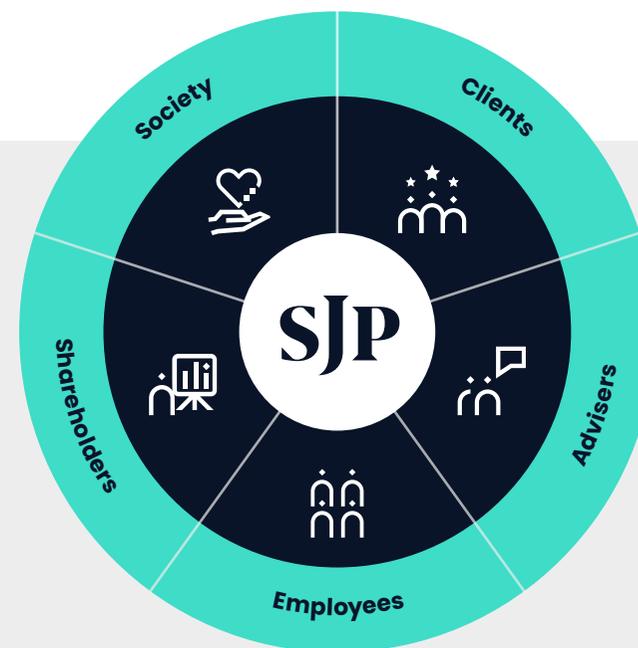
Why our stakeholders matter

Our **clients** matter because delivery of good client outcomes is central to our strategy and purpose. Clients are at the heart of everything we do and trust between our clients, advisers and the Company is fundamental to how we operate and our success. What we do is deeply connected to personal decisions for long-term financial security and the advice we provide is rooted in enabling clients to realise bolder ambitions.

Our **advisers** matter because they are the primary interface between our clients and the Group. Without the expertise of our advisers, we would not be able to realise our strategic ambitions and purpose. The invaluable advice and service delivery that our advisers provide to clients underpins the Group's success. The relationships we have with our advisers also directly impact the development of our corporate culture and reputation as a collective.

Our **shareholders** matter because their expectations help to shape our long-term direction, strategy and governance framework. Feedback and insights that our shareholders provide enable us to develop as a business and continue to build trust in the market, maintaining our reputation as a responsible, resilient and value-generative company.

Our **employees** matter because, alongside our advisers, they are fundamental to our ability to deliver good client outcomes and strong financial performance, generating long-term value for shareholders and the sustainability of our business for wider stakeholders. As a regulated business, the conduct of our employees is critical in maintaining robust levels of compliance and operating within business standards reflective of our market position. Engagement amongst employees shapes our culture and enables the continued embedding of our values.



Our **society** (which comprises regulators, communities and suppliers) matters because it collectively provides the guardrails and expectations for our activities and behaviours. The Group's regulators are crucial for maintaining a safe market environment to deliver good client outcomes and financial stability, which are the cornerstones of our success. Building strong and trusted partnerships with suppliers enhances operational resilience and our ability to achieve our goals in an effective and efficient way. Supporting communities is a core principle for the Group, reflected in our commitment to the SJP Charitable Foundation, volunteering within our local communities and delivery of financial education programmes to young people.

Stakeholder engagement

Stakeholder engagement in action

Stakeholder group	How we engaged in 2025	Impact / outcome
Clients 	<p>During the year we have gathered client sentiment through our quarterly surveys and through 23 primary research projects with the circa. 4,000 members of our SJP Client community. Their feedback and experiences are utilised across the business to inform the delivery of our corporate strategy and strategic change programmes such as the implementation activities for the launch of simple, comparable charging, where clear communications were essential to successful delivery.</p>	<p>Survey feedback indicated good client sentiment with 79%* (2024: 82%) of clients being satisfied with their overall experience with us. Enhanced client engagement during the development of client communications for the launch of simple, comparable charging resulted in 72% of clients reporting an improved understanding of the charges with 91% of clients surveyed stating that confidence in SJP had either improved, or not been impacted, following the client communication.</p> <p>* Total positive satisfaction score (2025 annual average).</p>
Advisers 	<p>Throughout the year, engagement with advisers was driven through a number of Partnership communication channels, such as our Partnership intranet, Partnership Advisory Council, webinars and newly launched quarterly townhalls. In addition, our dedicated Partnership consultation platform continued to gauge sentiment and understand what matters to our advisers. Face-to-face engagement opportunities were also provided, including corporated and locally arranged events.</p>	<p>Advisers were provided with clear communication of key Partnership priorities, the Group's approach to risk profiling, updates on key projects impacting advisers, and future means for engagement.</p> <p>Engagement enabled the Group to develop a Partnership engagement programme for 2026 which supports an enhanced sense of community and stronger localised relationships.</p>
Employees 	<p>We have actively engaged employees through initiatives designed to listen to, involve, and connect employees. Initiatives have included townhalls, annual and lifecycle surveys, targeted sentiment sessions, ad-hoc project support groups, Non-executive Director workforce engagement sessions and informal touchpoints with Group Executive Committee members. Our working groups on gender, ethnicity, and broader Diversity, Equity and Inclusion have continued and employees were further supported by active employee networks, awareness days and communication via our internal digital platform and intranet.</p>	<p>The initiatives referenced to the left have enabled employee voices to be heard and informed our decision-making, whilst fostering a more inclusive and connected workplace. Engagement has had a tangible impact on shaping the Company's culture and strategic direction. Employee input has continued to inform the ongoing development of our culture strategy.</p>
Shareholders 	<p>Shareholders have been engaged and their views sought through regular meetings, roadshows and conferences across the year, many of which involve the Chief Executive Officer and/or Chief Financial Officer alongside the Investor Relations team. During 2025, the Company's top 20 shareholders were invited to meet with the Chair to discuss matters of importance to them, such as governance and key strategic projects. In addition, the Group Remuneration Committee chair wrote to the top 20 shareholders to consult on proposed changes to the Directors' Remuneration Policy. All Directors are available to meet with shareholders after the Company's Annual General Meeting.</p>	<p>Engagement with our shareholders has enabled ongoing transparency and trusted relationships. Insights from such communication have also supported the Board, and wider business, to gain an understanding of the expectations and priorities of this stakeholder group. This understanding has been reflected in considerations associated with the decisions we make.</p> <p>Ongoing communication with shareholders has also enabled strategy to be advanced in such a way as to promote long-term value creation and the satisfaction of investors.</p>
Society including regulators, communities and suppliers 	<p>Engagement with society, which includes regulators, suppliers, and the wider communities in which we operate, involves a variety of mechanisms to reach these groups. During 2025, this included (i) public policy engagement; (ii) ongoing communication with regulators to maintain an open and transparent flow of information and collaboration; (iii) regular contact with new and existing suppliers through procurement activities; and (iv) contact with communities through employee volunteering activities and our financial education programme. This is enhanced by our ongoing commitment to and support for the St. James's Place Charitable Foundation.</p>	<p>Constructive and open relationships have been maintained with our regulators, with strong oversight of engagement by the Board to ensure ongoing compliance with, and embeddedness of, matters such as Consumer Duty and solvent wind-down planning.</p> <p>We continued to meet our responsibilities under the Fair Payment Code, demonstrating our commitment to good payment practices in relation to our suppliers.</p> <p>During the year, 14,726 young people were reached through our financial education programmes, contributing to their future financial resilience.</p>

Section 172(1) statement

Our section 172(1) statement

Our section 172(1) statement

In the exercise of their duties during the year ended 31 December 2025, the Company's Directors confirm that they have acted in a way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole. In doing so, Directors have paid due regard to the matters set out in section 172(1) of the Companies Act 2006.

The principles underpinning section 172(1) are embedded in our culture. Maintaining strong ongoing engagement with our stakeholders is core to the way we operate and helps the Board to understand their views and the impact decisions might have on different groups. Beyond our stakeholders, the other factors in section 172(1) (a) to (f) are all key factors considered by Directors not only when making decisions but also when discussing matters in focus at each meeting. Our governance framework and the information provided to the Board are important enablers of this approach.

The Board recognises that decisions can sometimes affect different stakeholder groups in different ways. We're committed to making balanced decisions that respect these differences and ensure fair treatment for those involved.

Page 59 in the corporate governance report highlights how our governance framework and the actions of our Board apply these matters and consider stakeholder impacts in more detail.

Our ultimate goal is to ensure that the decisions we make and action we take drive the long-term success of the Group in a way that supports our stakeholders and enables SJP to continue to strive towards achievement of its purpose.

Section 172(1) matters and related disclosures

A: the likely consequences of any decision in the long term

Material proposals presented to the Board for approval are considered through the lens of long-term strategic and financial implications, risks, and sustainability impacts. This ensures decisions are made with a clear understanding of how they support our strategy and business model, and drive the business closer to our purpose to empower clients with invaluable advice to realise bolder ambitions whilst delivering value for clients, advisers, and shareholders.

B: the interests of the Company's employees

The Board has received updates on employee engagement, culture, wellbeing and capacity during the year. This enables the Board to understand the context of decisions it makes through the eyes of our employees. During a period of change, as we work through our strategy to strengthen the Group, the Board has discussed the impact on the workforce and maintained oversight of culture and employee sentiment through its nominated workforce engagement Non-executive Director, in addition to management reporting. Insights from the workforce engagement Non-executive Director have evolved in the year as our approach to engagement has matured.

C: the need to foster the Company's business relationships with suppliers, customers and others

During the year, the Board monitored client, adviser and supplier feedback and sentiment to assess client outcomes, Partnership effectiveness and continuity of positive supplier relationships. Engagement, including indirectly through management, enabled the Board to consider impact on these stakeholders when making decisions relating to the introduction of our simple, comparable charging structure.

D: the impact of the Company's operations on the community and the environment

The Board approved updates to our Unclaimed Dividends Policy to align with the Company's articles of association (updated in 2025). This resulted in a donation of £500,000 being granted to the SJP Charitable Foundation. The funding enables a focus on financial wellbeing support over the next three years. This reflects the Board's ongoing commitment to promote financial wellbeing, and belief in its positive wider societal impact.

The Board also reaffirmed its commitment to achieving net zero by 2050, with consideration and approval of new interim targets to 2030. For more detail see the our responsible business section of this Annual Report.

E: the desirability of the Company maintaining a reputation for high standards of business conduct

Regular governance and performance updates relating to client and other stakeholder sentiment, and compliance and risk reports, enabled the Board to monitor adherence to our expected standards of business and regulatory conduct. The Board specifically considered and approved enhancements to the Group's governance and risk frameworks to enable continuous improvement of our standards of business conduct.

F: the need to act fairly as between members of the Company

The Board ensures that the interests of all shareholders are considered when determining dividends, capital allocation and remuneration. Transparent communication through investor meetings and the AGM supported fairness and accountability in decision-making.

Chief Financial Officer's report

We've had a successful year...

I am pleased to present our financials, with strong investment performance and growth in new business contributing to an improvement in our financial results for 2025.

Financial business model

Our financial business model is simple. When clients choose to invest with us our FUM grows. Our income is based on the value of FUM, and so attracting new clients to invest with us, retaining the investments made by existing clients, and positive investment performance, are key to future growth in income and hence returns.

In late August we implemented our new simple, comparable charging structure, which was an important change for the business and its financial model. Under this structure we benefit from all charges applying from the day that a new investment is made, and we earn a margin on each aspect of the holistic service we provide to clients: financial advice, products and fund management.

This differs from our previous charging structure, where our primary profit driver was ongoing product charges. Most of our investment bond and pension business did not incur these charges for the first six years after an investment was made. We refer to FUM in this period as being in 'gestation'. FUM rolls out of gestation into 'mature' FUM six years after initial investment, at which point it becomes subject to ongoing product charges for the first time.



◆
"We have had a successful year. We improved our financial results and strengthened the balance sheet, whilst returning a total of £313.3¹ million to shareholders for the year."

Caroline Waddington
Chief Financial Officer

Gestation FUM remains an important concept, as all business in gestation at the point of implementing our new charging structure remains on the previous charging structure until it matures six years after initial investment. However, no new business is added to the gestation FUM balance under our new charging structure.

The dynamics of our new charging structure, together with the visibility of future income growth from maturing FUM in gestation, build a powerful picture of how our income can develop and compound in the medium term. In the short term, the transition between charging structures causes a dip in profitability, due to lower initial and ongoing margins under our new structure. We experienced this post implementation in 2025, and also anticipate it for 2026 given this is the first full year under our new structure.

Combined with our focus on managing expenses, whether they are fixed in nature or vary with FUM or business levels, this supports our ambition to double the Underlying cash result over the period from 2023 to 2030.

Financial performance in 2025

Our FUM grew by 16% over the year to a record £220.0 billion. This increase in FUM has driven an increase in the income we receive from it. Paired with continued discipline in managing our costs and growth in new business, this has enabled us to deliver IFRS profit after tax of £531.4 million (2024: £398.4 million), and a post-tax Underlying cash result of £462.3 million (2024: £447.2 million). These key financial performance metrics are up 33% and 3% year on year respectively, despite over four months of the year being on our new charging structure which attracts lower margins. The most significant difference between these two metrics is that releases from our Ongoing Service Evidence provision, which I cover in more detail shortly, are included in IFRS profit after tax but excluded from the Underlying cash result.

Simple, comparable charges

The implementation costs for our new charging structure were £52.7 million post tax in 2025 (2024: £59.5 million), bringing the overall implementation costs incurred across the duration of the project to £119.4 million post-tax. This is in line with guidance that we expected costs to come in towards the upper end of our original guidance range of £105 to £120 million post tax. No further charge structure implementation costs will be incurred in 2026.

Historic ongoing service evidence review

Mark has provided an update on this significant programme of work in his Chief Executive Officer's report. From a financial perspective, the experience we gathered in the second half of the year means the Ongoing Service Evidence provision stood at £272.3 million at 31 December 2025 (31 December 2024: £425.1 million), and we have released a further £25.0 million from the provision on a pre-tax basis, in addition to the £84.5 million we released in the first half of the year.

¹ Based on the number of shares at 31 December 2025.

Chief Financial Officer's report

... and move forward with increased shareholder returns guidance

This brings the total released from the provision during the year to £109.5 million (2024: £nil). Further information can be found in Note 18 to the IFRS financial statements.

In the post-tax Cash result, the release in the second half of the year equates to £18.7 million. As the creation of the provision was a key driver in reducing returns to shareholders, the Board has decided that the release will be returned to shareholders in full via a share buy-back programme. We followed the same approach for the £63.4 million post-tax release in the first half of the year, with that buy-back completing in October 2025.

Cost and efficiency programme

A key area of focus during the year has been our cost and efficiency programme. We have an ambition to take around £100 million per annum before tax out of our addressable cost base by 2027, creating capacity to invest in our business to drive further growth and underpinning a growing Cash result over time.

We are making good progress with the programme. During the year we completed our transition to a new organisational design to ensure we have the right people in the right places to align to our strategy and drive growth. We also took important steps in optimising our commercial relationships with suppliers and rationalising our property footprint.

As anticipated, for 2025 the cost and efficiency programme had no material impact on our financial results, as the cost savings we realised were broadly equal to the cost to achieve those savings and reinvestment spend. We remain on track to deliver the programme by 2027.

Financial position and liquidity

Our IFRS consolidated statement of financial position contains policyholder assets and liabilities. To understand the assets and liabilities that shareholders can benefit from, these policyholder balances, along with balances such as deferred income (DIR) and deferred acquisition costs (DAC), are removed in our Solvency II Net Assets Balance Sheet. This balance sheet is straightforward, and is analysed in section 2.2 of the financial review.

As part of our work to simplify our financial reporting I committed to more clearly articulating our liquidity position, given liquidity is more relevant than capital in our ability to provide shareholder returns. To make this clearer we have introduced new liquidity disclosures in section 3 of the financial review. These demonstrate that we have total free liquidity held at Group centre of £271.4 million at 31 December 2025 (31 December 2024: £148.1 million), and that we have strengthened our balance sheet over the past year. This was the next step in getting the balance sheet into the position I wanted it to be in, after I put an end to regular usage of our revolving credit facility, and repaid our bridging loan.

I am comfortable holding this level of free liquidity at Group centre as it provides a layer of prudence and flexibility in how we run the business. We will regularly review the amount of free liquidity we hold to ensure we continue to optimise our capital allocation priorities in line with our capital allocation framework.

These new disclosures are the next step in simplifying our financial reporting and making our financial results easier to understand. We will complete this work by evolving how we report our financial performance, which we plan to do for the half-year 2026 results. We will provide full details of this in the first half of the year.

Capital allocation

Our capital allocation framework sets out our disciplined approach to allocating our capital resources:

1. We will **maintain a strong balance sheet**, ensuring the safety of client investments.
2. We will **invest to drive organic growth**, ensuring we have the necessary core capabilities in the business.
3. We will **deliver reliable annual shareholder returns**, which are in line with guidance.
4. We will **return excess capital** over and above what we need to invest in the business at attractive returns.

We see being deliberate and disciplined in how we manage capital allocation as critical to ensuring we have a well-invested business that drives returns and creates sustained value for shareholders.

Shareholder returns for 2025

In line with our current shareholder returns guidance, the Board expects to return 50% of the Underlying cash result to shareholders for 2025. This equates to £231.2 million and is made up of 18.00 pence per share in dividends, with the balance returned through share buy-backs.

The components of this £231.2 million return, and the additional shareholder returns as we buyback shares using the amounts released from the Ongoing Service Evidence (OSE) provision during the year, are set out below.

	2025	2024
	£'Million	£'Million
Ordinary shareholder returns		
Interim dividend (6 pence per share)	31.9	32.8
Interim buy-back	32.1	32.9
Final dividend (12 pence per share) ¹	63.3	64.4
Final buy-back	103.9	92.6
Total ordinary returns¹	231.2	222.7
Other shareholder returns		
Release from OSE provision at HY25	63.4	–
Release from OSE provision at FY25	18.7	–
Total other returns	82.1	–
Total shareholder returns¹	313.3	222.7

¹ 2025 figure based on the number of shares at 31 December 2025.

Chief Financial Officer's report

The total buy-back to commence in March 2026 will be for £122.6 million, comprising the final buy-back for 2025 of £103.9 million and the £18.7 million release from the OSE provision. The £63.4 million released from the OSE provision at half year has already been returned to shareholders via buy-backs in the second half of 2025, alongside the interim buy-back of £32.1 million.

Shareholder returns for 2026 and beyond

I'm delighted that the combination of a strong financial outcome for 2025, together with good operational and strategic progress, has enabled the Board to update our shareholder returns guidance a year earlier than originally planned.

For the 2026 financial year and beyond, the Board intends to return 70% of the Underlying cash result to shareholders. This will comprise:

- ♦ an ordinary dividend, which we expect will make up at least 40% of total shareholder returns. This is equivalent to at least 28% of the Underlying cash result; and
- ♦ a share buy-back for the balance, subject to the Board's ongoing assessment of the most appropriate mechanism for that return.

The Board intends to pay an interim dividend and conduct an interim share buy-back following our Half Year 2026 results. These will be set at a third of the prior full-year balance for ordinary shareholder returns, excluding buy-backs relating to releases from our OSE provision.

Summary

We have had a successful year with strong investment performance and growth in new business contributing to an improvement in our financial results. We have strengthened the balance sheet whilst also returning a total of £313.3¹ million to shareholders in respect of the year. We will be moving forward with an increased 70% payout ratio for ordinary shareholder returns for the 2026 financial year and beyond.

Caroline Waddington
Chief Financial Officer

24 February 2026

Summary financial information

	Page reference	Year ended 31 December 2025	Year ended 31 December 2024
FUM-based metrics			
Gross inflows (£'Billion)	26	21.9	18.4
Net inflows (£'Billion)	26	6.2	4.3
Total FUM (£'Billion)	26	220.0	190.2
Total FUM in gestation (£'Billion)	27	52.9	50.1
IFRS-based metrics			
IFRS profit after tax (£'Million)	28	531.4	398.4
IFRS profit before shareholder tax (£'Million)	28	696.7	535.9
IFRS basic earnings per share (EPS) (Pence)		99.9	73.0
IFRS diluted EPS (Pence)		98.8	72.6
Dividend per share (Pence)		18.00	18.00
Cash result-based metrics			
Controllable expenses (£'Million)	28	305.8	291.7
Underlying cash result (£'Million)	28	462.3	447.2
Cash result (£'Million)	28	544.4	447.2
Underlying cash result basic EPS (Pence)		87.0	82.0
Underlying cash result diluted EPS (Pence)		86.0	81.5
Liquidity-based metric			
Free liquidity held at Group centre (£'Million)		271.4	148.1
EEV-based metric¹			
EEV net asset value per share (£)		19.84	16.25

¹ We report further information on the European Embedded Value (EEV) basis within the databook on our website sjp.co.uk/full-year-results-2025-databook.

A complete glossary of alternative performance measures is set out on pages 208 to 210.

The Cash result should not be confused with the IFRS consolidated statement of cash flows, which is prepared in accordance with IAS 7.

Financial review

This financial review provides analysis of the Group's financial position and performance.

It is split into the following sections:

Section 1 – Funds under management (FUM)

1.1 FUM analysis

1.2 Gestation

 [page 26](#)

Section 2 – Performance measurement

2.1 International Financial Reporting Standards

2.2 Cash result

 [page 28](#)

Section 3 – Capital and liquidity

 [page 31](#)

Section 1 – Funds under management (FUM)

1.1 FUM analysis

When clients choose to invest with us our stock of FUM grows. Most of our income is based on the value of FUM, and so growth in FUM is key to future growth in income and hence shareholder returns. Our FUM also grows through positive investment performance and is supported by high retention of existing client investments.

During 2025 our advisers attracted £21.9 billion (2024: £18.4 billion) of new client investments and client retention rates remained strong at 94.9% (2024: 94.5%). As a result we generated £6.2 billion (2024: £4.3 billion) of net inflows, once again demonstrating the strength of our advice-led business model.

Our investment management approach has continued to work well for clients, with investment return, net of all charges, representing 12% of opening FUM (2024: 11%). This, together with net inflows, resulted in FUM increasing by 16% to £220.0 billion (2024: £190.2 billion).

The following table shows how FUM evolved during 2025 and 2024. Investment return is presented net of all charges.

	2025				2024
	Investment bond £'Billion	Pension £'Billion	UT/ISA and DFM £'Billion	Total £'Billion	Total £'Billion
Opening FUM	39.18	101.98	49.05	190.21	168.20
Gross inflows	3.02	13.86	5.00	21.88	18.41
Net investment return	4.38	13.47	5.79	23.64	17.68
Regular income withdrawals and maturities	(0.33)	(4.88)	–	(5.21)	(4.28)
Surrenders and part-surrenders	(2.13)	(4.49)	(3.89)	(10.51)	(9.80)
Closing FUM	44.12	119.94	55.95	220.01	190.21
Net flows	0.56	4.49	1.11	6.16	4.33
Implied surrender rate as a percentage of average FUM	5.1%	4.0%	7.4%	5.1%	5.5%

Included in the table above is:

- ◆ Discretionary Fund Management (DFM) FUM of £3.70 billion at 31 December 2025 (31 December 2024: £3.49 billion).
- ◆ SJP AME (Asia & Middle East) FUM of £2.28 billion at 31 December 2025 (31 December 2024: £1.90 billion).

Financial review

1.1 FUM analysis continued

The following table provides a geographical and investment-type analysis of FUM at 31 December.

	31 December 2025		31 December 2024	
	£'Billion	Percentage of total	£'Billion	Percentage of total
North American equities	83.6	38%	74.9	39%
Fixed income securities	36.8	17%	31.6	17%
European equities	31.0	14%	24.3	13%
Asia and Pacific equities	30.1	14%	24.0	13%
UK equities	19.6	9%	16.0	8%
Cash	9.7	4%	6.9	4%
Other	4.5	2%	5.0	2%
Alternative investments	4.2	2%	6.2	3%
Property	0.5	0%	1.3	1%
Total	220.0	100%	190.2	100%

1.2 Gestation

As explained in our financial business model in the Chief Financial Officer's report, due to our previous charging structure, for most investment bond and pension business there is a significant amount of FUM in 'gestation'. This means it is not subject to ongoing product charges, which were our key profit driver under the previous structure. FUM rolls out of gestation into 'mature' FUM six years after initial investment, at which point it transitions to our new charging structure and becomes subject to the full range of charges.

Approximately 39% of gross inflows for 2025, after initial charges, moved into gestation FUM (2024: 54%). All of this relates to new business written on our previous charging structure. No new business is added to the gestation FUM balance under our new charging structure.

The following table shows an analysis of FUM, after initial charges, split between mature FUM that is contributing net income to the Cash result and FUM in gestation which is not yet contributing. The value of both mature and gestation FUM is impacted by investment returns as well as net inflows.

Position as at	Mature FUM contributing to the Cash result	Gestation FUM that will contribute to the Cash result in the future	Total FUM
	£'Billion	£'Billion	£'Billion
31 December 2025	167.1	52.9	220.0
31 December 2024	140.1	50.1	190.2

As no new business is added to the gestation FUM balance under our new charging structure, the balance will reduce to nil over the next six years as the existing gestation FUM matures. While it exists, gestation FUM will continue to be a material store of shareholder value that will make a significant contribution to the Cash result in the future.

The following table gives an indication, for illustrative purposes, of the way in which gestation FUM could mature and start to contribute to the Cash result over the next six years and beyond. Once it has all matured, it could contribute around £300 million per annum to net income from FUM and hence the Underlying cash result, at no additional cost.

For simplicity the table assumes that FUM values remain unchanged, that there are no surrenders, and that business is written at the start of the year. Actual emergence in the Cash result reflects the new charging structure, and will reflect the varying business mix of each cohort and business experience.

Year	Cumulative gestation FUM maturity profile	Gestation FUM future contribution to the post-tax Cash result
	£'Billion	£'Million
2026	6.7	38.1
2027	14.6	83.7
2028	24.2	138.4
2029	33.8	193.6
2030	43.9	251.3
2031	52.9	303.1

Financial review

Section 2 – Performance measurement

In line with statutory reporting requirements, we report profits assessed on an International Financial Reporting Standards (IFRS) basis. The presence of a significant life insurance company within the Group means that our IFRS financial statements can be more complex than a typical advice-led wealth manager, and so we choose to supplement these financial statements with our 'Cash result' alternative performance measure (APM) to simplify the presentation. Information on our Cash result metric can be found in section 2.2.

APMs are not defined by the relevant financial reporting framework (which for the Group is IFRS), but we use them to provide greater insight into the financial performance, financial position and cash flows of the Group and the way the Group is managed. The glossary of APMs included within this Annual Report and Accounts defines each APM used in our financial review, explains why it is used and, if applicable, details how the measure can be reconciled to the IFRS consolidated financial statements. It also sets out the rationale for any APM we have ceased to report during the year.

2.1 International Financial Reporting Standards

Our IFRS consolidated statement of comprehensive income contains policyholder tax balances. This means that our Group IFRS profit before tax includes amounts charged to clients to meet policyholder tax expenses, which are unrelated to the underlying performance of the business. To get to a position which better reflects the underlying performance of the business, we focus on IFRS profit before shareholder tax as our pre-tax metric. This APM is IFRS profit before tax less policyholder tax:

	Year ended 31 December 2025	Year ended 31 December 2024
	£'Million	£'Million
IFRS profit before tax	1,335.2	1,049.1
Policyholder tax	(638.5)	(513.2)
IFRS profit before shareholder tax	696.7	535.9
Shareholder tax	(165.3)	(137.5)
IFRS profit after tax	531.4	398.4

IFRS profit before shareholder tax improved year-on-year, reflecting underlying business performance and the £109.5 million release from the Ongoing Service Evidence provision. In addition, policyholder tax asymmetry, which is a nuance of life insurance tax, impacted IFRS profit before shareholder tax and IFRS profit after tax in both years. In 2025 the impact was negative £35.4 million (2024: negative £38.9 million). External market conditions during the year drive the policyholder tax asymmetry impacts.

Shareholder tax reflects the tax charge attributable to shareholders and is closely related to the performance of the business. However, it can vary year on year due to several factors: further detail is set out in Note 10 Income and deferred taxes.

2.2 Cash result

The Cash result is used by the Board to assess and monitor the level of cash profit generated by the business. It is presented net of tax, and is based on IFRS with adjustments made to exclude policyholder balances, equity-settled share-based payment costs and certain non-cash items, such as DAC, DIR and deferred tax. The reconciliation of the Cash result to IFRS can be found on page 211 and further details, including the full definition of the Cash result, can be found in the glossary of APMs on pages 208 to 210. Although the Cash result should not be confused with the IAS 7 consolidated statement of cash flows, it provides a helpful supplementary view of the way in which cash is generated and emerges within the Group.

The following table shows an analysis of the Cash result using two different measures:

- ◆ **Underlying cash result**
This measure represents the regular emergence of cash from the business, excluding any items of a one-off nature and temporary timing differences.
- ◆ **Cash result**
This measure includes items of a one-off nature and temporary timing differences.

Consolidated Cash result (presented post tax)

	Note	Year ended 31 December 2025			Year ended 31 December 2024
		In-force £'Million	New business £'Million	Total £'Million	Total £'Million
Net annual management fee	1	1,023.6	147.3	1,170.9	1,108.7
Reduction in fees in gestation period	1	(445.7)	–	(445.7)	(425.1)
Net income from FUM	1	577.9	147.3	725.2	683.6
Margin arising from new business	2	–	99.5	99.5	117.4
Controllable expenses	3	(29.9)	(275.9)	(305.8)	(291.7)
AME – net investment	4	–	(7.6)	(7.6)	(10.2)
DFM – net investment	4	–	(4.1)	(4.1)	(2.4)
Regulatory fees and FSCS levy	5	(2.6)	(23.8)	(26.4)	(21.5)
Shareholder interest	6	68.5	–	68.5	66.0
Charge structure implementation costs	7	–	(52.7)	(52.7)	(59.5)
Miscellaneous	8	(34.3)	–	(34.3)	(34.5)
Underlying cash result		579.6	(117.3)	462.3	447.2
Ongoing Service Evidence provision	9	82.1	–	82.1	–
Cash result		661.7	(117.3)	544.4	447.2

The Underlying cash result of £462.3 million for 2025 (2024: £447.2 million) is 3% higher than the prior year. This is driven by the increase in income received from growing levels of FUM, despite over four months of the year being on our new charging structure which attracts lower margin, and the management of expenses.

Information about how to reconcile expenses presented in the Cash result to total IFRS expenses is set out in the databook available on our website sjp.co.uk/full-year-results-2025-databook.

Financial review

2.2 Cash result continued

Notes to the Cash result

1. Net income from FUM

The **net annual management fee** is the net margin that the Group retains from FUM after payment of the associated costs: for example, advice fees paid to Partners, investment management fees paid to external fund managers and the policy servicing tariff paid to our third-party administration provider.

As explained in our financial business model in the Chief Financial Officer's report, under our previous charging structure after the margin arising from new business, most investment bond and pension business did not contribute to the net Cash result for the first six years. This is known as the 'gestation period' and is reflected in the **reduction in fees in gestation period** line.

We focus our analysis on **net income from FUM**, which is the net annual management fee after the reduction in fees in the gestation period. This represents income from mature FUM. The average rate can vary over time with business mix and tax.

For 2025, our **net income from FUM** was £725.2 million (2024: £683.6 million), an increase of 6%. This is driven by a 15% increase in average mature FUM year on year, partially offset by the step down in margin we earn on FUM under our new charging structure which was in place from 26 August 2025. The outcome is within our guided margin range of 0.54% to 0.56% of mature FUM, excluding DFM and AME FUM, for the portion of the year under our previous charging structure, and 0.43% to 0.45% for the portion of the year under our new charging structure.

Whilst the net income from FUM margin on mature FUM is lower under our new charging structure, the proportion of our FUM which is mature will increase over time because:

- ongoing charges now apply to all new business from the day that a new investment is made. This means that new investment bond and pension business is part of mature FUM from day one; and
- the remaining gestation FUM at the point our new charging structure was implemented will mature over the next six years, with no additional associated expenses.

Please note that net income from AME and DFM FUM is included in the AME – net investment and DFM – net investment lines respectively in the Cash result.

2. Margin arising from new business

This is the net income from new business in the year, as initial charges exceeded new business related expenses – such as payments to Partners and third-party administration costs – under our previous charging structure. Under our new charging structure, initial product charges have been removed and initial advice charges broadly offset new business-related expenses. As a result, the margin arising from new business in 2025 is driven by business written on our previous charging structure. We expect it to be approximately zero for 2026 and beyond.

3. Controllable expenses

Controllable expenses are primarily people, property and technology expenses. They do not vary with business volumes or FUM. We look to balance disciplined expense management with the need to invest in the business to drive future growth. Controllable expenses have grown by 5% year-on-year, in line with guidance. We anticipate 5% year-on-year growth for 2026.

As expected, for the year ended 31 December 2025 there has been no material impact from our cost and efficiency programme, as the cost savings realised from the programme have been offset by the costs to achieve those savings, and reinvestment in the business. We anticipate this will also be the case for 2026.

4. AME and DFM net investments

These lines represent the income from AME and DFM FUM, net of AME and DFM expenses. We have continued to invest in developing our presence in AME and our business there is growing, resulting in lower net investment year-on-year. DFM has experienced increased costs during the year driven by an organisational design programme, which has led to increased net investment.

5. Regulatory fees and FSCS levy

The costs of operating in a regulated sector include regulatory fees and the Financial Services Compensation Scheme (FSCS) levy. On a post-tax basis, these are as follows:

	Year ended 31 December 2025	Year ended 31 December 2024
	£'Million	£'Million
FSCS levy	12.1	9.1
Regulatory fees	14.3	12.4
Regulatory fees and FSCS levy	26.4	21.5

Our position as a market-leading provider of advice means we make a substantial contribution to supporting the FSCS, thereby providing protection for clients of other businesses in the sector that fail. Our FSCS levy expense for 2025 has increased, following an increase in the overall levy across the industry. This was expected following two years of the industry levy being lower than normal, due to prior year surpluses that had built up within the FSCS scheme.

6. Shareholder interest

This is the income accruing on shareholder investments and cash held for regulatory and working capital purposes. It is presented net of funding-related expenses, including interest paid on borrowings and securitisation costs.

7. Charge structure implementation costs

These are the costs of implementing our new charging structure. Implementation costs for 2025 were £52.7 million (2024: £59.5 million), bringing total costs for this multi-year project to £119.4 million. There are no further charge structure implementation costs to come in 2026.

Financial review

2.2 Cash result continued**8. Miscellaneous**

This category represents the financial impact of all items not covered in any of the other categories. It includes items such as the St. James's Place Charitable Foundation, movements in the fair value of renewal income assets and the remediation costs associated with client complaints.

9. Ongoing Service Evidence provision release

In the first half of the year we revised our historic ongoing service evidence review redress methodology. This revision, and experience from the project in the first half, led to a £63.4 million release from the provision on a post-tax basis at half year. We released a further £18.7 million post-tax at year-end, reflecting experience from the project in the second half of the year. More information, with numbers presented on a pre-tax basis as required by IFRS, can be found in Note 18 within the IFRS consolidated financial statements.

Solvency II Net Assets Balance Sheet

To better understand the assets and liabilities that shareholders can benefit from, the IFRS consolidated statement of financial position is adjusted to remove policyholder assets and liabilities, and non-cash balances such as DIR, DAC and associated deferred tax. The result of these adjustments is the Solvency II Net Assets Balance Sheet, which is shown below.

The reconciliation of the IFRS consolidated statement of financial position to the Solvency II Net Assets Balance Sheet at 31 December 2025 can be found on page 211.

	Note	As at	As at
		31 December 2025	31 December 2024
		£'Million	£'Million
Assets			
Property and equipment		122.3	134.0
Deferred tax assets		0.2	0.1
Investment in associates		24.0	21.9
Reinsurance assets		8.8	10.7
Other receivables	a	1,987.3	1,867.4
Financial investments	b	2,414.0	2,202.9
Cash and cash equivalents	b	329.6	352.6
Total assets		4,886.2	4,589.6
Liabilities			
Borrowings		341.5	516.8
Deferred tax liabilities		980.0	690.1
Insurance contract liabilities		18.4	14.3
Other provisions		298.4	460.3
Other payables		1,610.9	1,445.4
Income tax liabilities		25.9	22.1
Total liabilities		3,275.1	3,149.0
Net assets		1,611.1	1,440.6

Notes to the Solvency II Net Assets Balance Sheet**a. Other receivables**

A detailed breakdown of other receivables can be found in Note 15 Other receivables within the IFRS consolidated financial statements. Within other receivables there are two items which merit further analysis:

Operational readiness prepayment asset

The operational readiness prepayment asset represents the investment made into our back-office infrastructure project, as we recognised Bluedoor development costs as a prepayment. The asset stood at £228.1 million at 31 December 2025 (2024: £256.3 million). During the year, we extended our contract with our back-office infrastructure provider. The operational readiness prepayment amortises through the consolidated statement of comprehensive income over the remaining contract period, which at 31 December 2025 was c.9 years (2024: c.9 years).

Business loans to Partners

We facilitate business loans to Partners to support growing Partner businesses. Such loans are principally used to enable Partners to take over the businesses of retiring or downsizing Partners, and this process has multi-stakeholder benefits:

- ◆ It supports the delivery of great outcomes for clients as they receive continuity of service within the SJP ecosystem.
- ◆ It makes SJP a great place for motivated, entrepreneurial advisers to build high-quality businesses over the long term.
- ◆ It helps to support the next generation of SJP advisers.
- ◆ It retains advisers and clients, which leads to retention of our FUM, which in turn supports our financial results and thus shareholders.

In addition to recognising a strong business case for facilitating such lending, we recognise too the fundamental strength and credit quality of business loans to Partners. We have low impairment experience due to a number of factors that help to mitigate the inherent credit risk in lending. These include taking a cautious approach to Group credit decisions, with lending secured against prudent business valuations. Demonstrating this, loan-to-value (LTV) information is set out in the following table.

	31 December 2025	31 December 2024
Weighted average LTV across the total Partner lending book	35%	39%
Proportion of the book where LTV is over 75%	3%	5%
Net exposure to loans where LTV is over 100% (£'Million)	5.6	7.2

If FUM were to decrease by 10%, the net exposure to loans where LTV is over 100% at 31 December 2025 would increase to £6.4 million (2024: increase to £8.3 million).

Our credit experience also benefits from the repayment structure of business loans to Partners. The Group collects advice charges from clients. Prior to making the associated payment to Partners, we deduct loan capital and interest payments from the amount due.

Financial review

2.2 Cash result continued

During the year we have continued to facilitate business loans to Partners. Further information is provided in Note 15 Other receivables and Note 19 Borrowings and financial commitments.

	31 December 2025	31 December 2024
	£'Million	£'Million
Total business loans to Partners	639.9	557.3
<i>Split by funding type:</i>		
Business loans to Partners directly funded by the Group	370.1	386.6
Securitised business loans to Partners	269.8	170.7

b. Liquidity

Cash generated by the business is held in highly rated government securities, AAA-rated money market funds and bank accounts. Although these are all highly liquid, only the last of these is classified as cash and cash equivalents on the Solvency II Net Assets Balance Sheet. The total liquid assets held are as follows:

	31 December 2025	31 December 2024
	£'Million	£'Million
Fixed interest securities	10.3	8.6
Investment in Collective Investment Schemes (AAA-rated money market funds)	2,403.7	2,194.3
Financial investments	2,414.0	2,202.9
Cash and cash equivalents	329.6	352.6
Total liquid assets	2,743.6	2,555.5

The Group's primary source of cash generation is ongoing charges on FUM. Cash is used to invest in the business and to support returns to shareholders. Our shareholder returns guidance is set such that appropriate cash is retained in the business to support the investment needed to meet our future growth aspirations.

Section 3 – Capital and liquidity

A cornerstone of our business model and risk appetite is that we hold assets to fully match our liabilities to clients. Our clients can access their investments on demand and because the value of their investment is matched, movements in factors such as equity markets have very little impact on our ability to meet liabilities.

We also have a prudent approach to investing cash generated by the business in cash and cash equivalents, AAA-rated money market funds and highly rated government securities. The overall effect is a resilient capital position capable of meeting liabilities even during adverse market conditions, and means that our business is capital-light.

As a Group containing insurance entities we are required to report under the Solvency II capital regime, and full information about our Solvency II capital position can be found in Note 22 to the IFRS financial statements. However, it is liquidity rather than Solvency II which is the more relevant factor in our capital allocation decisions, and so we focus on liquidity in this section.

At 31 December 2025 we had £2,743.6 million of total liquid assets on the shareholder balance sheet, as presented in the table to the left. Much of these are assets held to cover specific items needed to run the business. The following table sets out how much of the total liquid assets are held to cover specific items. Liquidity which is not held to cover specific items is termed 'free liquidity held at Group centre'.

	31 December 2025	31 December 2024
	£'Million	£'Million
Total liquid assets	2,743.6	2,555.5
Less amounts held for:		
Working capital	(734.2)	(487.6)
Policyholder tax	(692.1)	(538.4)
Management capital coverage assessment	(587.7)	(548.4)
Ongoing Service Evidence provision	(272.3)	(425.1)
Bridging loan repayment	–	(250.0)
Shareholder returns communicated at year end	(185.9)	(157.9)
Total free liquidity held at Group centre	271.4	148.1

Liquid assets are required to support the working capital of the Group. It primarily relates to cash received by the Group which is awaiting payment to the appropriate third party.

Amounts held for policyholder tax are deductions we have taken from our funds in order to satisfy policyholder tax charges which we settle with HMRC on policyholders' behalf. This balance can vary significantly with markets, and can require amounts to be paid back into our funds in the short term.

Financial review

The management capital coverage assessment (previously known as the management solvency buffer) is our assessment of the prudent amount we need to hold to cover capital requirements in the regulated entities within the Group. We hold this in liquid assets within our regulated entities.

We also hold liquid assets to cover our Ongoing Service Evidence provision. We expect that our historic ongoing service evidence review, which gave rise to this provision, will be completed during 2026.

The amount held for bridging loan repayment at 31 December 2024 covered the repayment of this facility in February 2025, which was initially drawn when we recognised the Ongoing Service Evidence provision.

Finally, we hold liquid assets to cover shareholder returns communicated at year-end. This comprises the proposed 12 pence per share final dividend for 2025, which equates to £63.3 million, the £103.9 million final share buy-back and the £18.7 million buy-back from the Ongoing Service Evidence provision release at year-end.

Flows into and out of free liquidity held at Group centre over the year are set out in the following table.

	31 December 2025	31 December 2024
	£'Million	£'Million
Opening free liquidity at Group centre	148.1	79.1
Net remittances from subsidiaries for the financial year	548.5	515.5
Investment in business loans to Partners	16.5	(45.8)
Other	(30.4)	(72.7)
Liquidity generated from operations and investment	534.6	397.0
Movement in borrowings	(12.7)	(62.8)
Interest paid on external borrowings	(24.0)	(33.0)
Consideration paid for own shares	(61.3)	(9.5)
Net financing activities	(98.0)	(105.3)
Dividends for the financial year	(95.2)	(97.2)
Share buy-backs for the financial year	(218.1)	(125.5)
Shareholder returns	(313.3)	(222.7)
Closing free liquidity held at Group centre	271.4	148.1

Net remittances from subsidiaries for the financial year reflect dividends from subsidiaries, less capital contributions required to support subsidiaries, in respect of the financial year. Over time the net cash remittances from subsidiaries will broadly reflect the profit-generating capacity of the business, less the liquidity required to maintain strong balance sheets within the operating subsidiaries, ensuring the safety of client investments.

Investment in business loans to Partners is the net amount of investment from our balance sheet to support our adviser growth and succession support scheme.

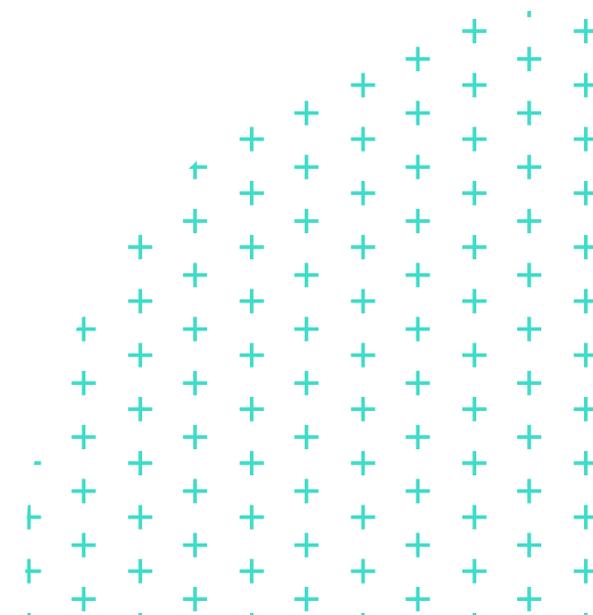
Other includes corporate expenses retained at the Group centre, which are primarily project costs for the implementation of our new charging structure.

Consideration paid for own shares represents the cost of buying back St. James's Place plc shares from the market to satisfy employee share-based payment awards.

Dividends for the financial year represent the ordinary interim and final dividends for the year. Share buy-backs for the financial year represent the ordinary interim and final share buy-backs for the year, plus buy-backs for any other purposes such as the releases from the Ongoing Service Evidence provision during 2025.

More information about:

- ◆ movement in borrowings can be found in Note 19 to the IFRS financial statements
- ◆ interest and fees on borrowings can be found in Note 9 to the IFRS financial statements



Conscious risk management



"A culture that prioritises risk awareness is essential to the quality of our advice-led business model and for achieving SJP's goals."

Hestie Reinecke
Chief Risk Officer

The Board, through the Group Risk Committee and Group Audit Committee, has overall responsibility for ensuring that there is an effective risk management framework and that a robust internal control environment is maintained.

As part of our ongoing commitment to delivering and enhancing risk management across the Group, our enterprise-wide risk management framework, taxonomy, and appetite statements continue to be reviewed and enhanced. This supports the achievement of the Group's strategic objectives while safeguarding the interests of our clients, shareholders, and other key stakeholders.

The diagram overleaf depicts the risk management framework and system of internal control.

The Group's position as the UK's leading advice-led wealth manager is built on a clear commitment to integrity, accountability, and the delivery of long-term value for clients.

Core to this is a strong risk culture and a balanced approach to risk that supports those commitments.

Risk culture

A strong risk-aware culture is fundamental to delivering good client outcomes, achieving the Group's strategic objectives and sustaining long-term success. Our approach promotes accountability, sound decision-making, and the consideration of risk in all activities and at every level of the business. To achieve good client outcomes and responsible growth, we embed risk management within our strategic and operational processes, supporting effective governance.

Risk framework and internal control

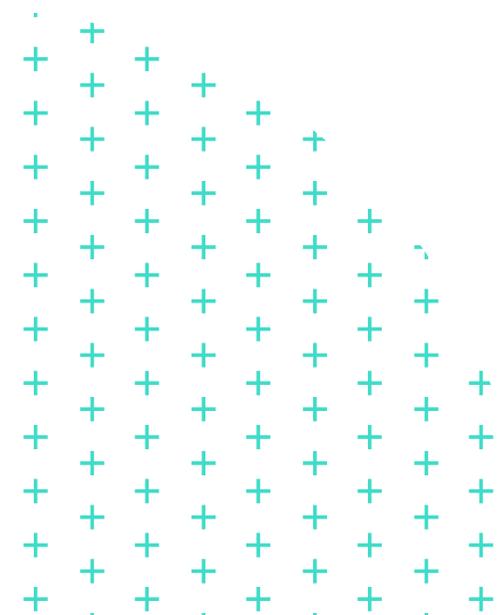
Our risk management framework and system of internal control are designed to ensure that risks are identified, assessed, managed, and monitored within defined appetites, and that appropriate oversight, assurance, and reporting mechanisms are in place.

The internal control environment is founded on a clear organisational structure and a culture that encourages risk ownership and accountability. The first line of defence (business functions) is responsible for identifying and managing risk in day-to-day operations. The second line (Risk and Compliance) provides independent oversight and challenge, while the third line (Internal Audit) delivers independent assurance on the effectiveness of governance, risk management, and internal control.

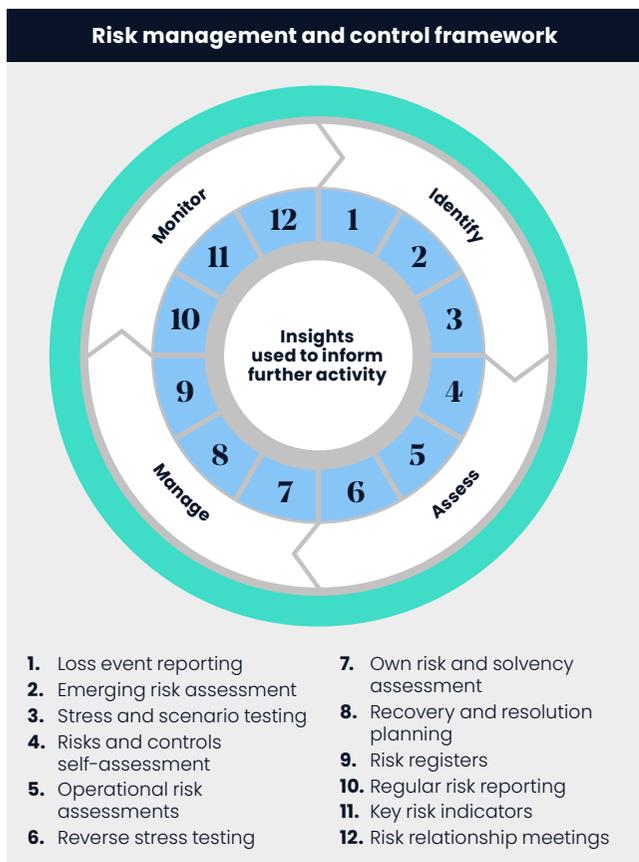
Risk appetite

The Board sets the Group's risk appetite in the context of its strategic objectives and regulatory obligations. The Group risk appetite statement, reviewed at least annually by the Chief Risk Officer, the Group Executive Committee, and the Group Risk Committee before being approved by the Board, defines the level and nature of risk the Group is willing to accept in pursuit of its objectives.

The statement outlines accountability for specific risk types and is supported by a suite of key risk indicators (KRIs) and qualitative measures that allow ongoing monitoring of the Group's risk profile. The appetite framework is dynamic and may evolve as business conditions and strategic priorities change, ensuring the Group remains responsive to emerging risks and market developments.



Risk and control management



Risk governance

Oversight of the risk management framework and internal control environment is integral to the Board's governance responsibilities. The Group Risk Committee oversees risk management strategy, policy, framework and risk appetite, while the Group Audit Committee assesses the adequacy and effectiveness of the Group's risk management and internal control frameworks covering all material financial, operational, compliance and reporting controls.

Together, these committees provide robust oversight to ensure that risk management remains embedded within decision-making processes and that the Board is regularly informed of risk exposures, control effectiveness, emerging threats, and the actions being taken to manage these in line with risk appetite.

Risk identification and assessment

Annual Risk and Control Self-Assessments (RCSAs) are a key component of SJP's risk and control management framework. RCSAs enable the identification, assessment, management and monitoring of current and emerging risks. Risks are evaluated in terms of their likelihood and potential impact on the Group's financial position, reputation, regulatory compliance, and ability to deliver good client outcomes. RCSA results are reviewed by management and reported to the relevant committees and supported by annual attestations from senior executives. This process helps to understand the control environment and the risks faced by the business. Stress testing, scenario analysis, and horizon scanning are used to evaluate resilience under a range of conditions, ensuring the Group remains prepared for adverse developments in financial or operational environments.

Risk reporting

Comprehensive and timely risk reporting enables effective oversight and decision-making. Regular reports are provided to the Group Risk Committee, Group Audit Committee and the Board, including analysis of key risk indicators, risk trends, emerging issues, and changes in the external environment. The reporting supports a transparent view of SJP's risk profile and the effectiveness of controls and mitigating actions, ensuring accountability and alignment with the Board's approved risk appetite.

Own Risk and Solvency Assessment (ORSA)

The ORSA is an integral part of SJP's risk and capital management framework. It provides a forward-looking assessment of the adequacy of the Group's capital resources in relation to the Group's risk profile and business strategy. The ORSA process operates continuously throughout the year, with an annual ORSA report reviewed and approved by the Board. The adequacy of capital and liquidity arrangements, relative to the risk profile of each risk, is also assessed on a solo-entity basis for material subsidiaries in the Group. These assessments are aligned with their regulatory requirements.

Risk and control management

Current risk environment

Operational Risk

The Group successfully implemented its simple, comparable charging structure in the second half of 2025, with the launch of fundamental changes to SJP's charging structure across the Group. This was the culmination of almost two years of complex change activity, with a strong focus on risk management, robust governance and effective change-management arrangements to manage the level of associated risk.

The Group continues to review ongoing advice charges and refunding fees where there is inadequate evidence to demonstrate that ongoing advice was provided in line with regulatory obligations.

In 2024, the Group announced a redefined purpose and refreshed strategy. During 2025, the implementation of a new organisational design model was completed to support delivery of the strategy and to reduce the addressable cost base. People-related risks were elevated during this period of change, and the Group focused on managing impacts to employees while maintaining operational and financial resilience.

Cyber security and threat landscape

The cyber-threat environment has continued to intensify into 2025. Increased geopolitical tension, rapid innovation in AI-driven attack methods, and the growing scale of organised cybercrime have further expanded both the risk landscape and the sophistication of attempted intrusions.

SJP continues to strengthen its cyber-resilience capabilities through ongoing investment in technology, enhanced threat-detection tools, improved governance frameworks, and regular staff training. Maintaining strong operational resilience and protecting client data remain critical priorities as threats continue to evolve at pace.

Macroeconomic and political environment

Geopolitical uncertainty remains elevated, with potential implications for global markets and supply chains. Despite this backdrop, SJP's business model has continued to demonstrate resilience, and our long-term advice philosophy remains central to supporting clients through fluctuating market conditions.

Although inflation has eased compared with the peak levels seen in previous years, it remains a persistent feature of the UK economy. Current forecasts suggest that inflation will continue to track above the UK Government's 2% target over the near term, maintaining pressure on household budgets and business operating costs. The wide-ranging tax and pension uncertainties are expected to impact clients' decision making in 2026 and beyond.

The Group's advisers are ideally placed to support clients through the complex and ever-changing macroeconomic and political environment, helping them to make sustainable, long-term financial plans which align to their goals.

Regulatory change

Regulatory expectations continue to evolve in 2026, including a greater focus on rebalancing risk to support economic growth. SJP engage closely with regulators and industry bodies, ensuring that our advice processes, oversight frameworks, and client communications develops in a manner consistent with regulatory intent. Strengthening the Group's ability to assess and evidence positive client outcomes remains a priority as regulatory expectations develop.

The Board has initiated a comprehensive programme to prepare for the revised requirements introduced by Provision 29 of the UK Corporate Governance Code. From the financial year 2026 onwards, the Board will be required to publicly issue a statement in the Annual Report and Accounts on how it has monitored and reviewed the effectiveness of the risk management and internal control framework.

This will include a declaration on the overall effectiveness of material controls including a description of any material controls which are not operating effectively as at the balance sheet date alongside actions being taken to address any deficiencies.

Material controls are critical to managing the principal risks that could threaten the business model, future performance, solvency, liquidity and reputation, or affect the long-term sustainability and resilience of the business. The scope covers all material controls including financial, operational, reporting and compliance.

Sustainability and climate change

Sustainability and climate-related risks are integrated into the broader enterprise risk management framework using consistent methodologies for identification, assessment, management and monitoring. Climate and sustainability risks are considered cross-cutting in nature, influencing several of the Group's principal risks. Information on the actions being taken to support the transition to a more sustainable economy and mitigating the impacts of climate change on our business is provided in the Our Responsible Business section.

Climate-related opportunities, along with the associated time horizons for each risk and opportunity, are outlined in the Our Responsible Business section. Further details on principal sustainability and climate-related risks, including subsidiary-specific considerations, are provided in the Group Climate Report.

Risk and control management

Principal risks and uncertainties

The principal risks and uncertainties outlined below are used to help us monitor and report the risk exposures that have the potential to impact the group. Whilst the risk landscape continued to evolve, our principal risk remained consistent with the previous year.

**Our strategic
focus areas**

 **Brilliant
Basics**

 **Differentiated
Client Proposition**

 **Leading Adviser
Offering**

 **Performance
Focused Organisation**

Principal risk	Risk description	Link to strategy	Risk exposure	Mitigation
Advice and conduct	Quality, suitable advice, or service to clients is not provided.		The risk that the quality or suitability of advice provided to clients may not meet the required standards, or that the business may be unable to sufficiently evidence the delivery of good-quality service and advice. Such shortcomings could result in elevated complaint volumes, increased regulatory scrutiny, potential client detriment, and adverse impacts on the Group's reputation and financial performance.	<ul style="list-style-type: none"> ◆ SJP strives to maintain appropriate standards of professional advice and service. ◆ We employ an onboarding, licensing and supervision programme for our advisers which is supported by advice standards, technical guidance, business assurance and compliance monitoring. ◆ We are focused on maintaining oversight of our advisers to ensure advice quality and ongoing client service. ◆ Our complaints management, whistleblowing and investigation processes underpin a culture of integrity and accountability.
Client proposition	The product proposition fails to meet the needs, objectives and expectations of clients. This includes poor relative investment performance or poor product design.		The risk that investment performance may fall short of benchmarks or fail to deliver the expected outcomes for clients. In addition, the range of investment solutions offered may not remain aligned with the evolving product and service needs of current and future clients. Furthermore, failure to meet client expectations around sustainability, particularly in relation to climate change and responsible investment could lead to reputational damage, loss of client confidence, and reduced competitiveness.	<ul style="list-style-type: none"> ◆ SJP is focused on delivering long-term value and investment outcomes that align with our clients' objectives. We employ ongoing monitoring of portfolio performance, asset allocations, and fund managers against defined risk and return targets. ◆ We are committed to continuously enhancing our product and service range and to engaging with investment managers on responsible investment principles.
Financial	The business's finances are not effectively managed.		The risk that the Group's financials may be negatively impacted due to adverse movements in investment markets, insufficient liquidity, or exposure to credit and counterparty failures. Fluctuations in market conditions, rising expenses or operational inefficiencies could erode profitability. In addition, weaknesses in finance operations or financial reporting processes could result in inaccurate or delayed financial information, regulatory non-compliance, or loss of stakeholder confidence.	<ul style="list-style-type: none"> ◆ SJP is committed to maintaining a strong and resilient financial position. ◆ We employ prudent asset-liability management to ensure clients' investments are fully matched. We hold sufficient highly rated liquid instruments to be confident of meeting all liquidity requirements and maintain contingent liquidity facilities to meet extreme and unexpected funding needs. ◆ We are focused on disciplined financial control, budgeting, and monitoring to safeguard the Group's capital and solvency.
Partner proposition	The Partner proposition solution fails to meet the needs, objectives and expectations of current and potential future advisers.		The risk that the Group may be unable to attract, retain, and develop advisers, or to provide the technology and support needed to enhance productivity and deliver on growth objectives.	<ul style="list-style-type: none"> ◆ SJP is committed to be the best place to be a financial adviser in the UK, by providing a market-leading proposition for our Partners and ensuring they are supported by skilled business managers, reliable systems, and high-quality administrative services. ◆ We continue to refine our Academy to attract, train, and retain diverse, talented advisers, and on sustaining an environment in which Partner businesses can thrive.

Risk and control management

Our strategic
focus areasBrilliant
BasicsDifferentiated
Client PropositionLeading Adviser
OfferingPerformance
Focused Organisation

Principal risk	Risk description	Link to strategy	Risk exposure	Mitigation
People	SJP is unable to attract and retain the right people to run the business.		The risk that the Group may be unable to attract, retain, and develop colleagues with the necessary skills, or to effectively manage performance and succession. In addition, failure to maintain an inclusive and supportive culture, promote employee wellbeing, and uphold social value could adversely affect engagement, operational performance, and the Group's reputation.	<ul style="list-style-type: none"> ◆ Attracting, developing, and retaining talented people is key to maintaining our business. ◆ Structured succession planning and talent management processes are in place and we monitor engagement to ensure our people feel supported and valued. ◆ We are focused on fostering a culture of integrity and social responsibility, including charitable giving and whistleblowing protections.
Regulatory and legislative	Current, changing, or new regulatory and legislative expectations are not met.		There is a risk that the Group fails to demonstrate compliance with evolving Consumer Duty expectations along with other regulatory requirements. In addition, there is a risk that the Group may fail to prevent financial crime, fraud, or other forms of misconduct, or to maintain adequate internal controls to safeguard data. Failure to protect confidentiality, integrity, and availability of information, or to respond effectively to evolving regulatory expectations, could result in legal or regulatory sanctions, financial loss, and reputational damage.	<ul style="list-style-type: none"> ◆ SJP is committed to complying with all applicable regulations and legislation, and maintaining strong, open relationships with regulators. ◆ We are focused on ensuring we have clear governance, accountability, and reporting structures that support oversight and early identification of risks or breaches in regulatory requirements.
Security and resilience	SJP fails to adequately secure its physical assets, systems and/or sensitive information, or to deliver critical business services to its clients.		The risk that a failure of core systems, a cyber-attack, or other disruption to key business services could impair the Group's ability to operate effectively and serve clients. Inadequate protection of corporate, Partnership, or third-party systems and data could result in service interruption, regulatory breaches, financial loss, and reputational or client harm.	<ul style="list-style-type: none"> ◆ Our cyber and operational resilience framework is key to safeguarding our clients, Partners, and business operations. ◆ We employ comprehensive business continuity and incident management plans, cyber accreditation standards, and proactive monitoring of potential data and security threats.
Strategy and change	Failure to deliver change effectively and in line with the agreed strategy.		The risk that change initiatives may not deliver the expected strategic outcomes, benefits, or quality standards, or may exceed planned budgets and timelines. Inadequate change execution or delays could hinder delivery of key business priorities, including commitments to achieving net zero, and adversely affect the Group's strategic progress and reputation.	<ul style="list-style-type: none"> ◆ SJP is committed to delivering strategic change in a controlled and effective manner. ◆ Rigorous governance and project management methodologies are in place to oversee transformation initiatives, and manage dependencies. ◆ We align change with long-term business objectives.
Third parties	Third-party outsourcers' activities impact performance and risk management.		The risk that operational failures by material outsourcers or other third-party service providers could disrupt critical business activities, including investment administration, fund management, custody, policy administration, and cloud services. Such failures could lead to client detriment, regulatory breaches, financial loss, and reputational damage.	<ul style="list-style-type: none"> ◆ SJP maintains strong oversight of our third-party relationships and employs comprehensive due diligence, performance monitoring, and resilience assessments to ensure suppliers meet our operational and service standards. ◆ The Group focuses on effective exit and continuity planning to safeguard our clients and the Group from potential disruptions.

Risk and control management

Emerging risks

Emerging risks are identified through many activities: conversations and workshops with stakeholders and governance forums throughout the business, reviewing academic papers, attending industry events and other horizon scanning by the Group Risk team.

The purpose of monitoring and reporting emerging risks is to give assurance that the Group is well positioned to manage developing or rapidly changing risks to its strategy. The Group Risk Committee reviewed emerging risks during 2025. Examples of emerging risks include:

- ◆ **Cyber security risk** – Increasing and evolving external threats and sophistication of Cyber attacks that result in loss of client data, financial assets, and damage to reputation.
- ◆ **Regulatory change risk** – Increasing and evolving regulatory landscapes where SJP is subject to conduct and prudential regulation in the UK by the PRA and FCA and in the other jurisdictions in which it operates.
- ◆ **Geopolitical risk** – Political instability, trade wars, and other geopolitical events can disrupt markets, reduce investment returns, and increase operating costs.
- ◆ **Artificial intelligence risk** – Artificial intelligence (AI) increases opportunities, and also presents a complex emerging risk, combining fast-moving technology with evolving regulatory, ethics, data and operational challenges.
- ◆ **Demographic shift risk** – An ageing population and demographic shifts may affect both the demand for, and nature of, SJP services, requiring ongoing alignment to the needs of an evolving client base, supported by innovative products and a more advanced digital proposition.

Conclusion

In accordance with the UK Corporate Governance Code (Provision 31), the Directors have assessed the Group's current financial position and prospects over the next five-year period and have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due. The Directors believe that the Group's risk planning, management processes and culture allow for a risk-conscious environment.

Viability statement

How viability is assessed

The business considers five-year financial forecasts when developing its strategy. These incorporate the budget for the next financial year and four further years of forecasts based on reasonable central assumptions around the development of business drivers.

At the core of assessing viability is understanding how different principal risks could materialise. Risks are considered which might present either in isolation or in combination and which could result in acute shocks to the business or long-term underperformance against forecast business drivers. A five-year time horizon is considered sufficiently long to assess potential impacts and aim to ensure that the business remains viable, noting that identified management actions could also be taken to restore the business's prospects.

When considering how the principal risks previously described might affect the business, impacts on the following key financial drivers are considered:

- ◆ reduction in client and Partner retention
- ◆ reduction in new business relative to forecasts
- ◆ market stresses
- ◆ increases in expenses
- ◆ direct losses through operational risk events.

Stress and scenario testing on these key financial drivers is carried out, alongside operational risk assessments. To provide comfort over viability over the next five years, the scenarios and assessments look at events which would be extreme, whilst still remaining plausible. The analysis contained in the most recent ORSA demonstrated that the Group is resilient.

As an example, a scenario considered in the most recent ORSA included a severe fall in both markets and new business volumes, alongside significant increases in lapse assumptions, expenses and inflation. Even in this extreme scenario, the Group maintained capital well above the regulatory capital requirements.

For adverse stresses and scenarios there would be impacts on profitability, and depending on the severity of the scenario the Group would review and implement recovery actions which aim to protect and/or restore the Group's finances. In line with regulatory expectations the Group also maintains plans to wind down the business in a solvent and orderly way in the event it became unviable. These plans safeguard clients' investments and outcomes and seek to preserve capital.

Our responsible business

Responsible and sustainable decision-making

We are committed to taking responsibility for our actions and strive to have a positive impact on our people and communities. We have both the opportunity and responsibility to use our voice to drive change.

Our approach

We aim to take a holistic approach to being a responsible business with our responsible business (RB) framework acting as a blueprint for our key areas of influence. We recognise that embedding sustainability considerations helps to create value for both our clients and the business.

For consistency and comparability, we align our reporting to the UN Sustainable Development Goals and the Sustainability Accounting Standards Board standards. These can be found in the Other Information section. We are preparing for upcoming regulations, for example the UK Sustainability Reporting Standards (UK SRS). We welcome the opportunity these new standards bring to align and streamline existing sustainability-related reporting requirements. They are also an opportunity to continue to build trust with our stakeholders through enhanced transparency and accountability.

Policy influence

By building on the trusted relationships we have established with policy stakeholders, we have a voice at the table on issues that matter to us and society. This helps us to shape the public policy agenda, mitigate risks, and drive meaningful change. In 2025 a policy priority for the UK Government, the FCA and the wealth management sector remained addressing the advice gap and encouraging greater retail investing. We have played an integral role in the development of policy proposals, including through working with the FCA and Government on the Advice Guidance Boundary Review industry working group. In 2026, a key priority for us will be supporting greater retail investment. We will be part of the sector-wide UK Retail Investment Campaign to build a stronger investing culture in the UK. We are also part of an industry working group on risk warnings for mainstream investments.

Our material topics

This year we have continued to consolidate the findings of our 2024 double materiality assessment (DMA) as we started a review of our responsible business (RB) framework.

The DMA builds upon the financial materiality exercises we have undertaken since 2019. It was aligned to the European Sustainability Reporting Standards and considered the impact of our business operations on:

- ◆ our stakeholders, society and the environment (impact materiality)
- ◆ the financial risks and opportunities that societal and environmental changes represent to us (financial materiality).

The DMA identified material topics which are the sustainability issues most significant for SJP. These material topics are incorporated into our RB framework, as shown on the right. During 2026, we will continue to review our RB framework, and material topics, with the aim of ensuring we focus our efforts on the areas where we can make the greatest positive change.

→ For additional detail on our 2025 activities see our Responsible Business Report sjp.co.uk/2025-RBReport

Material topics	Responsible business framework	References
Affected communities		→ page 40
Business conduct		→ page 50
Climate change		→ page 41
		→ page 41
Consumers and end users		→ page 41
		→ page 40
Our own workforce		→ page 47
Workers in the value chain		→ page 50

Our responsible business framework



Financial wellbeing

Enhancing financial wellbeing for our clients, employees and communities.

→ page 40



Community impact

Giving back to support local communities and regeneration.

→ page 40



Investing responsibly

Considering material environmental, social and governance factors through our investment process.

→ page 41



Climate change

Taking action on climate change with the aim of achieving Group net zero by 2050.

→ pages 41 to 46



People

Investing in long-term relationships so we can create success together.

→ pages 47 and 48



Good governance

Helping us to build trust, and effectively manage responsible business-related risks and opportunities.

→ pages 49 to 51

Our responsible business



Financial wellbeing

Enhancing financial wellbeing for our clients, employees and communities

Our 2025 Real Life Advice Report found that people receiving ongoing advice are more than twice as likely to have a comprehensive financial plan with timelines and clear life goals compared to those who are not. Most importantly, 85% of those with ongoing advice say they are on track or ahead of their savings and investment targets, compared with 64% of those without.

We are proud to play an important role in improving people's financial lives. Our advisers provide invaluable advice to their clients and empower them to realise their ambitions. However, our focus doesn't stop at our clients, because we believe financial wellbeing is a key component of a thriving society.

Our clients

Our greatest impact on financial wellbeing is delivered through the trusting relationships our professional advisers build with their clients and the invaluable advice provided. This can lead to both financial and non-financial benefits. More detail on the value of financial advice and the part we play can be found in the Business Model section.

We recognise that people are all unique, with different needs and ambitions. Our advisers seek to understand their clients' individual circumstances, including how much knowledge they have about money and what financial wellbeing means to them. We continue to enhance our support for clients in vulnerable circumstances. Specialists across the business have continued to develop adviser training and resources to help us better meet the needs of vulnerable clients and prevent foreseeable harm. Our adviser training curriculum also includes case studies to guide advisers in tailoring advice for additional vulnerability needs.

Our employees

We all experience major life events or milestones, and these are often the biggest prompts for people to seek financial advice. With this in mind we support our employees on their own financial journeys by providing them with access to knowledge and guidance. A new dedicated page on our internal rewards platform explains how employees can engage with a selected panel of our advisers. They can also access training and resources to help them be mindful in their spending, saving and financial planning.

Our communities

Our research found that 40% of parents fear their children will never get on the property ladder and 38% worry they will not build sufficient savings. We have consistently advocated for providing financial education at the early stages of life and welcomed the Government's announcement that it will be added to the primary school curriculum.

Our approach is a combination of funding strategic partnerships and face-to-face volunteering in schools. In 2025, we were delighted to gift £500,000 of unclaimed dividends to the SJP Charitable Foundation. This funding is to primarily focus on supporting community financial wellbeing over the next three years. See more detail in section 172(1). In addition, our passionate advisers and employees engaged with 14,726 students on a range of financial education topics, including budgeting and borrowing. 71% of the young people who responded to our feedback survey felt more confident managing their money day to day after attending one of our workshops (2024: 77%).



Community impact

Giving back to support local communities and regeneration

As a business, giving back to our communities has always been a core part of our culture. Individuals and teams volunteer their time and skills in their communities through a wide range of activities, including our strategic financial education programmes and supporting the SJP Charitable Foundation. We know that volunteering experiences benefit those giving their time as well as the communities they support. That is why we encourage all employees to volunteer two days a year in work time and provide ongoing opportunities on our internal website. This year 496 employees volunteered 4,139 hours (2024: 1,012 employees and 10,065 hours). Although this year's metrics have fallen we are pleased with these results in a period of significant change in the business, and completion of our organisational redesign, which is referenced in the Chief Executive Officer's report.

people through the allocation of some of our Government Apprenticeship Levy funding.

The Charitable Foundation's grant-making is focused on supporting small and medium-sized charities, where its funding can reach people and communities that are most disadvantaged and have a lasting impact. The Foundation's core funding themes are: children and young people; end-of-life care and support; living well with cancer; supporting mental health; and, from 2026, financial wellbeing.

→ [Read more about the Charitable Foundation at \[sjpfoundation.co.uk\]\(http://www.sjpfoundation.co.uk\)](http://www.sjpfoundation.co.uk)



Supporting communities through our Charitable Foundation

The Charitable Foundation has been at the heart of our business for more than 30 years. Its ambition of making a positive and lasting difference to people's lives has helped numerous charities to achieve transformational impact. 76% of people supported through the Charitable Foundation report a substantive or transformational impact on their life (2024: 79%).

We are proud to match all donations and fundraising from the SJP community to the Charitable Foundation, raising a total £6.7 million in 2025 (2024: £9.0 million). We have also worked collaboratively with our partner charities to support the development of their

Thank you from the Charitable Foundation

We rely upon the generosity of the SJP community in the UK, Ireland, Middle East and Asia and our success is a result of this ongoing dedication. Committed members of the SJP community volunteer their time to run our Regional Foundation Committees, organising fundraising events and creating connections with their local charities. Without these deep connections and the ongoing commitment to matched funding, our grant-making programme would not be possible. The willingness to give back to our communities through fundraising, donations and volunteering runs deep across the SJP community. Thank you so much, we couldn't do it without each and every one of you. Collectively we have directly supported 7.1 million people since 1992 (2024: 12.8 million we have adjusted our calculation methodology since last year's report removing indirectly supported beneficiaries).

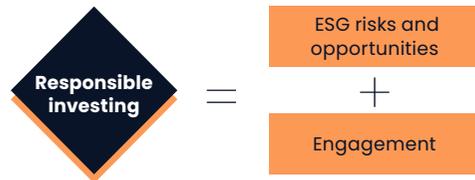
Our responsible business



Investing responsibly

Considering material environmental, social and governance (ESG) factors through our investment process

ESG risks and opportunities can be an important driver of returns. We are committed to ensuring that our investment managers are focused on this key source of potential value for our clients. We apply this focus across our entire fund range.



Our Sustainable and Responsible Equity (SRE) unit trust¹ goes further and has adopted the FCA's 'Sustainability Focus' label. It aims to generate returns by investing in companies that make a positive contribution to the environment and society through what they sell and/or how they are managed. In addition, our Discretionary Fund Management (DFM) service enables our clients to invest according to their specific values and objectives, such as excluding high carbon-emitting industries.

Key developments in 2025

Over the year we continued to monitor and engage with our investment managers. We also deepened our oversight in the following ways:

- ◆ We identified climate change and human and labour rights as areas of priority. These two issues have been a key focus of our conversations with our investment managers over the year.
- ◆ We set our second interim carbon reduction target, aiming to reduce the emissions² associated with our investments by 50% by 2030, versus a 2019 baseline.
- ◆ The weighted average carbon intensity (WACI) of our investments³ has reduced by 37.5% since 2019, as at 31 December 2025 (2024: 43.9%). This exceeds our target of a 25% reduction by 2025, even though this year saw an increase. Reasons for this increase include our sector exposure changes with increased allocations to carbon-intensive sectors such as industrials and materials. Over half the increase came from exposure to three cement producers, emphasising the disproportionate influence highly carbon-intensive companies can have.
- ◆ We deepened our oversight of our investment managers' stewardship activities, examining topics they engaged on and challenging them on their approach to macro stewardship i.e. how they are trying to influence policymakers, particularly on the issue of climate change. Engagement will remain a key focus in 2026.
- ◆ We published our first entity sustainability report for SJP Unit Trust Group Limited.¹ This report covers our approach to sustainability across the pillars of governance, strategy, risk management and metrics and targets.
- ◆ We announced changes to our Global Equity fund which have strengthened governance around the fund's carbon targets. From February 2026, the fund will be called the Lower Carbon Equity fund and will aim to have a carbon footprint at least 25% below that of its benchmark. New key performance indicators and exclusions will also be introduced.

¹ For more information see sjp.co.uk/UTG-sustainability-entity-report.

² This target is based on emissions intensity, in line with current market practice.

³ The scope of the data represented is limited to our equity and debt for listed companies. It does not include real estate or DFM data. This covers 82.4% of our overall FUM as at 31 December 2025.



Climate change

Taking action on climate change with the aim of achieving Group net zero by 2050

Our climate transition planning

This year marked an important evolution in our climate approach, with the launch of our new 2030 interim targets. We aim to reduce our combined Scope 1 and Scope 2 emissions by 65% by 2030 (baseline year: 2023) and the carbon intensity of our investments by 50% by 2030 (baseline year: 2019). Our investment target reflects the strong progress already made in reducing emissions in our portfolio. As a result, we recognise further reductions will become increasingly challenging over time. Both targets are critical milestones on our journey to net zero as a Group.

The targets were set following extensive data-driven modelling. We engaged with key subject matter experts across the business to understand the different factors that are likely to impact our footprint, for example energy efficiency measures. This enabled us to understand the level of reductions that are stretching but achievable. Our Scope 1 and 2 target was approved by the Board, which retains responsibility for managing climate-related risks, in December 2025.

Last year, we committed to reducing our reliance on carbon offsets. Our new targets are a crucial step in that direction, because our ambition is to meet these through direct emissions reductions by:

1. Reducing our reliance on fossil fuels: switching from natural gas to electric heating and continuing the electrification of our fleet of company cars.
2. Increasing resource efficiency: implementing cost-saving energy efficiency initiatives in our UK offices – with many already planned.

3. Transitioning to renewables: exploring the use of onsite generation, Power Purchase Agreements (PPAs) and Renewable Energy Guarantees of Origin (REGOs).

However, we recognise that action beyond our value chain can still play an important role in the short-term. As a result, in 2025, we voluntarily neutralised our operational emissions¹ using 5,740 tCO₂e of offsets certified to recognised global standards such as the Verified Carbon Standard. This enhances, but does not replace, our emissions reduction priorities above.

Key progress in 2025

We are proud to have also taken large strides in our broader approach to climate change this year. Some highlights are:

- ◆ reducing our Scope 1 emissions by 44.7%, driven mainly by our targeted efforts to improve energy efficiency in our offices
- ◆ reporting our financed emissions and employee commuting emissions for the first time, strengthening transparency
- ◆ measuring emissions from our investment managers and Academy travel for the first time, closing key data gaps
- ◆ leveraging our voice by contributing to significant public consultations on climate, such as the Department for Business and Trade's consultation regarding the UK SRS.

In 2026, we plan to build on this momentum with purpose. We will continue improving our emissions data and aim to use it to test the feasibility of setting targets for our remaining Scope 3 emissions.

→ Read more about our evolving climate approach on pages 11 to 14 of our [Climate Report 2025](http://ClimateReport2025.sjp.co.uk) sjp.co.uk/ClimateReport2025

¹ As of 2025, our operational emissions include our Scope 1, Scope 2 and Scope 3 (categories 3, 5, 6 and 7).

Our responsible business

Our climate-related risk management

Details of our Group-wide risk management and control framework are available in the Risk Management section. Climate-related risks and opportunities are fully integrated into our broader risk management approach. We therefore identify, assess, monitor and manage them using the policies and processes referenced in that section.

Our material climate-related risks and opportunities

We engage subject matter experts from across the business at least annually to identify climate-related risks to the business at Group level. As part of this process, we consider both transition risks (such as changes in regulations) and physical risks (such as flooding), as well as potential opportunities. We then assess the timeframes and materiality of each of those risks, prioritising mitigations for those that score the highest.

Our most material transition risks and opportunities are shown in the tables on the right. We have described the potential impact of these and provided examples of the actions we take to mitigate each risk and help capture each opportunity. We have also shown the four principal risks to the business that are amplified by these climate-related risks. These principal risks are detailed further in the Risk Management section.

Physical risks were deemed immaterial to us given the nature of our business and the mitigations we have in place. For example, each of our managed UK offices has appropriate buildings insurance. This helps protect against flood risks arising from severe climate-related weather events. We also have a detailed business continuity plan and operational resilience programme, which ensure that key services can continue in the event of climate-related disruptions.

➔ **For a more detailed breakdown of our climate-related risks, opportunities and impacts, please see our Climate Report 2025 sjp.co.uk/ClimateReport2025**

Timeframes

Timeframes refer to when we believe a risk/opportunity is most likely to have a potentially material impact. Our short-term timescale is aligned with our business planning horizon; our long-term timescale is calibrated to the Science Based Target Initiative's recommended definition of 10+ years. We use 'medium-term' to cover the period between the two.

S Short-term – 0-5 years **M** Medium-term – 6-9 years **L** Long-term – 10+ years

Principal risk amplified	Underlying climate-related risk(s) identified in Climate Report 2025	Timeframes	Description of risk and impacts	Example mitigation (full list in Climate Report 2025 pages 16 to 17 and 20)
Transition risks				
Strategy and change	Reputation risk – greenwashing & action failure	S M	Loss of existing or prospective clients due to negative publicity caused by greenwashing or perceived failure to contribute to tackling climate change. This could reduce our market share and revenue.	We review our corporate fund marketing materials to ensure they align with anti-greenwashing rules.
Client proposition	Client offering	M	Loss of existing or prospective clients if they have climate-related preferences that our products do not or cannot suitably meet. This could reduce our market share and revenue.	We adopted the FCA 'Sustainability Focus' label for our Sustainable & Responsible Equity Unit Trust. Clients with an ESG focus are made aware of this product.
Regulatory and legislative	Policy & legal risk – cost of regulatory compliance	S M	Increased costs for continued compliance given enhanced climate-related disclosure, governance and risk management obligations. Regulatory fines if we fail to comply, which would also increase costs.	We have begun preparatory work towards alignment with aspects of emerging regulations, such as the UK SRS.
Financial	Market risk – investment values	M L	Climate-related physical and transition risks could negatively impact the value of the companies we invest in and the assets we hold on behalf of clients.	The solvency risk is largely minimised by matching our assets to policyholder liabilities (asset-liability matching). Our investment managers also consider climate risk as part of their investment decision-making.

Type of opportunity & timeframes	Description	Examples of actions taken
Opportunities		
Client offering S M L	The potential impact on the business includes the ability to attract new clients and retain or grow our market share.	<ul style="list-style-type: none"> ◆ We monitor our investment managers to ensure that they are taking all material ESG factors into account. ◆ We regularly review our offering to consider whether there is demand for further sustainable products.
Reputation benefits S M	The potential impact on the business includes strengthening client trust, which could increase retention and gross inflows, helping to grow market share and revenue.	<ul style="list-style-type: none"> ◆ All of our investment managers remain Principle for Responsible Investment signatories. ◆ We have set transparent, data-driven interim emissions targets for our investments and for our Scope 1 and 2 emissions. We have also reduced our reliance on carbon offsetting.

Our responsible business

Climate scenario analysis

We use climate scenario analysis annually as a tool to help us assess the potential impacts of climate-related risks and opportunities on our business.

Our analysis uses three contrasting climate scenarios (shown below) constructed by the Network for Greening the Financial System (NGFS), Phase V. These scenarios are widely used across the industry (including by the Bank of England). They are designed to highlight the potential impact of both physical and transition risks across a wide range of future climate scenarios.

Modelling limitations and assumptions

We believe climate scenario analysis is useful for strategic planning and risk mitigation. This is because it provides an indication of the resilience of our business to climate change – allowing us to strengthen our mitigations where appropriate.

However, scenario analysis is not an exact science. For example, it is based on a snapshot of our current investment holdings, which change over time. It does not account for how we (or the companies we invest in) would adapt to changing climate conditions.

Impacts and resilience

Our analysis assesses the climate value at risk of our investments. This is simply an estimate of how much value a company's assets could lose due to climate change. We considered the impact on our overall portfolio, as well as by sector and geography.

The results showed that transition risks to our investments were highest in the Orderly scenario, which disproportionately impacts companies sensitive to rapid decarbonisation. In contrast, the risk was greatest in the Hot House World scenario for sectors and geographies vulnerable to physical risks such as extreme weather events.

As our income is largely generated as a percentage of funds under management, a reduction in the value of our investments could decrease our revenue. This impact was possible under all scenarios tested. However, our modelling shows that once mitigating controls are taken into account, our business remains resilient in all three scenarios tested.

Examples of the mitigations driving our resilience to climate risks are:

- ◆ **Asset-liability matching:** our liabilities to clients are fully matched by our invested assets, which means they rise and fall in tandem. This protects us from solvency risk.
- ◆ **Diversification:** we offer a wide range of products, resulting in a diversified portfolio across geographies and sectors. This reduces the risk that climate impacts in one specific area disproportionately affect our overall performance.
- ◆ **Asset manager monitoring:** we assess all investment managers annually to ensure their investment processes and decision-making appropriately consider climate-related risks.

→ **Read more about our scenario analysis, climate-related risks and resilience in our Climate Report 2025 sjp.co.uk/ClimateReport2025**

Our scenarios



Orderly – Net Zero 2050

Approximate global warming by 2100: +1.5°C

An optimistic scenario that assumes ambitious climate policies are introduced immediately and implemented smoothly, reflecting our ambition as a Group.



Disorderly – Delayed Transition

Approximate global warming by 2100: +1.5°C to +2°C

Assumes global emissions do not decrease until 2030, followed by an ambitious policy response thereafter.



Hot House World

Approximate global warming by 2100: +3°C

Assumes only current policies are preserved, resulting in continued emissions increases and a minimum of 3°C warming.

Our responsible business

Our climate change metrics and targets

The table below shows the key metrics we use to monitor our exposure to climate-related risks and opportunities. It outlines the specific risk or opportunity that each metric helps us track, any targets we have set for those metrics, and our progress against them.

Area	Metric	Description	Risk/Opportunity	Target	Progress
Investment universe	Weighted average carbon intensity (WACI)	<p>The emissions our investments produce for every US dollar (\$) of revenue they generate. US dollars are used to aid international comparability.</p> <p>This is a good indicator of how carbon-intensive or efficient our products are relative to others. We track our WACI at least annually. For more details, please see our TCFD Product Report.</p>	<p>Transition risk: reputation</p> <p>Opportunity: reputation</p>	Reduce the carbon intensity of our portfolio by 50% by 2030 (baseline year: 2019). ¹	<p>We have already achieved a 37.5% reduction in the carbon intensity of our portfolio.</p> <p>Our previous 2025 target was successfully met ahead of time.</p> <p>→ See our TCFD Product Report² for more information sjp.co.uk/tcfd-product-report</p>
	Absolute financed emissions	<p>The total emissions from our investment portfolio.</p> <p>This allows us to monitor the overall impact of our portfolio, including funds we invest on behalf of our clients, on climate change. We track our absolute financed emissions at least annually.</p>	<p>Transition risk: reputation</p> <p>Opportunity: reputation</p>	<p>Our Group net zero by 2050 target includes emissions from our investments.</p> <p>In the short-term, our focus is on reducing the carbon intensity of our portfolio by 50% by 2030 (baseline year: 2019).</p>	<p>We have already achieved a 22.3% reduction in the financed emissions of our portfolio since 2022/23.</p> <p>→ See our TCFD Product Report² for more information about the financed emissions of our individual products sjp.co.uk/tcfd-product-report</p>
	Sustainable funds under management	<p>The total amount of funds in pounds Sterling (£) that are invested in our Sustainable & Responsible Equity Unit Trust.</p> <p>This enables us to track demand for our ESG-related products, helping us adapt our client offering to better capture that demand.</p>	<p>Transition risk: client offering</p> <p>Opportunity: client offering</p>	We do not have a specific FUM target for this fund but continue to track this metric because it is a useful signal of market demand for sustainable products. This allows us to evolve our client offering as appropriate.	→ See factsheet for more information sjp.co.uk/funds
Operations	Operational emissions	<p>Our Scope 1, Scope 2 and limited Scope 3 emissions (categories 3, 5, 6 and 7).</p> <p>This helps us track the direct impact of our own activities as a business and the effectiveness of our climate strategy over time. We track our operational emissions at least annually.</p>	<p>Transition risk: reputation</p> <p>Opportunity: reputation</p>	<p>Reduce our absolute combined Scope 1 and Scope 2 emissions by 65% by 2030 (baseline year: 2023). This contributes towards our Group net zero by 2050 target, which includes emissions from our operations.</p> <p>We will also explore the feasibility of setting target(s) for our operational Scope 3 emissions in 2026.</p> <p>More information about our previous operational emissions targets, which expired in 2025, can be found in our Climate Report 2025.</p>	<p>→ Read more about our operational emissions and our Scope 1 and 2 targets on page 12 of our Climate Report 2025</p> <p>We have already achieved a 15.9% reduction in our combined Scope 1 and 2 emissions since 2023.</p>

¹ The scope of the data captured in this metric is limited to our equity and debt for listed companies. It does not include real estate or DFM data. This covers 82.4% of our overall FUM as at 31 December 2025.

² The most recent TCFD Product Report is for the year ended 31 December 2024, and was published in June 2025.

Our responsible business

Summary of our operational emissions

We continue to track and disclose the annual consolidated greenhouse gas emissions and energy usage for which St. James's Place plc is responsible. The table below summarises our gross operational emissions for the 2025 reporting year. Our full emissions disclosure is in the Other Information section and provides a complete breakdown of all our applicable Scope 3 categories. That section includes non-operational emissions such as our financed emissions and supply chain (which are excluded below).

We are pleased to report progress across both Scope 1 and Scope 2 emissions. Our Scope 1 emissions decreased by 44.7%, primarily reflecting our efforts to reduce natural gas consumption across our offices through targeted energy efficiency measures. Our Scope 2 (market-based) emissions fell by 14.2%. This was driven by an increased proportion of our offices using renewable energy, combined with implementing new energy efficiency measures such as putting building management systems into additional offices. We are proud to have made measurable progress in these areas.

We are also encouraged by the reduction in our operational Scope 3 emissions, which was largely due to declines across most categories of business travel, including hotel stays, rail travel and car mileage. In 2025, we continued our efforts to reduce business travel and embed more efficient ways of working, delivering emissions reductions for a second consecutive year. We also reported a 15.4% improvement in emissions from employee commuting. While waste-related emissions increased slightly, this mainly reflects data limitations rather than a material increase in the amount of waste we generate. We will explore opportunities to improve the quality of waste and other Scope 3 emissions data in 2026.

 **A full breakdown of our 2025 and baseline year numbers is available in our full emissions disclosure on page 207**

Methodology

To maximise comparability and accuracy, we follow all requirements of the Greenhouse Gas Protocol's Corporate Accounting and Reporting Standard. Our financed emissions calculations are also aligned with the Partnership for Carbon Accounting Financials (PCAF). We apply the operational control consolidation approach.

We collect and report our climate data on a one-quarter lag, so this year's reporting includes data from 1 October 2024 to 30 September 2025. Any estimates included in our totals are derived from actual data which has been extrapolated to cover the full reporting period. Where accurate data was

not available, we have relied on emissions factors from recognised sources, such as the Department for Energy Security and Net Zero (DESNZ) and the Department for Environment, Food & Rural Affairs (DEFRA).

Re-baselining

We have publicly reported our emissions for over a decade as part of our commitment to transparency. We have worked hard to strengthen the quality of our emissions data during that time.

In 2025, to support the development of our new interim targets, we took further steps to strengthen our emissions disclosures by closing key data gaps. For example, this year

we are reporting employee commuting emissions for the first time. As a result, we have changed our baseline year from 2018 to 2023, as it is the earliest year with fully comparable data. For consistency, emissions from the comparison year (2024) have been restated below to reflect this updated approach.

This ensures we can monitor and report progress against our new climate targets more accurately moving forward. The change in base year does not impact our commitment to achieve net zero as a Group by 2050.

Our operational emissions

Scope	Current reporting year (2025)			Comparison reporting year (2024) ³		
	UK	Global (excluding UK)	Total	UK	Global (excluding UK)	Total
Energy consumption ¹ used to calculate emissions (kWh)	7,660,305	320,334	7,980,639	11,155,500	220,473	11,375,973
Scope 1 emissions (tCO ₂ e)	330	-	330	597	-	597
Scope 2 (location-based) emissions (tCO ₂ e)	1,042	133	1,175	1,656	105	1,761
Scope 2 (market-based) emissions (tCO ₂ e)	596	135	731	750	102	852
Total gross Scope 1 & Scope 2 emissions / tCO₂e (location-based)	1,372	133	1,505	2,253	105	2,358
Total gross Scope 1 & Scope 2 emissions / tCO₂e (market-based)	926	135	1,061	1,347	102	1,449
Carbon intensity ratio: tCO ₂ e (gross Scope 1 + 2) / MWh (market-based)	0.121	0.421	0.133	0.121	0.463	0.127
Emissions from operational Scope 3 sources ²			4,577			8,413
Total gross tCO₂e based on above (location-based)³			6,082			10,771
Total gross tCO₂e based on above (market-based)³			5,638			9,861

¹ Energy consumption figures include all energy related to both Scope 1 and Scope 2.

² This table includes only operational emissions, which captures the following Scope 3 categories: 3, 5, 6 and 7. We track and disclose additional Scope 3 emissions categories in our full emissions disclosure in the Other Information section of this Annual Report and Accounts. That section also includes the following Scope 3 categories: 1, 2 and 15.

³ Total emissions for 2024 have been restated from 3,035 to 10,771 (location-based) and from 2,126 to 9,861 (market-based) for the reasons described under 'Re-baselining'.

The table above sets out mandatory reporting on greenhouse gas emissions and global energy use pursuant to the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, as amended by the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 and the Streamlined Energy and Carbon Reporting (SECR) under the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018.

Our responsible business

Our Climate Report

Our comprehensive Climate Report 2025 covers all Task Force on Climate-related Financial Disclosures (TCFD) recommendations and recommended disclosures and can be found separately here: sjp.co.uk/ClimateReport2025. This allows us to provide additional details of the work we do in relation to climate change, even where not required under TCFD. To aid readers of the Annual Report and Accounts, we provide a summary of the key Group disclosures from that report below and have signposted to relevant sections for reference.

Summary of our TCFD-aligned disclosure

We are fully consistent with the TCFD recommendations. We have also considered the TCFD's All Sector Guidance and relevant sector-specific guidance and consider SJP to be aligned with these.

Disclosure in this Annual Report and Accounts	Description	TCFD recommended disclosure	Summary of our disclosures	Disclosure pages in the Climate Report 2025
Governance → pages 41 and 49	Disclose the organisation's governance around climate-related risks and opportunities.	<ul style="list-style-type: none"> a) Describe the Board's oversight of climate-related risks and opportunities. b) Describe management's role in assessing and managing climate-related risks and opportunities. 	We have provided an overview of how we govern climate-related risks and opportunities, including setting our climate targets and strategy. We identify our accountable leaders and provide more context on our subsidiaries.	→ pages 07 to 09
Strategy → pages 41 to 43	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.	<ul style="list-style-type: none"> a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long-term. b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning. c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a +2°C or lower scenario. 	We have outlined the short-, medium- and long-term climate-related risks and opportunities identified for the business. Using this assessment, alongside our scenario analysis, we have considered the potential impact of these on our business model and described the mitigations in place to ensure we remain resilient in any climate scenario.	→ pages 11 to 20
Risk → pages 33 to 35 and 42	Disclose how the organisation identifies, assesses and manages climate-related risks.	<ul style="list-style-type: none"> a) Describe the organisation's processes for identifying and assessing climate-related risks. b) Describe the organisation's processes for managing climate-related risks. c) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management. 	We have outlined our risk management and control framework, which sets out the processes we use to identify, assess and manage risks to the business. These also apply to climate-related risks and opportunities, which are fully integrated into our broader risk management.	→ pages 22 to 23
Metrics and targets → pages 44 to 45 and 207	Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	<ul style="list-style-type: none"> a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process. b) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks. c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets. 	We have listed our key climate-related metrics, which we use to help track our exposure to climate-related risks and opportunities. We have also disclosed our Scope 1, 2 and 3 greenhouse gas emissions, the targets we have set for these, and our progress against those targets.	→ pages 25 to 31

Our responsible business



People

Investing in long-term relationships so we can create success together

People are central to how we grow and deliver impact. This is why we invest in long-term relationships with our clients, employees, advisers within our Partnership and their support staff.

We understand that how we make connections, and the environment we create, are essential to our success. Therefore meaningful engagement with all of our stakeholders is important to us. See more detail in the section 172(1) statement section.

Client satisfaction and retention

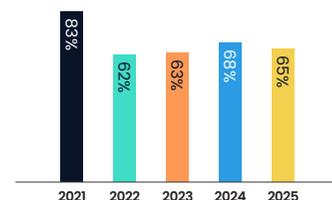
In 2025, we revised our methodology for collating client feedback from an annual survey to quarterly surveys. More frequent touchpoints allow an average reading for the year, removing some of the highs and lows experienced when taking readings at a single point in time. This means we can see what impact the delivery of our business strategy has on clients; especially important during this transformational period in SJP's history.

This year we have received responses from 19,300 clients that are selected to be representative of our total client base. As shown on the following charts for value for money and overall satisfaction, and on page 02 for client advocacy, metrics have dipped slightly, however, we are pleased overall with these results in a period of significant change in the business.

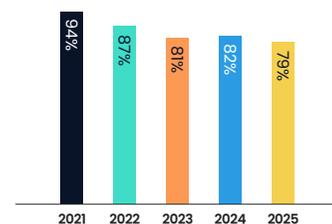
We continue to work closely with our client community. A group of over 4,000 clients have agreed to participate in our research projects and focus groups throughout the year.

This helps us to ensure that the voice of the client is central in the development of our products and services. We have strong engagement with this cohort of clients and are grateful for their active involvement with our continuous programme of research.

Value for money



Overall satisfaction



Employee wellbeing

Throughout the period of change in the business this year, we shared continual reminders of all the wellbeing resources and support available. The Group Executive Committee (GEC) encouraged their teams to set clear priorities, have open conversations about workload, and maintain a healthy work-life balance. Ultimately, our goal is to ensure employees feel empowered to focus on what really matters without compromising their wellbeing.

We offer our employees a range of wellbeing benefits such as a 24-hour employee assistance programme, and we are a member of the Compassionate Employers Programme. This year we launched a new family hub that provides resources and guidance on all things family-related. For those employees with a disability, impairment or long-term condition, we consider reasonable adjustments that can be made to areas such as working environment or pattern. This is guided by our workplace adjustment policy and options are discussed in conjunction with the employee and occupational health specialists.

Reward and benefits

As part of our annual remuneration review, we increased the minimum salary level for our most junior graded staff in addition to those on our early careers apprenticeship scheme. This builds upon the approach taken in 2024 where we prioritised those who were below the market median and our lower-paid colleagues. We are working towards improving our ethnicity and gender pay gaps, which we disclose in our annual Pay Gap Report. This is available on our website at sjp.co.uk/shareholders/esg-reporting-hub.

Share participation creates a strong sense of ownership and interest in the performance of the business. We had 67% employee participation in our Share Incentive Plan and Sharesave Plan following the invitation period to eligible employees. We provide a comprehensive benefits package for employees, including a minimum pension contribution of 10%, protection benefits, salary sacrifice and payroll benefits. We are proud that our maternity and paternity leave is an enhanced benefit of 26 weeks at full pay.

Learning and development

We invest in the personal development of our people to enhance their knowledge, abilities and individual skills. Our in-house learning platform drives learning initiatives throughout our organisation and caters to all employees, advisers within our Partnership and their support staff. We provide engaging learning experiences, with a focus on peer-to-peer learning, on-demand digital content and instructor-led sessions.

Our in-house platform supports learners with additional needs by blending a mix of text, audio, face-to-face, video, and interactive content. All our video content has closed captions and transcripts compatible with screen readers. We continue to improve our learning offerings and seek feedback from all learners. We track learners' satisfaction through a net promoter score. Software changes disrupted this tracking in 2025; we intend to resume reporting this metric in 2026.

This year we ran Korn Ferry Leadership Assessment work with the GEC and will roll this out further in 2026. This is a globally recognised employee assessment tool designed to evaluate leadership potential and performance. We continued to run leadership development, team effectiveness and psychological safety sessions in support of newly forming teams. These will be an ongoing focus as we continue to drive towards high performance, healthy corporate culture and good client outcomes.

In 2025, our early careers programmes trained 13 graduates and 22 apprentices. We are focused on attracting diverse talent into our early careers pool. We also offer employees Apprenticeship-Levy-funded programmes as part of their professional development, with 33 employees enrolling during the year.

Our responsible business

Diversity, equity and inclusion (DEI)¹

During 2025 we started to refresh our DEI strategy, providing the opportunity to be more deliberate and targeted in our approach. We believe DEI is essential to creating a high-performing organisation where employees feel motivated and comfortable to be their authentic selves. We are committed to improving our diversity representation and are working towards the following targets:²

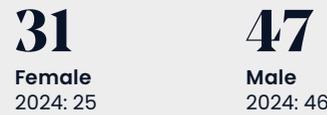
- 40% female representation on the Board by 2025. This is discussed on page 69.
- 40% female representation in senior roles^{3,4} by 2028 (42.5% as at 31 December 2025).
- 10% minority ethnic representation in our GEC and their senior direct reports⁵ by 2027 (see figures on the right).
- 12% minority ethnic representation by 2028 (see figures on the right).

The voluntary diversity disclosure rate of our core employee base is 70.7% (2024: 75.3%). For more detail on progress against our targets see the Report of the Group Nomination and Governance Committee.

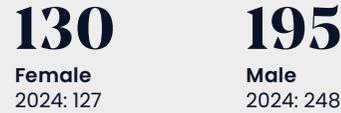
Our DEI policy recognises diversity as a strength. Our approach remains focused on attracting, retaining and developing diverse talent. This includes giving full and fair consideration to all applications for employment, fostering an inclusive environment with equal opportunities for all employees to build their careers, irrespective of their background or characteristics. We have worked to understand more deeply the lived experiences of our female and ethnically diverse employees. This took place through working groups, to test ideas and support change in this space, and through listening sessions hosted by GEC members. We also launched a new Management Hub, which sets the expectations for managers and guides them through day-to-day processes with inclusion woven throughout. In addition, we reviewed sponsorship of our employee networks ensuring they all have a senior sponsor at GEC level, with regular touchpoints.

At 31 December 2025 we had 2,859 employees in the Group, of whom 2,601 were in the UK (31 December 2024: 3,334 employees, of whom 3,060 were in the UK). Headcount has reduced as part of our organisational redesign as referenced in the Chief Executive Officer's report. A breakdown of our workforce by gender is shown below.

Gender⁴
GEC and their senior direct reports⁵



Managers and decision-makers⁶



Total employees

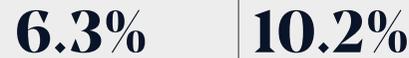
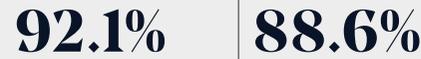


- 1 Employees may appear in more than one of the data points and graphs presented on this page.
- 2 Apart from the Board composition, these targets relate to our core employee base.
- 3 We have defined senior roles within our core employee base as a combination of GEC and their senior direct reports⁵ and managers and decision-makers.⁶
- 4 Gender information is an evolving area of reporting and there are a variety of different frameworks requiring disclosures under different definitions and calculation methodologies. As a result, not all of our statistics will align to each other.

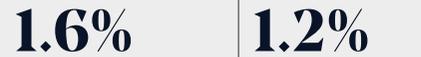
The following figures and charts for race and ethnicity, gender, sexual orientation and disability are based on voluntary employee diversity disclosures for our core employee base as at 31 December 2025.

Minority ethnic representation⁸

GEC and their senior direct reports⁵ All employees⁷



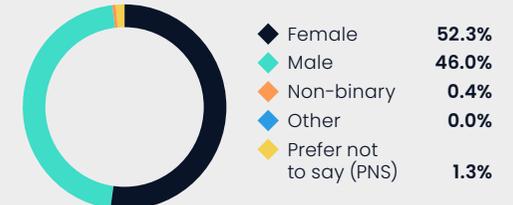
(see ethnicity graph on the right for breakdown)



- 5 The GEC and their senior direct reports; this includes the Company Secretary and excludes administrative and executive support staff such as personal assistants and executive assistants.
- 6 Managers and decision-makers are defined as employees who have responsibility for planning, directing or controlling activities of the Company, or a strategically significant part of the Company. This aligns with CA 2006, S414C(8)(c), for the directors' disclosure see page 70.
- 7 Includes GEC and their senior direct reports.
- 8 Relates to our core employee base.

For UKLR6.6.6 R(9 to 11) Board and executive management diversity disclosures please refer to pages 67 and 70.

Gender⁴



Sexual orientation



Ethnicity



Disability



Our responsible business



Good governance

Helping us to build trust and effectively manage responsible-business-related risks and opportunities.

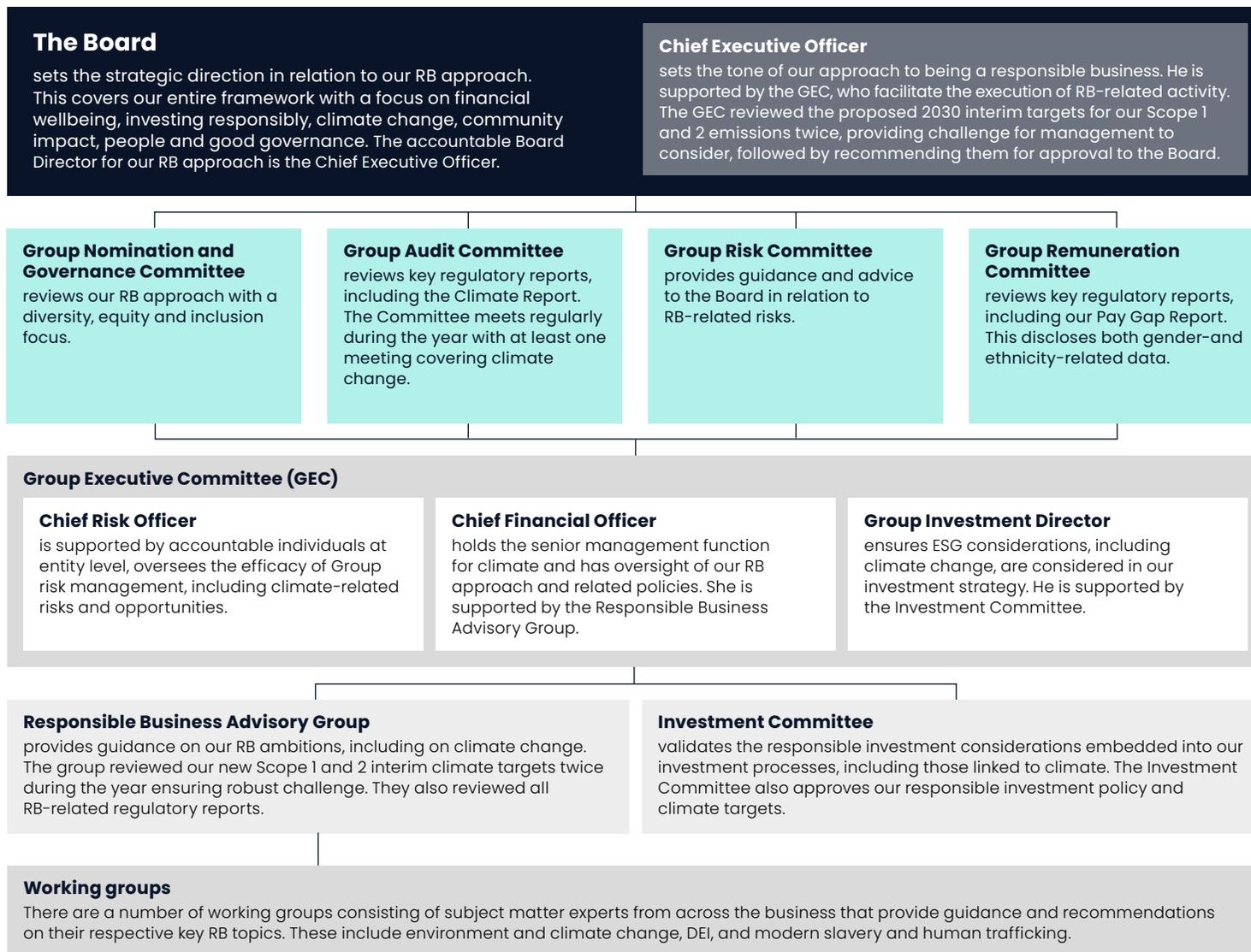
Good governance helps us deliver good outcomes for our clients by making sure we remain accountable for the commitments we make. It underpins our RB approach with the overall strategy, including for climate, determined at Group level.¹

Accountability for managing climate-related risks and opportunities is owned by the Board and the accountable Board Director for our climate approach is the Chief Executive Officer. Collectively, the Board considers RB-related opportunities and risks, such as climate change and modern slavery, when reviewing our Group risk appetite statement. This statement considers the Group's strategic objectives and the risks which might materially impact on our ability to meet those objectives. Key climate-related updates are presented to the Board, and the Board approved our new Scope 1 and 2 interim target this year. We report regularly on our DEI targets to the Board, GEC and the Group Nomination and Governance Committee. The accountability of our collective GEC is evidenced through their objectives which include measures around DEI. See the Governance section for information on our overarching governance framework.

Sustainability governance framework

We have specific governance forums which oversee and manage RB-related risks and opportunities for the wider Group, as outlined on the right.

¹ Subsidiary boards play an important part in the oversight of the delivery of the Group's strategy, including on climate, operating in line with the Group's governance framework.



Our responsible business

Human rights

The European Convention on Human Rights, incorporated into UK law via the Human Rights Act 1998, sets out the fundamental rights and freedoms that everyone in the UK is entitled to. We are committed to respecting and supporting the protection of internationally proclaimed human rights and managing our business in an ethical manner, with no tolerance for the abuse of human rights (including modern slavery). Our Board approved human rights policy is available on our website at sjp.co.uk/responsiblebusiness.

Our approach to human rights includes:

- ◆ Our focus on DEI and employee wellbeing, as discussed earlier in this report, provides detail on how we work to prevent negative impacts on these human-rights-related topics.
- ◆ All employees have access to our code of ethics and equal opportunities policies, which make it clear that we oppose all forms of unfair discrimination or victimisation.
- ◆ Our bullying and harassment policy makes it clear these behaviours are unacceptable, and we take proactive steps to prevent them. We monitor workplace culture through surveys, exit interviews and case data. This year, we introduced listening and rising talent sessions to hear wider perspectives, attended by an executive committee member and a Non-executive Director. All employees, advisers within our Partnership, and their support staff are required to complete Equality Act training which covers harassment and discrimination.
- ◆ We respect the dignity of individuals and support the right of employees to freedom of association and to join, and be informed of the right to join, trade unions in accordance with local law. This includes, once in force, the Employment Rights Bill.
- ◆ Everyone has the right to a private life, including the right to have their private and confidential information protected. See the data protection section on the next page for more information on our approach to this.
- ◆ We are committed to respecting the health and safety of our workers. We gather accident and illness data which is reported to the Health and Safety Committee quarterly. Due to our office environment the risk of accidents remains low.
- ◆ More broadly, our supply chain due diligence and ongoing oversight seek to secure evidence of good practice in relation to human rights. Recognising the impact of payment practices on workers in the value chain, we are signatories of the Fair Payment Code. This is encouraged by the Department for Business and Trade and demonstrates our commitment to good payment practices between ourselves and our suppliers. During 2025 we engaged Slave Free Alliance to support the development of culturally appropriate modern slavery due diligence questions for our Asia and Middle East operations. These will be implemented during 2026.

Responsible procurement

Our procurement process is designed to ensure we meet our regulatory and business obligations. Our outsourcing and supplier management policy requires effective, risk-based due diligence to be conducted on all new suppliers and outsourcers.

Where applicable this includes an assessment of their approach to compliant, responsible and sustainable procurement. This includes, but is not limited to, their environmental sustainability, ethical and fair treatment of workers (including human rights, and health and safety), information security and financial crime prevention (including anti-corruption and bribery). This year we have streamlined our due diligence process to ensure efficiencies both for us and for our suppliers and outsourcers. We have reduced the length of our due diligence question set by 26%, ensuring that suppliers are only asked for information relevant to their level of risk or impact on the business.

We continue to engage business owners and relationship managers to provide regular oversight. This is supported by periodic reassessment of the due diligence throughout the term of the relationship. We remain a Living Wage Foundation accredited employer and assess, where applicable, how our third parties remunerate their workforce. In some cases, we have ensured our commercial agreements reflect this requirement and we provide the supplier with the correct support to do so.

We expect our suppliers and outsourcers to abide by all applicable laws, statutes and regulations in force (including the Bribery Act and Equality Act in the UK), and seek to include clauses in our contracts with direct business relationships to this effect. As part of updating our investment manager contract templates this year we included specific clauses on anti-bribery and anti-corruption. These will be standard going forward.

Anti-bribery and anti-corruption

In line with the Group's risk appetite statement, we will not tolerate any act of bribery, corruption or improper influence. We take all reasonable measures to prevent these.

Where products and services pose a risk of facilitation of bribery or inducement we seek to minimise this risk. We do this through the implementation of a comprehensive anti-bribery and inducement training programme throughout the Group which meets relevant legal and regulatory requirements. We apply the 'Home Country Standards' principle as set out by the Financial Action Task Force, i.e. where a standard applicable to a local entity differs from that applicable in the jurisdiction in which the Group is headquartered, the higher of the two standards will apply.

Our Board is responsible for the oversight of the Group's financial crime prevention policy, which includes anti-bribery and corruption, and reviews this annually. All employees, advisers within our Partnership, and their support staff complete mandatory annual training on anti-money laundering and mandatory biennial training regarding other financial crimes including preventing fraud, bribery and corruption, and facilitation of tax evasion.

In 2025 we were not issued with any associated fines or penalties relating to corruption. Our anti-bribery and corruption policy statement is available on our website at sjp.co.uk/shareholders/about-us/corporate-governance.

 See the Report of the Group Audit Committee on page 79 for information on our approach to fraud

Our responsible business

Mechanism for raising concerns

Our speak up policy and whistleblowing framework offer a clear and accessible channel for all employees, advisers within our Partnership and their support staff, and any external stakeholders to raise any matters of concern or report potential breaches of our policies and codes. This can include issues linked to anti-bribery and corruption, human rights, or bullying and harassment. Everyone across the organisation, advisers and their support teams included, receives annual training on the whistleblowing arrangements.

The whistleblowing framework reinforces our corporate governance by helping us identify risks early, protect the organisation's reputation, and support a positive workplace culture. It is an essential part of managing risk effectively and maintaining trust with our stakeholders.

In 2025, under the oversight of the Whistleblowers' Champion, we maintained clear, confidential and anonymous channels for raising concerns without fear of retaliation. The framework continued to operate effectively throughout the year, supporting transparency and accountability, and ensuring that all concerns were handled appropriately. See more information in the Report of the Group Audit Committee in relation to Board oversight of this process.

We adhere to all whistleblowing laws and regulations relevant to the jurisdictions in which we operate, including the:

- ◆ UK Public Interest Disclosure Act 1998;
- ◆ FCA's Senior Management Arrangements, Systems and Controls Handbook (SYSC) 18;
- ◆ Irish Protected Disclosures Act 2014 (as amended in 2022); and
- ◆ Section 5.4 of the Dubai Financial Services Authority Rulebook's General module.

To date, we have not experienced any breaches of whistleblowing requirements. We continue to strengthen our whistleblowing framework through ongoing awareness initiatives and training across the Group. Further details, including relevant contact details, can be found on our website at [sjp.co.uk/corporate-governance](https://www.sjp.co.uk/corporate-governance).

Privacy and data protection

We take our responsibilities to protect individuals' personal data very seriously and are committed to protecting the information rights and freedoms of individuals. We believe it is important to start from the perspective of the individual. Compliant and ethical use of personal data in a safe and secure manner is the foundation of our approach, and we believe we must be proactively accountable to those individuals who trust us to process their data. All of our employees, advisers within our Partnership and their support staff complete annual mandatory privacy and data protection training.

We continuously seek to be, and remain, compliant with the UK Data Protection Act 2018 and all other data protection regulations applicable in the countries in which we operate. We have a dedicated Data Protection team led by a Data Protection Officer in support of this. Our privacy policy, which includes details on the collection, sharing and access to personal data, is publicly available on our website at [sjp.co.uk/site-services/privacy-policy](https://www.sjp.co.uk/site-services/privacy-policy).

Information and cyber security

The cyber threat landscape continued to evolve during 2025, with significant incidents affecting UK organisations and increased focus on emerging risks associated with artificial intelligence. As a regulated and responsible organisation, we continued to invest in and enhance our information security capabilities to protect our clients, Partners and technology platforms.

Our security programme is underpinned by a robust approach to assurance and testing, providing confidence in the effectiveness of our controls and our ability to respond to cyber threats. This includes threat-led penetration testing, regular validation of key technical controls, and scenario-based exercises and simulations conducted at both operational and GEC level. All employees, advisers within our Partnership and their support staff complete annual mandatory training on information security and cyber risks. These activities support our operational resilience by strengthening our ability to withstand and recover from cyber disruption.

While cyber risk cannot be fully eliminated, we manage it through a structured approach that combines preventative controls with monitoring, response and recovery measures. This approach is subject to ongoing review and is informed by independent assurance and industry benchmarking against recognised frameworks, strengthening our cyber and information security practices and informing our understanding of the maturity of our security programme.

We maintain vigilance and preparedness in response to the evolving cyber threat landscape. As risks continue to change, we regularly review and enhance our controls and capabilities to support operational resilience and effective response to cyber-related events.



Non-financial and sustainability information statement

This section of the Annual Report and Accounts constitutes the St. James's Place non-financial and sustainability information statement, produced to comply with sections 414CA and 414CB of the Companies Act 2006. The following table sets out where, within our Annual Report and Accounts, we provide further detail on matters required to be disclosed under these sections of the Companies Act 2006. In particular, it covers the impact we have on the environment, our employees, social matters, human rights, anti-corruption and anti-bribery matters, policies pursued and the outcome of those policies, and principal risks that may arise from the Company's operations and how we manage these, to the extent necessary for an understanding of the Company's development, performance and position and the impact of its activity. Group policies are regularly reviewed and third line monitors adherence.

Reporting requirement	Relevant policies, documents or reports that set out our approach	Key outcomes	See additional information on the following section(s) and page(s) of this report
Anti-bribery and corruption	<ul style="list-style-type: none"> Group financial crime prevention policy SJP anti-bribery and corruption policy statement 	Implementation of measures to reduce these risks.	Our responsible business (page 50), Report of the Group Audit Committee (page 79)
Business model		Contributed towards our strategy and good client outcomes.	Our business model (pages 08 to 11)
Climate-related financial disclosures	<ul style="list-style-type: none"> A breakdown of where these disclosures can be found is on page 46 Climate Report 2025 	We launched our new 2030 carbon reduction targets.	Governance structure (pages 49 and 59), systems and processes (pages 33 to 35), integration with wider risk management (page 35), material risks and opportunities and time periods (pages 35 and 42), impact of material risks and opportunities (pages 35 and 42), resilience assessment (page 43), targets (pages 41 and 44), measuring progress (pages 44 to 45; 206 to 207)
Employees	<ul style="list-style-type: none"> Speak up policy Inclusion and diversity policy Health and safety policy Equal opportunities policy Employee handbook Employee reward policy Flexible working policy 	We were mindful of employee sentiment, engagement, wellbeing and capacity during a period of significant change in the business.	Business model (page 08), Our strategy (page 19), Stakeholder engagement (pages 20 and 21), section 172(1) (page 22), Risk and control management (page 37), Our responsible business (pages 47 to 48, 50 to 51 and 203 to 206) Operation and dynamics of our Board (page 61), Report of the Group Risk Committee (page 82), Directors' Report (page 123)
Impact on the environment	<ul style="list-style-type: none"> Zero waste to landfill policy Climate Report 2025 Responsible business report 2025 	In our managed offices zero waste goes to landfill. We continue to reduce our carbon emissions.	Our responsible business (pages 39, 41 to 46 and 49), risk and control management (pages 33 to 35)
Non-financial key performance indicators	<ul style="list-style-type: none"> Our key operational performance metrics are FUM and net inflows 	Strong results have been evidenced this year.	Highlights of the year (page 02), Chief Executive Officer's report (page 13), our responsible business (pages 39 to 51)
Principal risks	<ul style="list-style-type: none"> Risk management framework Group risk appetite statement 	Our active approach to risk management was maintained.	Risk and control management (pages 35 to 37)
Respect for human rights	<ul style="list-style-type: none"> Group human rights policy Speak up policy Grievance procedure policy Equal opportunities policy Inclusion and diversity policy Modern Slavery and Human Trafficking Statement 	Linked to our salient human rights we maintained our focus on DEI and employee wellbeing. Appropriate channels are in place for any concerns to be raised.	Our responsible business (pages 47 to 48 and 50 to 51)
Social matters	<ul style="list-style-type: none"> Group financial crime prevention policy Community engagement and volunteering policy GDPR and data protection policy Privacy policy 	<p>Oversight and risk mitigations were in place.</p> <p>496 employees used some of their two day volunteering allowance.</p>	Our responsible business (pages 39 to 40 and 47 to 51), Section 172(1) statement (page 22), Report of the Group Nomination and Governance Committee (pages 68 to 70)

Approval of the strategic report

As part of the Annual Report and Accounts by the Directors it is a statutory requirement to produce a strategic report.

The purpose of the report is:

- ♦ to inform members of the Company and help them assess how the Directors have performed their duty under section 172(1) of the Companies Act 2006 (duty to promote the success of the Company).

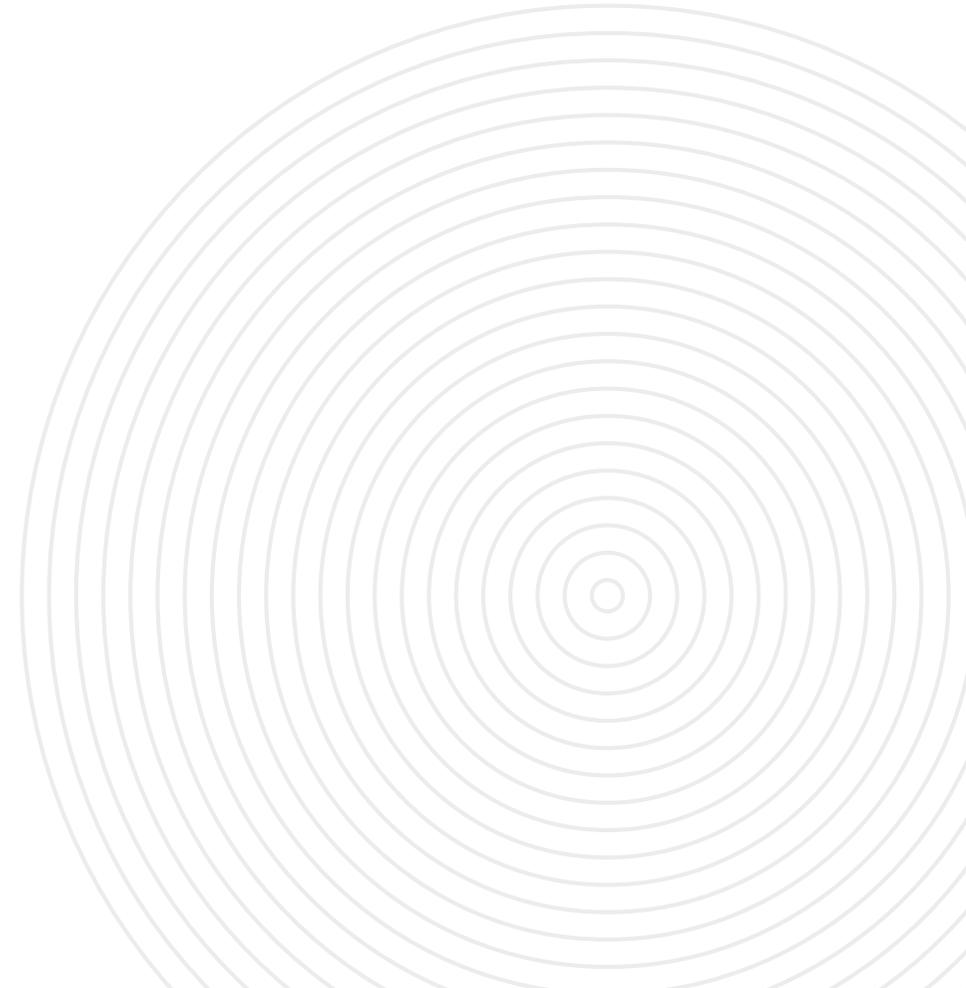
The objective of the report is to provide shareholders with an analysis of the Company's past performance, to impart insight into its business model, strategies, objectives and principal risks, and to provide context for the financial statements in the Annual Report and Accounts.

The Directors consider that the report meets the statutory purpose and objectives of the strategic report.

On behalf of the Board:

Mark FitzPatrick
Chief Executive Officer

24 February 2026





Governance

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58%

of advised clients are saving for retirement, compared with just 35% of those without advice

→ Find out more about the value of financial advice on page 09

→ Find out more about SJP's corporate governance at sjp.co.uk/corporate-governance

Real advice that enabled Sarah an emotional lifeline

When Sarah lost her mother, and her long-term relationship broke down in the same year, she found herself facing unprecedented financial and emotional challenges. Sarah's SJP adviser, Danni, stepped in to provide outstanding support, safeguarding Sarah's financial security and retirement.

→ Watch and read Sarah's and other stories sjp.co.uk/client-stories

Chair's introduction

Corporate governance

I'm pleased to present this corporate governance report for the year ended 31 December 2025.

Together with the reports of the Nomination and Governance, Audit, Risk and Remuneration Committees, this corporate governance report is intended to demonstrate our commitment to driving the highest standards of governance, underpinned by responsible and robust practices.

During 2025, we welcomed two new Non-executive Directors, Helen Beck and Penny James, both of whom have assumed Committee Chair responsibilities in the year. Helen and Penny bring a wealth of experience and rich mix of backgrounds to further enhance the Board's effectiveness. The Board has continued to provide robust oversight of the Group's delivery of our strategy throughout 2025, ensuring not only the evolution of fundamentals for the future (as part of our 'Strengthen' phase of delivery) and progression towards our growth ambitions, but also securing good client outcomes. Reporting on the Board's engagement with stakeholders, and our section 172(1) Companies Act 2006 statement, can be found in the strategic report on pages 20 to 22. The Group has monitored its compliance with the UK Corporate Governance Code 2024 (the Code) during the year. I'm pleased to confirm compliance, in full, with the Code, other than in relation to Provision 29, for which we have complied with the relevant provision in the UK Corporate Governance Code 2018.

By order of the Board:

Paul Manduca
Chair

24 February 2026

Governance highlights

Changes to our Board during 2025

New joiners

- ◆ **Helen Beck**, with effect from 1 July 2025. Appointed as Chair of the Remuneration Committee on 17 September 2025.
- ◆ **Penny James**, with effect from 1 July 2025. Appointed as Chair of the Risk Committee on 5 December 2025.

Departures

- ◆ **Rosemary Hilary**, with effect from 31 December 2025.
- ◆ **Emma Griffin**, with effect from 13 May 2025.
- ◆ **Lesley-Ann Nash**, with effect from 13 May 2025.

See the Nomination and Governance Committee report on page 68 for more detail about the appointment process for Helen and Penny.

Board focus – key highlights

- ◆ Oversight of key strategic projects and governance review
- ◆ Annual Group strategy day
- ◆ Annual General Meeting
- ◆ Board effectiveness review
- ◆ Deep-dive sessions on regulatory and strategic projects
- ◆ Non-executive Director recruitment and succession planning
- ◆ Oversight of key tenders
- ◆ Engagement with key stakeholders

Board performance review highlights – progress and future focus

Actions aligned with key themes identified from the 2024 Board performance review have been closed or are ongoing in line with agreed timelines.

As reported in 2025, the Board's externally facilitated performance review programme will continue to run until the end of 2026. The 2025 review has identified the following key themes:

- ◆ **Board composition and integration** – cohesion, trust and effective working relationships.
- ◆ **Governance and risk management** – strong focus on risk oversight and regulatory compliance.
- ◆ **Strategy and change** – focus is on growth-oriented strategy.
- ◆ **Culture and succession** – culture monitoring and succession planning are priorities.

→ For more detail, see page 67 of this corporate governance report

Oversight of the launch of Group's simple, comparable charging structure

The Board provided robust oversight of the Group's new charging structure, which launched in August 2025. This is key to enhancing clients' understanding of fees and assessment of value across our proposition suite, enabling invaluable advice.

→ More information about our charging structure can be found on our website sjp.co.uk/individuals/charges

In this section

1 Leadership and purpose in action
→ pages 56 to 60

2 The operation and dynamics of our Board
→ pages 61 to 64

3 Composition, succession and evaluation
→ pages 65 to 67 and also the report of the Group Nomination and Governance Committee on pages 68 to 70

4 Audit, risk and internal control
→ See the report of the Group Audit Committee and the report of the Group Risk Committee on pages 71 to 83

5 Remuneration
→ See the report of the Group Remuneration Committee on pages 84 to 120

UK Corporate Governance Code 2024

Pages 55 to 120 of this report outlines our Company's corporate governance practice and highlights compliance with the Code. Full compliance with the Code's principles and provisions (available at: www.frc.org.uk) has been achieved during 2025 (note: compliance with Provision 29 of the 2018 Code).

Our Board of Directors – steering from the top



Paul Manduca

Chair of the Board



Date of appointment: Chair May 2021 (Non-executive Director January 2021)

Experience, skills and contribution to the Board

Paul has been chair of Prudential plc, Aon UK Limited, JP Morgan European Diversity Trust plc (formerly the JP Morgan European Smaller Companies Investment Trust plc), Templeton Emerging Markets Investment Trust plc, W.A.G Payment Solutions plc, Bridgewell Group plc and Henderson Diversified Income Limited. He was the senior independent director of Wm Morrison Supermarkets Plc and a non-executive director of KazMunaiGas Exploration & Production. He served as founding chief executive officer of Threadneedle Asset Management, director of Eagle Star and Allied Dunbar, chief executive officer, Europe of Deutsche Asset Management, global chief executive officer of Rothschild Asset Management, and director of Henderson Small Companies Investment Trust plc. Paul's extensive experience in leadership roles and comprehensive technical knowledge helps guide the Board and Company as it continues to grow and evolve. Paul has led the refresh of the Board's membership and future succession planning, whilst also overseeing the strengthening of the compositions of subsidiary boards.

External appointments

- ◆ None



Mark FitzPatrick

Chief Executive Officer

Date of appointment: Chief Executive Officer December 2023 (Executive Director October 2023)

Experience, skills and contribution to the Board

Mark started his career with Deloitte in Cape Town, becoming a partner in 1997. He remained with Deloitte for 25 years building his industry focus in financial services in the UK, Europe and South Africa. He became group chief financial officer at Prudential plc in July 2017, before his role was broadened to include chief operating officer. He was appointed interim chief executive officer of Prudential plc in April 2022, standing down on 24 February 2023. Mark is an effective and broadly-skilled leader with over 30 years' international experience gained across a number of specialist finance, adviser and leadership roles. This deep and broad experience enables him to effectively lead organisations, such as the Group, in a complex listed and regulated setting.

External appointments

- ◆ Chair of audit and risk committees, British Heart Foundation
- ◆ Chair of audit committee, Scottish Mortgage Investment Trust



Caroline Waddington

Chief Financial Officer

Date of appointment: September 2024

Experience, skills and contribution to the Board

Caroline is currently serving as Chief Financial Officer of St. James's Place Plc, where she brings a strong track record of leadership, financial literacy and technical skill to both the Group and Board setting. Caroline has extensive experience in senior regulated roles across the financial services and banking industry. Most recently she was chief financial officer for UBS Group's UK Credit Suisse entities, as well as chief operating officer for Credit Suisse International. Caroline began her career at Coopers & Lybrand and subsequently held various senior finance roles at Barclays Capital, RBS and Deutsche Bank before becoming chief financial officer for UK and EMEA at Credit Suisse. Caroline is a chartered accountant. Her deep experience in senior regulated roles across the financial services and banking industry enable her to contribute to the Board and successfully operate as a chief financial officer in a complex Group setting.

External appointments

- ◆ Trustee and member of board and finance & audit committee, St Giles Trust

Member of Group Nomination and Governance Committee

Member of Group Audit Committee

Member of Group Risk Committee

Member of Group Remuneration Committee

Denotes Chair of Committee

Denotes external directorship held

1 2 3 4 5 Leadership and purpose in action

Our Board of Directors continued



Rooney Anand

Independent Non-executive Director



Date of appointment: January 2025

Experience, skills and contribution to the Board

Rooney is chair of RedCat Pub Company Limited, the pub company he founded in 2021 with backing from Oaktree Capital, which today has over £100m turnover, 3,000 employees and is the operator of the award winning Coaching Inn Group and RedCat Independent Pubs. Rooney served as chief executive officer at Greene King plc and has held non-executive positions as chair of Casual Dining Group, Away Resorts and Purity Soft Drinks. He was also senior independent director for Wm Morrison Supermarkets Plc until its sale to private equity. Rooney has extensive experience in the consumer sector having held executive and non-executive roles at retail and hospitality organisations. As a former FTSE 250 CEO and FTSE 100 senior independent director, he has broad commercial and financial experience which benefits both the Board and the wider organisation. Rooney brings a consumer lens to the Board, gained from his experience of both running and being a non-executive director of customer-focused organisations, rooted in brands, data, and insight.

External directorships and appointments

- ◆ Chair, RedCat Pub Company and Purity Soft Drinks
- ◆ Visiting professor, Aston Business School

Member of Group Nomination and Governance Committee

Member of Group Audit Committee



Helen Beck

Independent Non-executive Director



Date of appointment: July 2025

Experience, skills and contribution to the Board

Helen has over 30 years of leadership experience gained in non-executive and executive roles in the financial sector. She was head of the financial services remuneration practice at Deloitte, specialising in reward structures for FTSE 100, 250 and private companies. Prior to that, Helen held executive roles at Standard Bank and McLagan Partners (part of AON PLC). She has been non-executive director and chair of the remuneration committee of Ashmore Group PLC and non-executive director of Irwin Mitchell. For 7 years she was governor and committee chair at the University of Bedfordshire. Helen is our workforce engagement non-executive director and chair of the Group Remuneration Committee. She brings deep remuneration knowledge and a passion for stakeholder-focused outcomes.

External and appointments

- ◆ Senior independent director and chair of remuneration committee, Funding Circle Holdings PLC
- ◆ Chair of remuneration committee, Picton Property Income Limited and Hampshire Bank Trust
- ◆ Independent member of the remuneration committee, British Olympic Committee

Member of Group Risk Committee

Member of Group Remuneration Committee



Simon Fraser

Senior Independent Non-executive Director



Date of appointment: Senior Independent Director July 2024 (Non-executive Director April 2024)

Experience, skills and contribution to the Board

Simon started his career as a stockbroker, at Barclays de Zoete Wedd, after which he set up the institutional stockbroking business Gerrard Vivian Gray. He then joined Bank of America Merrill Lynch for the rest of his executive career (managing director and co-head of corporate broking from 2004 until 2011). Simon has been senior independent director and chair of the nomination committee at Derwent London plc, senior independent director and chair of the remuneration committee at Lancashire Holdings Ltd and, most recently, non-executive director at Legal & General Investment Management Ltd. Simon's extensive experience across a number of sectors, including a considerable amount of time in regulated financial services businesses, means he brings a depth and breadth of knowledge to the Board.

External appointments

- ◆ Chair, Grainger plc
- ◆ Chair of the remuneration committee and member of the audit committee, SEGRO plc

Denotes Chair of Committee

Denotes external directorship held

1 2 3 4 5 Leadership and purpose in action

Our Board of Directors continued



John Hitchins

Independent Non-executive Director



Date of appointment: November 2021

Experience, skills and contribution to the Board

John has extensive experience of the financial services industry gained through his career as a senior audit partner and his non-executive directorships. John spent 38 years with PricewaterhouseCoopers LLP, specialising in financial services auditing and advisory services, before retiring in 2014. Since retiring from PricewaterhouseCoopers LLP, he has undertaken a number of non-executive director roles with financial services companies alongside a role as a senior adviser to the Financial Reporting Council. John's understanding of the complexity of financial reporting in the financial services sector, combined with his extensive experience of governance acquired through his positions as an external auditor and as a Non-executive Director, underpin the value he delivers not only to the Board, but also to the Audit, Risk and Nomination and Governance Committees.

External appointments

- ◆ None



Penny James

Independent Non-executive Director



Date of appointment: July 2025

Experience, skills and contribution to the Board

Penny has over 30 years' experience in financial services in both executive and non-executive roles in FTSE 100 and 250 companies. As an executive she has served as both chief executive officer and chief financial officer for Direct Line Group, and as global chief risk officer for Prudential plc. She has held a variety of finance and strategy roles in Zurich Financial Services and Omega Holdings. As a non-executive she was senior independent director at Hargreaves Lansdown and on the board of Admiral plc. She has been chair of the FCA Practitioner Panel and a member of the board of the Association of British Insurers. Penny is a chartered accountant. Penny brings a deep understanding of the financial services market and risk-expertise.

External appointments

- ◆ Chair of audit and risk committee, Mitie Group plc
- ◆ Non-executive director, QBE Insurance Group Ltd
- ◆ Co chair, FTSE Women Leaders
- ◆ Chair of the audit committee, Vitality UK

Group Executive Committee – leading our business

- ◆ **Mark FitzPatrick**
Chief Executive Officer
- ◆ **Caroline Waddington**
Chief Financial Officer
- ◆ **Tom Beal**
Group Investment Director
- ◆ **Lisa Davis**
Chief People Officer
- ◆ **Lyn Grobler**
Chief Technology Officer
- ◆ **Paul Loftus**
General Counsel
- ◆ **Ian MacKenzie**
Chief Operations Officer
- ◆ **James Rainbow**
Chief Executive Officer of St. James's Place Wealth Management plc
- ◆ **Hestie Reinecke**
Chief Risk Officer
- ◆ **Rob Sanders**
Chief Client Officer

Company Secretary

- ◆ **Jonathan Dale**

→ Full biographical details of each Director and Group Executive Committee member can be found at sjp.co.uk/shareholders/about-us/directors

Member of Group Nomination and Governance Committee

Member of Group Audit Committee

Member of Group Risk Committee

Member of Group Remuneration Committee

Denotes Chair of Committee

Denotes external directorship held

1 2 3 4 5 Leadership and purpose in action

Our governance framework

Our governance framework underpins dynamic, well-informed decision-making, balanced by rigorous oversight and robust control of the Group.

Responsibilities, authority, delegations and reporting flows are articulated in our framework, policies and practices to enable the business to achieve its strategic objectives and respond to emerging risks and opportunities with agility; without compromising the integrity of our systems, controls and regulatory obligations.

The framework supports the Board and management when exercising sound judgement so that decisions are grounded in reliable and relevant information, aligned with the Group's strategic priorities and reflective of stakeholder considerations. Sound risk management, assurance processes and internal controls are embedded as complementary, and necessary, features of the framework.

Together, these elements create a governance environment that is both responsive and resilient, and designed to drive strategic execution led from the top.

The Board is responsible for the overall leadership of the Company. It drives the long-term success of the business, through management, seeking to generate value for shareholders whilst considering the needs and expectations of wider stakeholders. During the year, the Board has continued to oversee the strategic direction of the business, moving the Group closer to its purpose - enabled by values that support robust governance and responsible, sustainable and forward-looking business activities.



Other forums reporting to the Board

In addition to the core Board Committees (composed of Non-executive Directors only) outlined above, the Board has delegated responsibilities to three further committees. A summary of each is provided below, with further detail included in the Group's management responsibilities map.

Group Defence Committee

Comprises the Chair, Senior Independent Director, Chief Executive Officer and Chief Financial Officer.

Purpose: to monitor dealing in the Company's shares and ensure preparedness in the event of a formal bid for ownership of the Company, overseeing engagement with activist investors.

Group Disclosure Committee

Comprises the Company's Executive Directors.

Purpose: to assist the Board in ensuring timely and accurate disclosure of information required to meet legal and regulatory obligations under the UK Market Abuse Regulation, the UK Listing Rules and Disclosure Guidance and Transparency Rules.

Group Share Scheme Committee

Comprises the Company's Executive Directors.

Purpose: to assist the Board in fulfilling its responsibilities for operating and administering executive, employee, adviser and restricted share plans.

1 2 3 4 5 Leadership and purpose in action

Decision-making within our framework

Making the right decisions is a critical success factor of governance and our Board. Below highlights the way in which our framework facilitates robust decision-making within the Group.

Board information

The Board, and its Committees, receive balanced and timely information, including insights on connectivity with stakeholder interests and other relevant considerations to enable visibility of the 'bigger picture'. During 2025, enhancements have been made to Board materials as part of our governance continuous improvement agenda, further promoting the effectiveness of oversight and decision-making.

Board discussion

Throughout the year, the Board, and its Committees, met regularly to collectively discuss information reported to them. The Chair led structured discussion and debate, focused on long-term value generation, and stakeholder impacts, and grounded in principles of best practice governance. The effectiveness of reporting flows contributed to the Board's performance in meetings, enabling decisions grounded in evidence and clarity of context and impact.

Board decision

Board action taken in the year, including decision-making, has been transparent and based on conclusions reached as a collective. In reaching collective agreement, Board members have exercised independent judgement, balanced stakeholder interests, and acted to promote the Company's long-term success. Decisions are made in the context of the Company's strategic objectives, values and purpose.

Below is an example of how the above elements of our framework applied during the year to facilitate consideration of the matters in section 172(i) of the Companies Act 2006 (section 172).

Key strategic decision: Approval of Group 2026 Business Plan and Budget (the 2026 Plan and Budget)	Connection to our purpose and strategy	Consideration of s172 matters and stakeholder impact : the Board considered the following matters under section 172(i)(a) to (f) supported by robust and fulsome information and discussion	Outcome and impact
<p>During 2025, the Board continued to oversee delivery against the Group's strategy, with business plans and budgets aligned accordingly. Through its strategy day and subsequent meetings, the Board explored the ongoing appropriateness of the strategy and 2026 Plan and Budget needs. Whilst recent focus has been on the 'Strengthen' phase of strategy, work has been overseen to mobilise growth opportunities. In December 2025, after reflecting on progress made, key strategic assumptions, and emerging market trends, the Board considered the 2026 Plan and Budget.</p>	<p>The Group's purpose, to empower clients with invaluable advice to realise bolder ambitions, has been central to the Group's 2026 Plan and Budget and is aligned with its wider strategy running to 2030.</p>	<ul style="list-style-type: none"> a) Modelling of financial performance against strategic goals over a five-year time horizon was considered, enabling understanding of the potential longer-term impact of the 2026 Plan and Budget. Investment return assumptions and expectations for 2026, in line with the proposed Plan, were also assessed to support this view. b) Directors considered the importance of continued cultural development and embedding of the Group's new operating model, both of which are people-related matters and key enablers of strategic growth. c) Satisfactory completion of the Group's historic ongoing servicing review, optimisation of Partner offerings and continued development of client propositions were considered by Directors so the Board had a clear understanding of how the 2026 Plan and Budget supported continued positive relationships with clients, Partners and others. d) In the context of the 2026 Plan, developments in demographics and the impact of our simple, comparable charging structure on clients in the community were considered by Directors. Continued growth of the Partnership community, ensuring clear understanding of appointed representative responsibilities, was also a key feature of assessment. e) Evolution of positive sentiment and brand trust amongst client, Partner and other stakeholder groups, with a focus on good client outcomes, leading adviser offerings and 'brilliant basics' was reflected upon by the Board. f) Optimisation of expense management and delivery of the 2026 Plan were considered to enable strategic reinvestment as well as shareholder returns in line with relevant assumptions – a key factor in deciding whether the proposal was appropriate. 	<p>After due consideration of relevant factors, and balancing of the needs of differing stakeholder groups, the Board approved the proposed 2026 Plan and Budget. This approval has enabled, and will continue to enable, management progress of strategic delivery. When approving the 2026 Plan and Budget, Directors also considered key risks facing the business as the execution of strategy continues, ensuring mitigations remain in place. Ongoing monitoring of these risks will be needed throughout 2026 and beyond to prevent crystallisation of such risks.</p>

Roles and responsibilities

The effectiveness of our Board is underpinned by clearly defined roles, constructive working relationships and a shared commitment to maintaining high standards of governance.

Strength of leadership depends not only on the individual contributions of the roles outlined on page 62, but also the way in which they operate cohesively to support sound judgement and effective oversight.

The job descriptions of our Directors, including the Chair and Chief Executive Officer, and the division of responsibilities between them, are clearly defined and agreed by the Board. The responsibilities of each, and those of the Company Secretary, are summarised on the following page.

Board cohesion and culture

The Board plays a central role in overseeing, and setting the tone for, the Group's culture: not only monitoring culture indicators and workforce sentiment, but also role-modelling our values and holding management to account to ensure alignment of culture across the Group's policies and practices. 2025 has been a year of change on the Board and within the Executive Management team. As such, the dynamics of the Board and its engagement with the business have been critical as new working relationships form. How our Board members, and the different roles they play, interact (listening, challenging, collaborating and exercising judgement) is set out on the following page. Although formal discussions are held within Board and Committee meetings, informal dialogue is also maintained to ensure ongoing and effective information flows, as well as a deeper understanding of the diverse perspectives and experience across the Director cohort.

The 2025 Board performance review highlighted strong working relationships and positive dynamics between the Directors and Executive team.

Workforce engagement and culture

In accordance with Provision 5 of the UK Corporate Governance Code 2024, a workforce engagement Non-executive Director is appointed from the Board. During the year, listening sessions have been held with a cross-section of employees, led by Helen Beck, our nominated workforce engagement Non-executive Director. Insights have been shared with the Board to develop its understanding of workforce sentiment, ensure alignment of policies and practices with the Company's values, and enable cultural oversight.

Regular updates on culture and workforce observations have also been provided to the Board by management, to supplement the insights referred to above. In considering these updates, the Board has reflected on the embeddedness of the desired attributes of the Group's culture. Following the Group's reorganisation in 2025, and to deepen the Board's understanding of culture in the business, an externally led assessment of existing sentiment and workforce experience is being undertaken during the early part of 2026. The outputs of this exercise will support the Board in providing oversight and development of the organisation's culture and values, aligned with its purpose, during the year ahead.

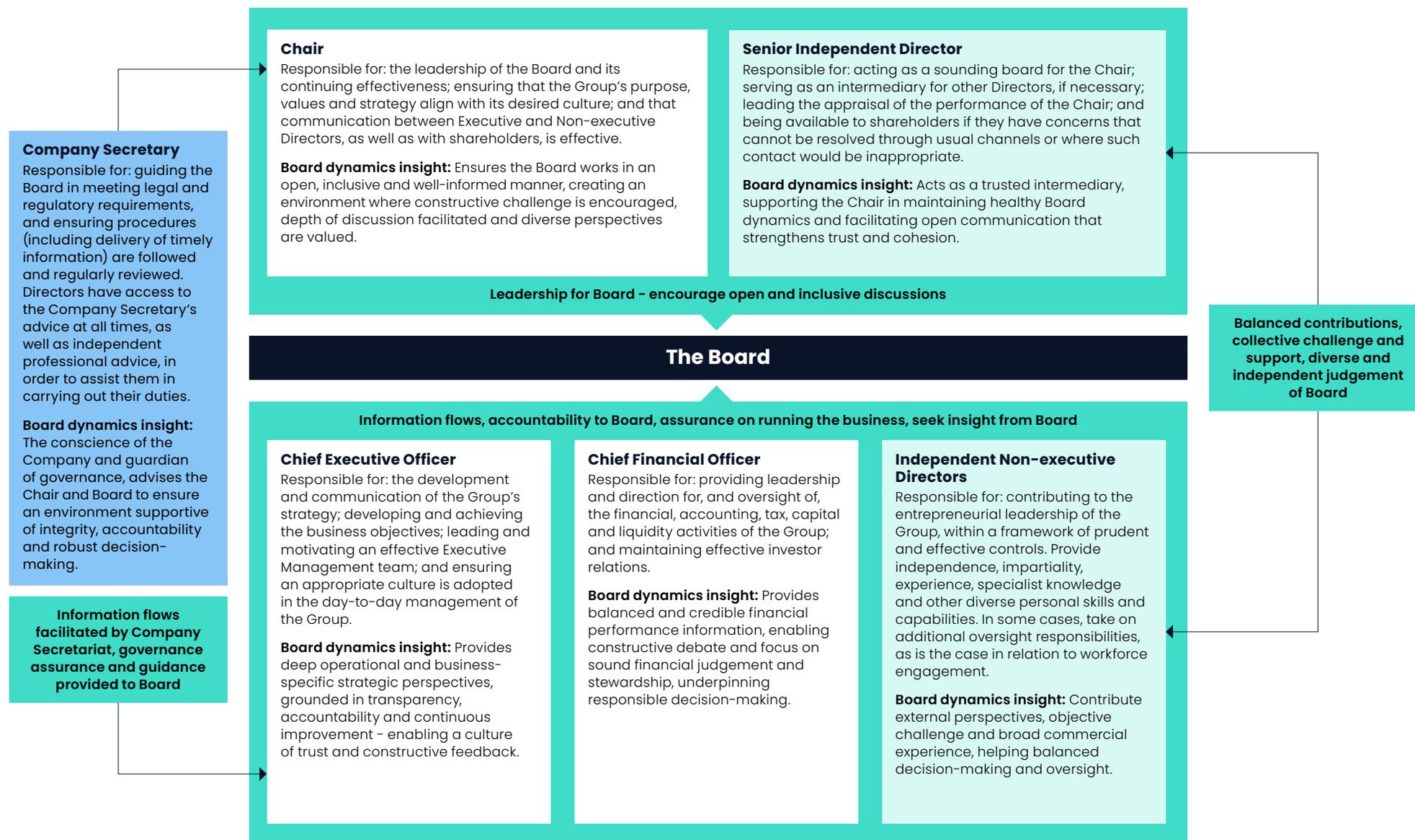
"Our relationship with executive management is collaborative. Open dialogue and robust information flows allow the Board to engage meaningfully and test proposals thoughtfully to achieve the right outcomes for our stakeholders."

Rooney Anand
Non-executive Director



1 2 3 4 5 The operation and dynamics of our Board

Roles and responsibilities continued



Our Board in action

The operation of our Board enables Directors to have sufficient time to meet their responsibilities during the year, with ample opportunity to provide constructive challenge, strategic guidance and advice, whilst maintaining oversight of management's performance. The ways the Board has connected in the year to deliver this activity are outlined below.

Engagement type	Purpose of engagement
Scheduled Board meetings	<p>Scheduled Board meetings follow an agreed format with the final agenda being set by the Chair, Chief Executive Officer and Company Secretary by reference to the forward agenda and having considered key developments since the previous meeting. This approach ensures that coverage of the Board's key responsibilities is balanced against the need to focus on strategic priorities and address topical matters.</p> <p>The papers for each meeting, which include Chief Executive Officer and Chief Financial Officer reports covering key developments in the business and performance indicators, are sent to the Board a week ahead of the meeting. This ensures that the information is timely and that the Directors are able to prepare for the meetings.</p> <p>The Board's forward agenda is also coordinated with those of its Committees. The chairs of the various committees and material subsidiaries report on their activity at each Board meeting and liaise with the Chair to ensure items escalated get sufficient time and focus on Board meeting agendas.</p>
Ad-hoc Board meetings	From time to time, the Board is required to hold meetings outside its planned schedule, to consider topics that require immediate attention or to approve Board appointments or transactions.
Board dinners	Board dinners provide valuable opportunities to deepen relationships, trust and rapport, and help the Board to develop greater unity, alignment and resilience. Dinners are usually held around Board meetings and allow for informal unstructured engagement, as well as the chance to meet and hear from other members of the management team or guests from outside the business.
Strategy meetings	A focused strategy meeting is usually held each year during the delivery periods in the strategy cycle to enable the Board and management to reflect on, debate and refine the strategy. The Board is more closely and regularly involved when strategy is being set, meaning these meetings may be replaced by a number of other meetings focusing on specific aspects being considered for the future strategy.
Non-executive Director meetings	The independent Non-executive Directors meet privately with the Chair during the year to consider matters arising from Board meetings. They also meet without the Chair to consider his performance.
Development sessions and deep dives	Directors are provided with development sessions and deep dives on specific topics during the year, either to support their understanding of key facets of the business, or wider trends and developments that are influencing the Board's agenda.
Other meetings	The Board also appoints ad-hoc committees from time to time to manage procedural matters.

Strategy day 2025

In June 2025, the Board held its annual strategy day during which Directors reflected on progress of execution against the Group's strategy to 2030 and considered developments in the market and regulatory landscape. The Board was joined by the Group Executive Committee and internal and external speakers. It provided Directors with the opportunity to deep dive into strategic priorities, emerging risks and opportunities, and discuss key topics such as client offerings, technology and optimisation of capital allocation. Alongside consideration of strategic developments, consideration was given to the balance needed to ensure execution of tactical projects with a focus on operations and people. To ensure appropriate focus on stakeholder impact, the Board assessed performance against culture, client satisfaction, risk and control, and investment performance KPIs. Following the strategy day, subsidiary board members were briefed to ensure strategic cohesion across the Group.

 Details of the Group's strategy can be found on page 15 of the strategic report

1 2 3 4 5 The operation and dynamics of our Board

Our Board in action continued

Regular meetings and Director attendance 2025

The Board and its Committees held regular meetings during 2025. The table below sets out attendance of scheduled meetings. Additional meetings were held when required at short notice. The Chair sets the Board agenda with the Chief Executive Officer and Company Secretary. The Board's annual agenda is coordinated with those of its Committees (activities are detailed in their respective reports).

◆ Attendance ◇ Non-attendance



Group Nomination and Governance Committee

Chair:
Paul Manduca

Report on page 68



Group Audit Committee

Chair:
John Hitchins

Report on page 71



Group Risk Committee

Chair:
Penny James

Report on page 80



Group Remuneration Committee

Chair:
Helen Beck

Report on page 84

Director	Board (6)	Nomination and Governance (4)	Audit (6)	Risk (5)	Remuneration (4)
Rooney Anand	◆◆◆◆◆◆	-	-	◆◆◆◆◆	◆◆◆◆◆
Helen Beck ¹	◆◆◆◆	◆◆	-	◆◆◆◆	◆◆
Mark FitzPatrick (CEO)	◆◆◆◆◆◆	-	-	-	-
Simon Fraser (SID)	◆◆◆◆◆◆	◆◆◆◆	◆◆◆◆◆◆	-	◆◆◆◆
Emma Griffin ²	◆◆	◆◆	-	◆◆	◆◆
Rosemary Hilary ³	◆◆◆◆◆◆	◆◆◆◆	◆◆◆◆◆◆	◆◆◆◆◆	◆◆◆◆◆
John Hitchins ⁵	◆◆◆◆◆◆	◆◆◆◆	◆◆◆◆◆◆	◆◆◆◆◆	-
Penny James ⁴	◆◆◆◆◆	◆◆◆◆	◆◆◆◆◆	◆◆◆◆◆	-
Paul Manduca (Chair)	◆◆◆◆◆◆	◆◆◆◆	-	-	-
Lesley-Ann Nash ²	◆◆	-	◆◆◆◆	◆◆	◆◆
Caroline Waddington (CFO)	◆◆◆◆◆◆	-	-	-	-

1 Helen Beck and Penny James were appointed in July 2025. In October Penny James had a prearranged commitment which is reflected in her attendance. In November 2025 Helen Beck had a prearranged commitment which is reflected in her attendance.

2 Emma Griffin and Lesley-Ann Nash stepped down in May 2025 at the end of the Annual General Meeting held prior to the Board.

3 Rosemary Hilary stepped down as a member of the Nomination and Governance Committee with effect from 5 December, with Penny James being appointed to the same. Attendance reflects this.

4 Penny James joined the Nomination and Governance Committee on 5 December 2025. Attendance reflects this.

5 John Hitchins was unable to attend the Group Audit Committee meeting in May 2025 due to extenuating circumstances.

Continued development of our Board

Evolution of the Board's composition

The balance of skills, experience, knowledge, independence and diversity on the Board is reviewed at least annually, and more frequently when appointments are considered. This process is led by the Nomination and Governance Committee which assesses Non-executive Directors on a collective and individual basis.

The Nomination and Governance Committee regularly reviews Board composition, succession planning and Non-executive Director recruitment priorities, leads the process for, and makes recommendations relating to Board appointments. Director biographies, including their skills, experience and knowledge, Board committee memberships and other principal appointments can be found on pages 56 to 58.

During 2025, three Directors stepped down from the Board, with two new appointments made as a result. Details of the search process followed for Helen Beck and Penny James (both appointed during the year) are included in the Nomination and Governance Committee Report on page 68, and a summary of changes to the Board during 2025 can be found on page 55.

Board appointments

Key guardrails underpinning the integrity of Board appointments are summarised below.

Appointments	<p>The Company's Articles of Association permit the Board to appoint additional Directors and fill casual vacancies. Board appointments are subject to a formal, rigorous and transparent procedure, which is underpinned by the need for diversity, inclusion and equal opportunities. Each appointment is based on merit and objective criteria. The Group Nomination and Governance Committee oversees the appointment process for the Board. For more detail about the role of the Committee, see pages 68 to 70.</p> <p>All Directors are subject to annual re-election or election at the Company's Annual General Meeting (AGM). Before a Director is proposed for re-election by shareholders, their effectiveness and commitment to the role is considered. The Chair is pleased to support the Board's recommendations to elect or re-elect all Directors at the forthcoming AGM. Helen Beck and Penny James, appointed during the year, will stand for election at the AGM as the first such meeting since they joined the Board.</p> <p>Each Director brings a breadth of skills and experience to the Board. The diversity of backgrounds across the Board's composition complements its mix of skills, knowledge and experience, all of which support in the protection of shareholder and wider stakeholder interests. Further information can be found in the Notice of Meeting for the forthcoming AGM.</p>
Length of term	<p>Non-executive Directors are appointed for a specified term and Executive Directors have service contracts. Copies of the terms and conditions of appointment of all Directors are available for inspection at the registered office address and will be available for inspection at the Company's forthcoming AGM.</p> <p>The Executive Directors' service contracts provide for termination on 12 months' notice from either the Company or Director (except in certain exceptional recruitment situations where a shorter or longer notice period may be set, provided it reduces to a maximum of 12 months within a specified time limit). Service contracts do not contain a fixed end date. The Company does not have agreements with any Director or employee that would provide compensation for loss of office or employment resulting from a takeover, except that provisions in the Company's share schemes may, in certain circumstances, cause share awards granted to employees under such schemes to vest on a takeover.</p>
Succession planning	<p>The Nomination and Governance Committee is responsible for ensuring that plans are in place for orderly succession to both Board and senior management positions. It oversees the development of a diverse pipeline for succession for Executive and Non-executive Directors, taking into account the skills and expertise needed on the Board now and in the future. More information about the work of the Group Nomination and Governance Committee on succession planning can be found on pages 68 and 70.</p>
Time commitment	<p>Non-executive Directors are expected to commit sufficient time to enable them to undertake their responsibilities and their capacity to fulfil their responsibilities is reviewed on an ongoing basis so that the Board can be satisfied that each Non-executive Director commits sufficient time to the business of the Company.</p>
Conflicts of interest	<p>The Board has in place procedures for the management of conflicts of interest. Directors are aware of their obligation to disclose actual or potential conflicts of interest without delay. Details of disclosed conflicts are considered by the Board and a decision as to authorisation is made, ensuring this is in line with the best interests of the Company.</p> <p>Regular checks are undertaken during the year to ensure Directors have disclosed material interests appropriately. No Director has, or has had during the year under review, any material interest in any contract or arrangement with the Company or any of its subsidiaries.</p>
Directors' and officers' indemnity and insurance	<p>The Company maintains insurance covering Directors and officers against liabilities they may incur in their capacity as such for the Company and its subsidiaries. The Company has granted indemnities to its Directors in respect of their Directorships and, where applicable, subsidiary companies on terms consistent with the applicable statutory provisions. Qualifying third-party indemnity provisions for the purposes of section 234 of the Companies Act 2006 were accordingly in force during the course of the financial year ended 31 December 2025, and remain in force at the date of approval of the financial statements.</p>

Continued development of our Board continued

Induction programmes for new Directors

Upon appointment, new Directors are provided with a comprehensive induction plan, tailored to meet their individual needs based on their existing knowledge and experience, specific aspects relevant to the roles they will be taking on and to address development needs identified at appointment. The induction process comprises three parts: provision of information and materials; meetings with individuals; and attendance at meetings of Board Committees, principal subsidiary boards and other relevant corporate events and forums. Induction programmes tend to span three to six months and are designed to enable new Directors to meet senior management, understand the business and future strategy, visit various office locations and speak directly to advisers and employees around the country, as well as being introduced to other key stakeholders.

Training and development

The Chair and Company Secretary ensure continuing professional development is available for all Directors, based on their individual requirements. This is achieved through a wide range of approaches:

Approach	Examples in 2025
Specific development sessions and training	Specific development sessions have been provided for the Directors during the year. The sessions are led by a mixture of internal and external subject matter experts and in 2025 included deep-dive workshops on wind-down planning, project technical specifics, and a session on the Senior Managers and Certification Regime. These development sessions provide Directors with opportunities to engage with a cross-section of employees from across the business as well as external advisers, whilst evolving their knowledge of the business, and the market and regulatory environment we operate in. The Group Audit Committee also holds development sessions to support the Committee's understanding of topics relevant to it. Further information is included in the Group Audit Committee report on page 72.
Visits to head office, other locations and service providers to meet with employees and members of the Partnership	During 2025 Directors visited SJP offices both to attend Board and Committee meetings and as part of their ongoing engagement with management and employees. The Directors were also able to attend conferences held for advisers, which provided direct feedback and insights to be shared with other Directors.
Attendance at subsidiary board meetings, executive committees and management forums	A few Non-executive Directors serve on the boards of subsidiary companies, providing Group oversight and direct channels of communication between the Company and its core entities. Whilst these Non-executive Directors are cognisant of their duty to avoid conflicts of interest, attendance at subsidiary board meetings generates insights into the operation of the wider Group below the Company. Periodically, and as appropriate, Non-executive Directors who are not members of these boards are invited to attend subsidiary company board meetings and management forums.
Attendance at seminars or other events which assist Directors in carrying out their duties	Directors receive invitations from time to time to attend seminars and conferences that provide opportunities to network and enhance their knowledge and experience.

Evolving the Board

Independence

The Nomination and Governance Committee carefully considers the independence of the Board. It has determined that the Chair was independent upon appointment and considers that all Non-executive Directors of the Board continue to meet the independence criteria set out in the Code. When determining independence, the Board considers each individual against those criteria and according to how they conduct themselves in Board meetings, including how they exercise judgement and independent thinking. Further information can be found in the report of the Group Nomination and Governance Committee on page 70.

Skills and experience

The Code recommends that the Board and its Committees should have an appropriate combination of skills, experience and knowledge. The Nomination and Governance Committee, on behalf of the Board, monitors Board composition with these factors in mind. The skills and experience of each of the Board's Directors are summarised on pages 56 to 58 of this report. The Board considers a breadth of skills and experience to be supportive of not only comprehensive technical capability but diversity of perspective. Continued development of the Board is key to ensuring it remains effective in its leadership of the Group through a dynamic operating environment. In 2026, we aim to achieve this by advancing our succession planning and focusing on the Board's programme of ongoing training and development, further advancing the skills and knowledge of our Directors.

1 2 3 4 5 Composition, succession and evaluation

Continued development of our Board continued

Diversity

The Board recognises that promotion of diversity and inclusion is a key enabler of a healthy corporate (and risk) culture. The importance of diversity and inclusion is embraced throughout the Group, from the top down. The Board's Diversity Policy articulates the benefits of diversity, in the widest sense rather than focusing only on specific aspects, ensuring that the Board's composition enables a range of perspectives, insights and the cognitive diversity to facilitate robust decision-making. In addition, the Board's Diversity Policy sets out the ways in which we seek to put our relevant values, including inclusivity, into practice.

The Board, supported by its Nomination and Governance Committee, is clear about its responsibilities in overseeing and driving diversity at all levels of the organisation. The Board considers diversity to be grounded in diversity of thought rather than simply demographic factors and to extend far

beyond gender and ethnicity. Diversity based on these factors is easier to demonstrate than cognitive diversity and a breadth of individuals' backgrounds, but the Group considers the latter to be enablers of multi-dimensional conversations and the debates experienced in our boardroom. The broad range of experiences and backgrounds of our Board, supported by recent appointments, generates not only a breadth of discussion but also a depth that reflects and recognises the interests of our stakeholders. Nonetheless, the Group is committed to achieving targets aligned with key external diversity agendas and initiatives. Key composition data is outlined on this page, as at the date of this report. Further information on inclusion and diversity can be found in the report of the Group Nomination and Governance Committee on pages 69 to 70.

The Board's Diversity Policy is available to view on the Company's website.

Board composition as at 24 February 2026

Board gender



◆ Female 3
◆ Male 5

Board ethnicity



◆ White 7
◆ Minority ethnic 1

Board tenure



◆ 0-3 years 6
◆ 4-7 years 2

With the appointment of Evelyn Bourke on 1 March 2026, we continue to meet our 2025 target of 40% female representation on the Board. This aligns with the aspirations of FTSE Women Leaders, a Government supported framework to achieve gender balance.

Board Performance Review

Progress since the 2024 Board performance review – externally facilitated

This was the first year of a three-year externally facilitated performance review programme. Amongst review findings, the following key themes were identified:

Risk management – the Board should look to stand back and consider what realistically could have the potential to destroy the business, from both a financial and a cultural perspective. Given the scale of change, materiality and focus will be critical for the Board in the year ahead.

Board and organisation culture – the Board needed to mirror what it wanted to see in the organisation. It would do so by increasing its presence, being more active and visible to management and employees. Any gaps would be obvious, especially for those spending time with the Board and its Committees.

Succession planning – The Board should continue its strong focus on succession planning at main Board and subsidiary level, evolving that in line with the Group's longer-term strategy.

During 2025, the majority of actions aligned with recommendations from the above review were completed. Actions not yet complete are intentionally ongoing to ensure a cohesive approach in step with related activities in the Group.

The 2025 Board performance review – externally facilitated

The following key themes were identified from the 2025 performance review:

Board dynamics – following substantial changes in the membership of both the Board and Group Executive Committee, we already see good levels of cohesion and trust and we are keen to build on these and further enhance the effectiveness of our working relationships.

Governance and risk management – there is strong focus on risk oversight, compliance, and regulatory requirements, with notable progress in strengthening risk functions with further embedment activity planned for 2026. High levels of discipline are also demonstrated across change programmes.

Strategy and change – the Board has overseen major change programmes that will ensure we have a strong base from which to deliver a growth-oriented strategy.

Culture and succession – culture monitoring and succession planning are recognised priorities for the Board, with initiatives in place, and progress being closely overseen by the Board.

More detail about the 2025 Board performance review can be found in the Nomination and Governance Committee report on page 70.

Report of the Group Nomination and Governance Committee



Q&A with Group Nomination and Governance Committee Chair **Paul Manduca**

→ Find out more about the Committee's role and authority at sjp.co.uk/corporate-governance

Group Nomination and Governance Committee membership

Member and date joined Committee

Paul Manduca (Chair)	1 January 2021
Helen Beck	17 September 2025
Simon Fraser	16 July 2024
John Hitchins	18 May 2023
Penny James	5 December 2025

Note: Emma Griffin and Rosemary Hilary were members of the Committee until 13 May and 5 December 2025 respectively.

The Committee's terms of reference set out the Committee's role and authority and can be found on the corporate website at sjp.co.uk/corporate-governance.

Dear Shareholder,

I am pleased to present this report to you as Chair of the Committee and would like to express my gratitude to my colleagues on the Committee for their contribution during 2025.

Q What is the key objective of the Committee?

The Committee has overall responsibility for planning Board and overseeing senior executive succession, leading the process for new appointments of Directors and ensuring that these appointments bring the required skills, knowledge, experience and diversity to the Board. The Committee is also responsible for overseeing the Group's governance arrangements, taking into consideration the structure, size and composition of all its boards and committees to ensure they are made up of the right people with the necessary skills, knowledge and experience to direct the Group in the successful execution of its strategy.

Q Who are the regular attendees at meetings?

The Chief Executive Officer, Chief People Officer and Company Secretary regularly attend meetings.

Q What has been the main focus of the Committee during 2025?

Succession planning will always be a key responsibility of the Committee and in July 2025 we welcomed Penny James and Helen Beck to the Board, with Evelyn Bourke joining in March 2026. These appointments were made after comprehensive searches, augmenting existing experience and bringing fresh eyes to challenge around the Board table, ensuring we continue to benefit from diverse perspectives. Helen and Penny were identified by the Committee as successors to Emma Griffin and Rosemary Hilary and, having received the requisite regulatory approvals, were appointed as chairs of the Group Remuneration and Risk Committees respectively.

Having seen the Board and Executive's memberships refreshed in recent years, our focus now turns to medium-term succession planning. The Committee has noted that the average tenure of non-executive directors on listed company boards appears to be shortening. As a result, succession planning has become more important in ensuring that neither anticipated nor unforeseen changes in Directors adversely impact the Board's capacity and capability to make balanced and informed decisions, safe in the knowledge that it has appropriate diversity and experience. The remit of the Committee also extends to the non-executive membership of the Group's subsidiary companies, with independent directors becoming more common on subsidiary boards in the financial services sector.

Other areas of focus during 2025 have included the enhancement of the Group's governance framework, ongoing monitoring of our commitment to inclusion and diversity and overseeing progress against the actions arising from our 2024 Board Performance Review.

Report of the Group Nomination and Governance Committee continued

Q How does the Committee approach searches for new Non-executive Directors?

The Committee appoints external search consultancies to support it with the recruitment of new Non-executive Directors. In 2025 the Committee appointed Teneo for the searches that culminated in the appointments of Helen Beck and Evelyn Bourke, and Russell Reynolds for the search that resulted in the appointment of Penny James. Both Teneo and Russell Reynolds are signatories to the Enhanced Voluntary Code of Conduct for Executive Search Firms and have no connection with the Group or individual directors other than conducting leadership searches. Position descriptions were prepared for each of the searches and these were used to establish diverse long lists of potential candidates. Feedback from the Chair and members of the Committee resulted in shortlists of candidates who were interviewed for the roles. The candidates met the Chair, Senior Independent Director and other members of the Board and Executive ahead of the Committee making formal recommendations to the Board.

Q Does the Committee also lead executive succession planning?

Whilst the Committee leads the succession planning and appointment of the Group's Chief Executive Officer, the Chief Executive Officer is responsible for succession planning of executive roles. Mark FitzPatrick was appointed as Chief Executive Officer in December 2023 and over the last two years has reviewed the membership of his Group Executive Committee to ensure it has the right diversity and balance of skills and experience to lead the delivery of the Group's strategy. A number of new Executives have been appointed in 2025, and Mark has kept the Committee and the Board apprised of developments. With a refreshed Group Executive Committee in place, work has

commenced on medium-term succession planning, which aims to ensure that succession pipelines are in place for all roles. This planning will be monitored closely and reviewed by the Committee during 2026 and beyond.

Q What is the Committee's role in overseeing governance across the Group?

Oversight of the Group's governance framework is a core responsibility of the Committee. The composition and performance of the Board's principal committees and subsidiaries is kept under regular review and changes are made where required. As we highlighted last year, the demands on and expectations of the boards of our regulated subsidiary companies have increased in recent years and the Committee has overseen the appointment of additional independent non-executive directors to the boards of its principal subsidiaries.

During 2025, the Group's structure was revised to align the internal ownership structure with the underlying operation of the business. We explained last year that we had established a programme of work to enhance the Group's governance framework and the Committee has in 2025 approved a new Group Governance Manual that clearly sets out the expectations and rules that apply to the Group's subsidiaries. Alongside the restructuring and establishment of a manual, there has been a significant programme of activity to support employees across the Group to better understand and navigate our governance. The ongoing oversight of the Group's governance framework is a responsibility of the Committee.

Q Why does the Committee monitor inclusion and diversity across the Group?

Diversity, equity and inclusion (DEI) is a prominent focus of the Committee and, in addition to forming an important aspect of our succession planning, remains an aspect of the business as a whole that the Committee monitors closely. During the year we noted a proposal to refresh our DEI agenda to ensure it remains integrated with our performance and culture priorities. This will support our strategic goals of growth, resilience, and differentiation. We also reviewed the Group's DEI Policy and our own Board Diversity Policy. The Board Diversity Policy sets out our own commitment and plays an important part in the Board's succession plans, and the process for recruiting new Directors. We have met our 2025 target of 40% female representation on the Board. This aligns with the aspirations of the FTSE Women Leaders, a Government-supported framework to achieve gender balance.

We continued to monitor performance against our DEI strategy, with progress against our stated public commitments factored into the Executive team bonus performance criteria. There is still more both SJP and the financial services industry as a whole need to do to increase diversity, and we recognise the importance of sustained effort to drive progress. During 2025 the total representation of women in senior roles increased to 42.5% (2024: 37.3%). This puts us ahead of our women in senior roles target; however, the margin is small and therefore deliberate focus is needed to maintain this representation. Also, during 2025, the total representation of minority ethnic employees increased to 10.2% (2024: 9.5%). However, fewer employees are choosing to share their diversity-related data with us: 70.7% in 2025 (2024: 75.3%) and minority ethnic representation has reduced amongst our Group Executive Committee

and their senior direct reports to 6.3% (2024: 9.4%). Having a strong pipeline of diverse talent remains a priority for us, and a dedicated campaign will be run in the coming year to encourage all employees to share their diversity-related information. Further information on how the DEI Policy has been implemented, can be found in the Our Responsible Business section on page 48. Our latest Gender and Ethnicity Pay Gap report is available on our website at sjp.co.uk/shareholders/esg-reporting-hub.

We report against UK Listing Rules in relation to board diversity and this information can be found on this page and overleaf. As at 31 December 2025 the Board meets the UK Listing Rule UKLR 6.6.6 R(9)(a) requirements because at least one of its members is from an ethnic minority, the Chief Financial Officer is a woman and the percentage of women on the Board was at least 40%. The information required under UKLR 6.6.6 R(10) and (11) as at 31 December 2025 can be found overleaf.

Looking ahead to 2026, progressing our diversity and inclusion ambitions remains a priority, as a key building block to enabling the breadth of perspectives to underpin robust decision-making and our desired culture.

Report of the Group Nomination and Governance Committee continued

Board and executive management diversity disclosure

	Number of Board members	% of the Board	Number of senior positions on the Board (CEO, CFO, SID & Chair)	Number in executive management	% of executive management
Men	5	55.6%	3	6	60.0%
Women	4	44.4%	1	4	40.0%
Not specified/prefer not to say	0	0.0%	0	0	0.0%
Total population	9	100.0%	4	10	100.0%

	Number of Board members	% of the Board	Number of senior positions on the Board (CEO, CFO, SID & Chair)	Number in executive management	% of executive management
White British or other White (including minority-white groups)	8	89%	4	9	90.0%
Mixed/multiple ethnic groups	0	0%	0	0	0.0%
Asian/Asian British	1	11%	0	0	0.0%
Black/African/Caribbean/Black British	0	0%	0	0	0.0%
Other ethnic group	0	0%	0	0	0.0%
Not specified/prefer not to say	0	0%	0	1	10.0%
Total population	9	100.0%	4	10	100.0%

Data on the diversity of individuals in executive management (this includes Group Executive Committee members plus the Company Secretary) is collected through our voluntary employee diversity survey, and from other Board members by self-disclosure by the individuals concerned.

Q How is the Board's performance assessed?

This year was the second year of a three-year externally facilitated Board Performance Review programme working with Independent Board Evaluation, which commenced in 2024. The Committee has monitored progress against the actions that arose from the 2024 review and is satisfied that good progress was made during 2025. More detail on the 2025 review, and progress with the actions from the 2024 review, are set out in more detail in the corporate governance report on page 67. The Chair also considers the performance of individual Directors each year, with the Senior Independent Director leading the review of the Chair. These reviews help to identify opportunities for further development of individuals and the Board. Further information on the training and development provided to Directors (including induction programmes) can be found on page 66.

The Committee also reviews detailed analysis of the significant other commitments of existing and newly joined Non-executive Directors alongside time spent on the Company's business and affairs. The Committee and the Board are satisfied that the Non-executive Directors are able to, and do, commit sufficient time and attention to the Company's business. An assessment of the independence of each of the Non-executive Directors is carried out each year, and the Committee has concluded that each of the Non-executive Directors demonstrated that they remained independent in character and judgement. Further information on these conclusions can be found in the Notice of Meeting for the Company's 2026 AGM.

Q Can you tell us about the operation and performance of the Committee

The Committee comprises the Chair of the Board and four independent Non-executive Directors, who between them are also the chairs of the Group Nomination and Governance, Audit, Risk and Remuneration Committees and the Senior Independent Director. Membership of the Committee, alongside the Board's other Committees, was reviewed in 2025. Helen Beck and Penny James joined the Committee in 2025, as Emma Griffin and Rosemary Hilary departed. The Committee's effectiveness was considered as part of the Board's overall assessment of its effectiveness (see page 67) and the Board remains satisfied that, as a whole, the Committee has the experience and qualifications necessary to perform its role.

I look forward to reporting on further progress as we continue our work in 2026.

Paul Manduca

On behalf of the Group Nomination and Governance Committee

24 February 2026

Report of the Group Audit Committee



Q&A with Group Audit Committee chair John Hitchins

→ Find out more about the Committee's role and authority at sjp.co.uk/corporate-governance

Group Audit Committee membership

Member and date joined Committee

John Hitchins (Chair)	1 January 2022 (Chair from 18 May 2023)
Simon Fraser	22 April 2024
Penny James	1 July 2025

The Committee's terms of reference set out the Committee's role and authority and can be found on the corporate website at sjp.co.uk/corporate-governance.

Dear Shareholder,

It is my pleasure to present the Committee's report for the year ended 31 December 2025. The report provides insight into our work over the year and details how we have discharged the responsibilities delegated to us by the Board.

Q What is the key objective of the Committee?

The Committee's primary purpose is to oversee financial reporting, the internal and external audits and the Group's systems of internal control, and to provide guidance and advice on these areas to the Board and, where applicable, other boards and committees in the Group.

Q Who are the regular attendees at meetings?

Chair of the Board; Chief Executive Officer; Chair of the SJPUK Board; Chief Financial Officer; Chief Risk Officer; Internal Audit Director; Director, Finance; Director, Financial Reporting; and Senior Statutory Auditor.

Q What has been the main focus of the Committee during 2025?

As part of the Group's governance framework the Committee fulfils a vital role in providing valuable independent challenge and oversight across the Group's financial reporting, audit and internal control procedures.

The Committee continues to be conscious of the external environment we are reporting in and is comfortable that appropriate procedures are in place to ensure this has been taken into account as part of the year-end process, which included consideration of the accounting judgements and actuarial assumptions.

A key focus for the Committee this year has been to ensure that the valuation of the Ongoing Service Evidence (OSE) provision remains appropriate. Work in this area included receiving regular updates from management with views sought from the external auditors. Further details are set out later on in this report.

The Committee has been kept updated on the Group's Material Controls project to be ready for the changes to the UK Corporate Governance Code (the Code) required for 2026 year end reporting. The Committee has also ensured that the changes to the Code which came into force during 2025 have been applied and details of how these changes have been implemented are detailed throughout this report.

During the year the Committee has also led the Audit tender process given the requirement to change the Group audit firm no later than the 2027 audit. Further information on this is outlined later in this report.

Report of the Group Audit Committee continued

Looking ahead to next year, the Committee will:

- ◆ continue to monitor the development of the OSE provision as payments accelerate in the first half of 2026,
- ◆ oversee the Group's project to introduce more simplified reporting in 2026,
- ◆ oversee activities underway to prepare for the new disclosure requirements under the Code provision 29 which will be applicable for the 2026 financial year onwards. This will include reviewing and approving the assurance plan and reporting in relation to material controls and reviewing compliance with the UK Corporate Governance Code requirements in relation to the 2026 financial year-end and associated disclosures,
- ◆ scrutinise proposals for the implementation in 2027 of IFRS 18 – Presentation and Disclosure in Financial Statements, and
- ◆ review preparations for the orderly transition to Forvis Mazars in 2027 (for further information please see the Audit Tender on page 76).

The Committee will also continue to monitor for future developments in accounting regulations and receive regular progress updates from management on applying the revisions to the Code which become effective for financial years beginning on or after 1 January 2026.

Q How has the Committee operated and performed during the year?

The Chair of the Committee discussed agendas and significant matters in advance of all scheduled meetings, with the Chief Finance Officer, the Internal Audit Director and external auditors where appropriate, and has focused on the key topics set out in its forward work programme. Attendance by Committee members at these meetings is shown on page 64. The Committee also welcomed attendance from other Non-executive Directors, who attended Committee meetings as part of their ongoing development. Private sessions were held with the Internal Audit Director and the external auditors as required, providing an opportunity for matters to be discussed in the absence of management.

Development sessions have been held during the year to further enhance the Committee's understanding of key and emerging topics and to provide a platform for the Committee to discuss and consider any impact on the Group. During 2025 these sessions focused on:

- ◆ the requirements and steps needed to be followed for the audit tender;
- ◆ a corporate restructure briefing which outlined to the Committee the steps required to achieve the new target Group structure and business readiness for it;
- ◆ an overview of the reporting simplification project; and
- ◆ an update on the impacts on Financial Operations and Controls as a result of the implementation of our simple, comparable charging structure.

During the year the Committee carried out an annual review of its terms of reference. The Board and the Committee remain satisfied that the Committee operated effectively and that, as a whole, the independent Non-executive Committee members have the experience and qualifications necessary, noting in particular that the Chair of the Committee is a qualified accountant and former Senior Audit Partner, and that other members also have recent and relevant experience and expertise in the financial services sector. With regard to the Audit Committees and the External Audit: Minimum Standard published by the FRC in May 2023, the Committee is content that it meets the relevant responsibilities set out in the Standard as demonstrated by this report.

The Committee was responsible for carrying out the function required under the FCA's Disclosure Guidance and Transparency Rule DTR7.1.3R (Audit Committees) and complied with the Statutory Audit Services for Large Companies Market Investigation (Mandatory Use of Competitive Tender Processes and Audit Committee Responsibilities) Order 2014 throughout the year ended 31 December 2025.

As part of its remit, the Committee has also had oversight of the appropriateness of the Group's material accounting policies. These accounting policies are outlined fully in Note 1 of the Financial Statements

Q What matters have been considered by the Committee during the year

The Committee focused on a number of matters which can be grouped under four broad headings: corporate reporting, external audit, internal audit, and internal controls. The following sections illustrate the Committee's activities during the year.

Formal Committee meetings, covering the activities set out on pages 73 to 74, are supplemented during the year with informal discussion sessions to review, with management, key messages for both the Annual and Half-Year Report and Accounts, and to explore in more depth any complicated issues emerging. This forum provides Committee members with an opportunity to gain further clarity and understanding.

The significant issues that the Committee considered relating to the financial statements are included in the table on page 75.

John Hitchins
On behalf of the Group Audit Committee

24 February 2026

Report of the Group Audit Committee continued

Committee's activities

The Committee's activities are centred on a rolling cycle of key areas of focus and events as summarised in this timeline:

May

- ◆ Management present their review of the year-end process
- ◆ The Committee reviews the result of the annual evaluation of the external auditors, and considers whether the external auditors continue to be appropriately independent and objective, and effective in the role of external auditors
- ◆ External auditors present their internal control findings from the year-end audit
- ◆ The Money Laundering Reporting Officer (MLRO) presents their annual MLRO report and annual review of systems and controls over bribery and fraud
- ◆ Internal Audit present their annual review and quality assessment of their performance as an operational function, including the effectiveness of their delivery of the audit plan
- ◆ The Whistleblowers' Champion presents their annual report, providing an overview of the operation and effectiveness of the systems and controls in relation to whistleblowing
- ◆ The Committee undertakes its annual review of Committee activity and its terms of reference

July

- ◆ Management present the Half-Year Report and Accounts
- ◆ External auditors present their half-year review report
- ◆ Internal Audit present their interim internal controls evaluation

October

- ◆ Internal Audit present their internal audit plan for the following year
- ◆ External auditors present their year-end plan

Report of the Group Audit Committee continued

Committee's activities continued

November

- ◆ Management present their plan for the year-end process, including any technical considerations as well as key judgements
- ◆ External auditors provide a year-end progress update on the audit
- ◆ Compliance present the Compliance Monitoring plan to outline the proposed 2026 Thematic and Ongoing Monitoring Plans
- ◆ The MLRO presents their financial crime update
- ◆ Internal Controls – Material Controls Programme Update

January

- ◆ Management provide a year-end progress update, including key accounting judgements and actuarial assumptions, presenting drafts of narrative sections of the Annual Report and Accounts, Climate report and Solvency II reporting
- ◆ External auditors provide a year-end progress update on the audit
- ◆ Group Risk present their findings from the year-end internal controls process
- ◆ Internal Audit present their draft internal controls evaluation

February

- ◆ Management present the final draft Annual Report and Accounts, Climate report and Solvency II reporting, along with the year-end control and compliance reporting, for the Committee to consider recommending to the Board for approval
- ◆ Group Risk present their year-end assessment of risk and controls
- ◆ Internal Audit present their internal controls evaluation
- ◆ External auditors present their findings from the audit and their Auditors' Report, providing confirmation of independence, and the Committee considers recommending to the Board the reappointment of the external auditors at the Company's next AGM

In addition to the items set out in the diagram above, the Committee also received regular updates on the following:

External auditor's independence

Progress against the internal audit plan and compliance monitoring plan

Internal control

Key Policies

Capital management and financial control breaches

Developments in corporate reporting and external regulations

Financial Crime updates from the Money Laundering Reporting Officer

Whistleblowing quarterly updates and high risk case summaries

Report of the Group Audit Committee continued

Key corporate reporting topics

Significant issues considered	How these were addressed by the Committee
<p>Accounting judgements and actuarial assumptions</p> <p>Following the recognition of an Ongoing Service Evidence (OSE) provision at 31 December 2023, the Group has continued developing the processes and controls that will enable it to make repayments to clients where the evidence of delivery falls below the acceptable standard.</p> <p>The programme has made good progress during the year and is now deep in the operational phase. Management is confident that the exercise will be completed in 2026, with the provision materially utilised during the year.</p> <p>The OSE provision remains a critical estimate at 31 December 2025. £109.5 million has been released from the provision during the year, reflecting the impacts of:</p> <p>a) the Group's revised redress methodology implemented during the first half of the year, which better aligns to new industry guidance from the FCA, and</p> <p>b) the experience gained from the project during the year.</p>	<p>The Committee sought to understand how management has updated the provision to take into account additional experience and new industry guidance over the year.</p> <p>In particular the Committee challenged management that:</p> <ul style="list-style-type: none"> the revisions made to the redress methodology at Half Year remained appropriate at 31 December 2025; and based on the available data the OSE provision was materially correct.
<p>During 2023 there was a significant increase in reported complaints which reached a peak in Q2 2024. Since then there has been good momentum resolving these complaints as well as a marked reduction in the volume of new cases reported. As a result, management no longer considers the Complaints provision to be a critical estimate for Year end 2025 reporting.</p>	<p>The Committee noted the positive development of the provision and agreed with management's assessment that the Complaint provision was no longer a critical estimate.</p>
<p>In 2023 the Group announced that it would be introducing simple comparable charges in 2025. The financial impacts of the decision have been reflected in our Solvency II and EEV results since the 31 December 2023 valuation, in line with regulatory requirements and guidance.</p> <p>During the year details have been refined further and the impacts reflected in the Year end 2025 results accordingly.</p>	<p>The Committee discussed management's assumptions in relation to the cash flows and the consequent impact on Solvency II and EEV and agreed with the approach taken.</p>
<p>During the year the Group completed its organisational redesign, and made good progress with other aspects of the cost and efficiency programme as announced in 2024. As anticipated, for 2025 the cost and efficiency programme had no material impact on the Group's financial results, as the cost savings realised were broadly equal to the cost to achieve those savings and reinvestment spend. No accounting judgements were required in respect of the programme at 31 December 2025.</p>	<p>The Committee received regular updates on the programme and concurred with management's conclusions.</p>
<p>As part of the year-end exercise management provided a paper to the Committee setting out the key accounting judgements and actuarial assumptions.</p>	<p>The Committee was satisfied with the key accounting judgements and actuarial assumptions given the prevailing macroeconomic conditions.</p>

'Fair, balanced and understandable' opinion

The Directors are required to present a fair, balanced and understandable assessment of the Company's position and prospects and provide its opinion on whether the Company's Annual Report and Accounts taken as a whole are fair, balanced and understandable, and provide the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

To support the Board in providing this statement the Committee carried out a formal review of financial reporting during the year including the Annual Report and Accounts and half-year report, taking account of investor feedback, commentary from the FRC's annual review of corporate reporting, and management's own assessment. The Committee assessed the accurateness of financial reporting through discussion with the external auditors, receiving presentations, and discussing key matters with senior financial management.

In undertaking its assessment, the Committee has considered each of the elements (fair, balanced and understandable) on an individual basis to ensure our reporting was comprehensive in a clear and consistent way, and in compliance with accounting standards and regulatory and legal requirements. The external auditors also considered and confirmed agreement with the 'fair, balanced and understandable' statement as part of the audit process.

Following its review, the Committee recommended that the fair, balanced and understandable statement could be made in the Statement of Directors' Responsibilities, approved by the Board in February 2026 (see page 126).

Report of the Group Audit Committee continued

External audit

Audit tender

PwC were first appointed in 2009 and were reappointed as the Group's external auditors following a tender process in 2016. The Group is therefore required to change its audit firm no later than the 2027 audit.

During 2025 the Committee oversaw a competitive tender process that adhered to the FRC's Audit Committees and the External Audit: Minimum Standard. We initially engaged with six firms before requesting information packs from three of these firms. Two firms were then invited to make a formal written proposal followed by a presentation to the selection panel. The Non-executive Director led panel was chaired by the Chair of the Committee and also comprised the Group Risk Committee Chair Rosemary Hilary and Committee member Penny James alongside Chief Financial Officer Caroline Waddington, Director of Finance Charles Woodd, Investment Operations Director Marc Berryman and Director of Financial Reporting Jon Vaughan-Williams. The panel evaluated the proposals on the basis of the following criteria:

- ◆ technical capabilities and delivering quality audit,
- ◆ People and independence,
- ◆ Experience of working with similar companies,
- ◆ Understanding of business and markets,
- ◆ Working in a group structure.

As a result of the process, I am pleased to share that Forvis Mazars were selected as the preferred audit firm to replace PwC in 2027, subject to Shareholder approval at the 2027 AGM.

Audit quality indicators (AQIs) were discussed and introduced to the audit plan for the first time in 2023. The AQIs were tailored to provide quantitative and qualitative metrics regarding the audit process. They are intended to be long-term measures that are reported over multiple year-ends to enable trends to be identified, reported and discussed with further action and analysis being undertaken as required. The main themes from the FY25 audit were the reduction in the amount of specialist and expert involvement and time compared to the previous year-end due to the introduction of the OSE provision in 2023 and decreasing the value of the Group's investment in investment properties and level 3 financial assets.

Auditor's activity

To launch PwC's programme of work, the Committee received and agreed their plan for the audit of the 2025 year-end. PwC then provided regular updates on their work, culminating in their overall final report and findings from the year-end audit and the review of the half-year results. The reports were discussed with PwC, and the Committee concurred with management's response to the recommendations identified.

As in previous years, PwC attended all Committee meetings and the Chair of the Committee also regularly met with Gary Shaw, the Group's Senior Statutory Auditor (appointed in May 2022), to receive updates on progress and discuss any private matters.

The Committee asked PwC to pay particular attention to the assessment of the OSE provision and its associated judgements and was satisfied with the results of PwC's work and findings.

Auditor's independence, objectivity and effectiveness

During the year, there was a rolling internal evaluation to assess the independence, objectivity and effectiveness of PwC and the effectiveness of the 31 December 2025 audit process. This was conducted in various ways on a quarterly basis and considered AQI indicators including: feedback from management involved in the audit; feedback from the Committee; assessing audit quality including a discussion with PwC of how they had addressed any risks to audit quality that they had identified; delivery against the audit plan; and interrogating client administration systems to ensure senior PwC audit team members did not hold any St. James's Place products or shares.

In their audit report to the Committee, PwC confirmed that they remain independent of the Group. Management presented to the Committee the results of its assessment of PwC's independence and objectivity, as part of the annual evaluation of the external auditors covering six key areas: level of audit and non-audit fees including audit fee benchmarking; review of services against the policy on auditor independence to confirm adherence; PwC's policies and processes for maintaining independence which were confirmed via a letter of independence following PwC's own independence assessment; threats to independence and safeguards PwC have applied which were communicated via PwC's letter of independence; employment of former PwC employees; and rotation of key audit personnel.

Having reviewed and discussed the results, the Committee was in agreement with management's assessment and concluded that PwC remained independent and objective.

The Committee also noted the results of the FRC's review of PwC for the 2024/25 inspection cycle and observed that PwC's percentage of audits graded as 'good or limited improvements required' was 90% overall and 80% for clients in the FTSE 350. The Committee agreed with management's view that PwC were effective in their role as external auditors. Following this evaluation, the Committee recommended that the Board seek the reappointment of PwC as external auditors for the 2026 financial year at the next Annual General Meeting (AGM).

The Committee also reviewed the evaluation of Grant Thornton's performance, in relation to their role as auditors of St. James's Place International plc and contribution to the Group audit by PwC and were satisfied with their performance.

Finally, the Committee was authorised by shareholders at the last AGM to determine the remuneration of the external auditors. As such, the Committee considered and approved the 2025 audit fees. More information on the audit fees can be found in Note 5 to the financial statements.

Report of the Group Audit Committee continued

Non-audit services

During the year the Committee considered proposals for all non-audit services as they arose and received updates at each meeting on fees incurred with PwC for all services and ensured that the cap on non-audit fees had not been breached. The Committee discussed and approved the non-audit work carried out by PwC, which was limited to audit services relating to corporate reporting, such as the review of the half-year results, and a verification of a subsidiary company's reserves as this work aligned closely with the audit work. The policy for the supply of non-audit services is included in the Policy on Auditor Independence, which is reviewed annually by the Committee. The 2025 review resulted in only minor amendments being made.

More information on non-audit fees can be found in Note 5 on page 151.

Internal Audit

The primary role of Internal Audit is to help the Boards and executive management to deliver good client outcomes and protect the assets, reputation and sustainability of SJP through the provision of independent risk-based and objective assurance. Its objective is therefore to drive continuous improvement in these areas. This is set out in the Internal Audit Charter, which defines the purpose, mandate and scope of Internal Audit and explains its primary duties and responsibilities. Minor revisions were made to the Charter during 2025, and it was approved by the Committee in November 2025.

The Committee oversees the work of the Internal Audit function, which is set out in the risk-based Internal Audit Plan (the Plan). The Plan is approved annually by the Committee in October and, together with a risk-ranked watchlist, remains subject to on-going strategic and risk assessments throughout the year, with updates and changes to the Plan being discussed and approved by the Committee. The Committee is satisfied that the Plan provides appropriate coverage of SJP's key risks and strategic priorities and is suitably coordinated with assurance activity undertaken in the second line and by the external auditors.

Key topics included in the 2025 Plan included assurance over the Group's significant change projects, including the implementation of Simple and Comparable Charges, the Historic Servicing Review and the launch of the Polaris Multi-Index funds, as well as audits of Consumer Duty Embeddedness, Artificial Intelligence Governance and the Own Risk and Solvency Assessment process.

The delivery of the Plan is the responsibility of the Internal Audit Director, who is accountable to the Committee and who meets regularly with the Chair of the Committee and the Chair of the Board. Each internal audit report is sent promptly to all members of the Committee. The Internal Audit Director attends and presents at each meeting, where the Committee discusses the function's key performance indicators, recent audit findings and management's progress in addressing any remedial actions. The Internal Audit Director also meets regularly with the members of the Committee without management present. Informed by this information, and the results of Internal Audit's robust quality assurance and improvement programme, the Committee annually reviews the objectivity, impact and effectiveness of

the Internal Audit function. The assessment in May 2025 concluded that the function meets the needs of the Group, being effective, objective and driving enhancements in the Group's control environment.

The effectiveness of the internal audit function is also externally assessed every five years against the global standards set by the International Institute of Internal Auditors, the UK Internal Audit Code of Practice, and current best practice in our industry. The most recent assessment, carried out in October 2024 by BDO, concluded that the function is Generally Conformant to the Global Internal Audit Standards and to the UK Financial Services Code in all the areas assessed, which is the highest rating for an External Quality Assessment. Work on the suggested opportunities for enhancements has been substantially progressed over the course of 2025.

The Internal Audit function reports regularly to the Committee on internal controls and risk management. This includes an annual Internal Control Evaluation which draws together findings from internal audits over the course of the year to provide input to the Committee's own assessment of the effectiveness of the internal control framework. The most recent evaluation was provided at the February 2026 Committee meeting. The Committee reviewed the plans that management has in place for further enhancements to the control framework in specific areas in which Internal Audit has identified that such controls require improvement. Progress in these areas will continue to be monitored by Internal Audit and the Committee. For example, work continues to further embed the monitoring of client outcomes in some areas of the Group and on ongoing enhancements to the Group's data management processes.

The Chair of the Committee, with input from the Chief Executive Officer, is responsible for setting the objectives of the Internal Audit Director, appraising their performance and recommending their remuneration to the Group Remuneration Committee. In 2026, the Internal Audit Director, who has held the role since April 2020, will transfer to another position within the Company. In light of this, the Chair of the Committee participated in the selection of a new Internal Audit Director by carrying out a detailed formal recruitment process, including a thorough external search and interviews to identify the best possible candidate. The Committee approved the appointment of the new Internal Audit Director in November, subject to regulatory approval. The new Internal Audit Director joined the Company in February 2026 and took up the role after an appropriate transition period.

The Committee also assesses the quality, experience and expertise of the overall internal audit resource and has concluded that this remains appropriate. In addition, Deloitte LLP continues to provide internal audit co-sourcing services for specialist expertise and market insight. Examples of services provided under this contract include subject matter experts such as IT and regulatory specialists, and additional resources to maintain and enhance the level of assurance provided to the Committee.

Report of the Group Audit Committee continued

Whistleblowing

The Board maintains strategic oversight of the Group's arrangements for raising concerns, ensuring that trusted and accessible channels for raising concerns exist for escalating illegal, improper, or unethical behaviour. The Chair of the Committee continues to act as Whistleblowers' Champion under the Senior Managers and Certification Regime, providing independent leadership and assurance over the effectiveness of the Speak Up environment.

Throughout the year, the Committee evaluated the performance and strategic alignment of the whistleblowing framework, supported by regular reporting on Speak Up themes and trends. High priority matters were subject to enhanced oversight and remained on the Committee's agenda until resolved. The Committee determined that all cases had been rigorously investigated, that appropriate corrective actions had strengthened relevant processes and controls and that no issues raised posed a material risk to the Group's financial position or operational resilience.

Following comprehensive review and challenge, the Committee endorsed the Annual Whistleblowing Report and Speak Up Policy for submission to the Board in May 2025. The Board concluded that the whistleblowing arrangements remain robust, embedded consistently across the Group and continue to play an important role in supporting a strong culture, effective risk management and timely escalation of concerns.

Internal controls

Systems of internal control

The Board has overall responsibility for monitoring the Company's risk management and ensuring that management maintains comprehensive systems of internal control for managing its principal and emerging risks. On behalf of the Board, the Committee is delegated responsibility, in conjunction with the Group Risk Committee, for assessing the effectiveness of the Group's risk management and internal control frameworks, covering all material financial, operational, compliance and reporting controls for the Group and its individual entities. It does this by:

- ◆ Reviewing key controls management information and material risk event summaries through quarterly reporting provided by management to the Committee,
- ◆ Overseeing the review of risk and control self-assessments (RCSAs), the attestations and any exceptions escalated by management to the Committee.

The Committee, in conjunction with the Group Risk Committee, seeks assurance that the Group operates within a framework of prudent, effective and proportionate controls that facilitate the timely identification, assessment and mitigation of risks. The material controls are designed to manage each inherent principal risk down to an acceptable level of residual risk which is within tolerance of our stated risk appetite, rather than aiming to eliminate the risk altogether. This approach allows us to recognise that conscious risk management can also include potential benefits and enables us to make informed decisions, enabling the business to grow safely whilst delivering good client outcomes.

Specifically, in relation to the financial reporting processes, the main features of the internal control systems include:

- ◆ operation and assessment of controls in key risk areas
- ◆ monthly review and approval of all financial accounting data including data generated by our outsource providers
- ◆ formal review of financial information by senior management, for both individual companies and the consolidated Group
- ◆ extensive documentation of key processes, procedures and applicable key controls associated with financial reporting.

In addition, non-financial reporting is subject to formal management review by senior management as well as periodic review by Internal Audit.

The Committee is provided with updates on the operation of financial reporting controls throughout the year and each control is subject to an annual cycle of review and re-approval which culminates at the year-end.

In respect of other controls, the Committee receives, discusses and evaluates quarterly key risk and control indicator reports from the Group Risk function providing information relating to the internal control environment. Over recent years there have been notable enhancements to the Group's strategic approach to risk management and the internal control environment. At the core of this is a risk management framework and system which allows for consistent recording, analysis, reporting and monitoring of risks and controls. The Group Risk function also has in-house SJP-specific risk and controls training to augment understanding and awareness for all employees. Enhancements have extended to an enriched RCSA process

with clearer guidance on documentation standards and, a multi-level review and attestation across the organisation, ensuring responsibility and accountability are clearly articulated and understood, with the tone from the top setting expectations for all divisions. Further maturing of our risk event and incident management processes that support our internal control environment is progressing to ensure best practice elements, and a standardised approach is adopted across the Group.

Throughout the year the Committee has continued to monitor and consider management's plans to meet the requirements of the 2024 UK Corporate Governance Code that become effective for the financial reporting year 2026, including implementation of enhancements to assurance and control testing. The Committee has received updates on how the material controls programme will be implemented for the 2026 reporting period.

Over the next couple of years SJP is continuing to invest and prioritise further strengthening of the enterprise risk and internal control management framework to better meet the needs of the changing organisational structure, increased entity-led governance and evolving regulatory and legislative environment.

The Committee also receives and discusses the assessments of internal controls from the Internal Audit function, to support its review of the internal control environment. Actions identified through internal audits, as well as compliance-monitoring reviews, and internal control updates on the RCSA process are monitored, to ensure suitable and proportionate improvements are made.

Report of the Group Audit Committee continued

Anti-corruption, bribery and fraud review

The Committee monitors and receives regular reports from the Money Laundering Reporting Officer on the Group's policies, systems and controls to prevent corruption, including bribery and fraud. During 2025, fraud update reports were presented quarterly and a comprehensive annual report covering fraud and bribery was presented to the Committee in May 2025. It was determined that, overall, St. James's Place's controls are effective and adequate, appropriate policies and procedures are in place, and operational effectiveness of controls is evidenced. During the second half of 2025, the Committee received reports on Market Abuse and Conflicts of Interest and we will continue to enhance these during 2026 as the control frameworks develop.

Most fraud attempts against St. James's Place and its clients arise from activities involving email hacking and email interception by fraudsters. Fraud prevention controls to prevent the takeover of client accounts and fraudulent withdrawal of client funds are reliant on manual controls performed by advisers and their support staff as well as automated checking of client bank account details at the Administration Centre. Whilst most operate the required controls effectively, individual lapses can lead to financial losses, of which we saw a very low number in 2025. The Group has seen an increase in cases whereby an adviser or Partner practice is cloned online, with the intention of deceiving clients into making investments with profiles that adopt the genuine adviser's details. The following actions have been undertaken to counteract these threats:

- ◆ fraud prevention training and awareness webinars with our advisers, their support staff and employees to improve awareness of these risks and how to counteract them
- ◆ monitoring of St. James's Place social media activity to detect attempted takeovers or suspicious activity, and detection and removal of cloned St. James's Place websites
- ◆ communications to advisers, their support staff and clients via a 'one-pager' document to increase awareness of how to protect themselves from a range of investment scams.

Overall, the Committee is satisfied that the Group's internal control and risk management framework will provide adequate arrangements, actions and mitigating controls, noting that where weaknesses in material controls are identified, actions are taken to address and remediate them. Nevertheless, the Committee recognises that to support the continuing growth and evolving regulatory landscape, there is a need to continue to invest in improving and strengthening the Group's risk and control conscious culture and the risk management and internal control framework.

These sources of assurance assist the Committee in completing its annual review and enable it to attest on behalf of the Board that it has been able to properly review the effectiveness of St. James's Place's system of internal control in accordance with the 2014 FRC Guidance on risk management, internal control and related financial and business reporting.

The Committee did not identify any significant control failings or weaknesses where actions were not taken so that it remains unmitigated, and it has ensured that corrective action is being taken on matters arising from the review.

Compliance Monitoring

During the year the Committee has received updates on the progress of the Compliance Monitoring Plan. It also approved the 2026 plan for proposed 2026 Thematic and Ongoing Monitoring Plans.

Report of the Group Risk Committee



Q&A with Group Risk Committee chair Penny James

→ Find out more about the Committee's role and authority at sjp.co.uk/corporate-governance

Group Risk Committee membership

Member and date joined Committee

Rosemary Hilary ¹	17 October 2019 (Chair between 19 August 2020 and 05 December 2025)
Penny James (Chair)	01 July 2025 (Chair from 05 December 2025)
Rooney Anand	01 January 2025
Helen Beck	01 July 2025
John Hitchens	01 January 2022

¹ Rosemary Hilary retired from the Board of SJP plc on 31 December 2025.

Note: Emma Griffin and Lesley-Ann Nash were members of the Committee during the year but stepped down as members with effect from 13 May 2025.

The Committee's terms of reference set out the Committee's role and authority and can be found on the corporate website at sjp.co.uk/corporate-governance.

Dear Shareholder,

Following my appointment as Chair of the Committee in December 2025, I am pleased to present my first report to you on the Committee's activities in the year. I would like to extend thanks to Rosemary Hilary for her strong leadership of the Committee during her tenure.

Q What is the key objective of the Committee?

The Committee's primary role is to provide guidance and advice to the Board (and where appropriate to other relevant boards and committees in the Group) in relation to the Group's risk appetite and attitude to risk and to provide oversight of its risk management framework. The other relevant boards are boards of wholly owned subsidiaries of the Company, including its regulated subsidiary entities.

Q Who are the members and regular attendees at meetings?

Members of the Committee are listed in the table above and their attendance during the year is shown on page 64. In addition to the members, regular attendees of the Group Risk Committee (Committee) during the year were: Chair of the Board, Chief Executive Officer, Chief Financial Officer, Chief Operations Officer, Chief Risk Officer and Internal Audit Director. Subject matter experts and other members of senior management were also invited to attend and present on specific topics throughout the year.

Report of the Group Risk Committee continued

Q Can you tell me about the key elements of the Committee's role in 2025?

2025 has been a year of change, both for SJP and for the wider world. There have been a number of macro-economic shocks arising from volatile financial markets, uncertainty over inflation and interest rates, and geopolitical tension. Cyber, Information Security and Operational Resilience risks have all increased in 2025 and are now viewed as material risks across the SJP Group. This is due to the significant increase in the threat landscape and the volume of internal organisational change that SJP has experienced. During the year the Committee has also focused on whether the Group remains well placed to support Partners and clients alike. As part of this, the Committee has continued to monitor the embeddedness of Consumer Duty principles.

Client needs remain at the forefront of our actions, helping to achieve our purpose of empowering clients with invaluable advice to realise their bolder ambitions. SJP's second Consumer Duty reports across the relevant legal entities were approved in July 2025.

Internally, 2025 saw the Committee continue its focus on oversight of strategic risks associated with the Group's key programmes of work, and delivery of its change programmes. The Committee continued to challenge the business in pursuit of continuous improvement and development of the Group's control environment and regulatory compliance.

Systems of internal control

The Board has overall responsibility for ensuring that management maintains comprehensive systems of internal control for managing its principal and emerging risks. The Committee, working in partnership with the Group Audit Committee, is delegated responsibility for this matter on behalf of the Board. Together they assess the effectiveness of the Group's risk management and internal control frameworks, covering all material controls for the Group and its individual entities. More detail can be found in the Oversight of risk management box opposite. Broadly the Committee contributes by:

- ◆ Overseeing the identification, assessment and management actions with regards to principal and emerging risks;
- ◆ Reviewing regulatory reporting to ensure it aligns to these principal risks; and
- ◆ Discussing principal risk areas in detail, taking account of any risk events or wider market events to ensure that the Group's approach continues to evolve especially in fast paced areas such as cyber.

Emerging risks

The methods of identifying emerging risks and those discussed by the Committee are outlined on page 38. The Committee is supported in its role in this respect through the operation of the Risk Management Framework, as outlined in the diagram on page 34, and regular reporting covering horizon scanning, regulatory change, industry developments and the evolving threat landscape.

Q Can you tell me about the Committee's operation, governance and effectiveness?

The Group's Risk and Compliance functions sit under the executive leadership of Hestie Reinecke, the Group's Chief Risk Officer (CRO). Rosemary Hilary (whilst Chair) and I have worked closely with Hestie to set appropriate agenda coverage during the year, discuss key issues, and ensure that the Committee's key responsibilities are fulfilled and that significant and emerging risks are considered at appropriate times. I also regularly meet the Chief Executive Officer, the Chief Financial Officer and individual members of the Group Executive Committee to discuss key risk topics.

During the year the Committee carried out an annual review of its terms of reference. The Board and Committee remain satisfied that the Committee operated effectively. The Board also assessed that, as a body, the Committee members continue to have the experience and qualifications necessary to discharge their responsibilities. The Committee's annual review of its terms of reference concluded that it continued to discharge its responsibilities appropriately.

Report of the Group Risk Committee continued

Is there more detail about key matters considered during the year?

Risk area	Principal risks considered by the Committee
Oversight of risk management	<p>Financial, Regulatory & Legislative, Security & Resilience and Strategy & Change</p> <p>Oversight of the risk management framework is a key responsibility of the Committee and delegation from the Board (and boards of its subsidiaries, as appropriate). During 2025, the Group's assessment of its principal and emerging risks evolved in line with the changing environment within which it operates. The Committee has maintained robust oversight of the Group's risk management framework throughout the year to consider its ongoing appropriateness, taking into account key risks and development of the business. During the year the Committee has also reviewed the Group's risk appetite and risk profile in relation to Solvency, Liquidity, Climate, Operational, Conduct, and Reputational risks. The Committee has reviewed plans for further enhancement of the risk management framework to be progressed during 2026, building on progress made during the year.</p> <p>The Committee's work in this area is clearly demonstrated in the Group Internal Capital and Risk Assessment (ICARA) and Group Own Risk and Solvency Assessment (ORSA) processes. Both of these are ongoing assessments of the risks the Group is exposed to, and of the capital resources available to ensure that the Group is able to sustain its business over the plan horizon. The Committee's review of the Group's ICARA and ORSA processes includes proposed stress tests and scenarios for the evaluation of capital adequacy; the profile of risks within the Group's strategic plan and how they may change over the planning period; and the Group's overall capacity for the risks identified. Another key regulatory focus for the Committee during the year has been the Group's detailed review of its recovery, resolution and solvent wind-down planning. This covered the Company and its material regulated subsidiaries. As part of this the Group's financial and non-financial resources were considered with the aim of minimising potential harm to clients and prioritising good client outcomes.</p> <p>The Group has continued to deepen the embeddedness of risk culture, supported by employee-wide training on risk management.</p>
Change and transformation	<p>People, Regulatory & Legislative, Security & Resilience and Strategy & Change</p> <p>The Committee has taken an active role in overseeing risk elements relating to the Group's internal change programmes to challenge management in focusing transformational efforts on the delivery of good outcomes for clients, advisers and employees. The Committee has challenged the business with regards to the progress of projects with a focus on regulatory change programmes. The Committee has also supported the business as it has transitioned from this focus to more strategic change programmes as the year has progressed and regulatory programmes transitioned to business as usual (BAU). The aim of this oversight has been to assist management in continuing to focus on capacity within the business to successfully execute and the need to maintain momentum of progress in BAU.</p> <p>Wider elements relating to change programmes have also been taken into account by the Committee in its debates including: personnel changes; the need to maintain corporate knowledge; continuity of risk ownership and reporting; and appropriate access to systems. Key discussions throughout the year have included:</p> <ul style="list-style-type: none"> ◆ the implementation of our simple, comparable charging structure in August 2025. During this process the Committee considered planning for clear client communications to support understanding; operational readiness; and assessment of fair value. The Committee was focused on meeting client needs and the importance of ensuring the Group's approach to Consumer Duty flowed through its actions in this area; and ◆ planning for the launch of the Polaris Multi-Index (PMI) fund range. The Committee challenged the use case and how PMI would integrate into the existing product range. The Committee also sought and received confirmation from the business that Partner payments regarding the PMI Fund were aligned with other funds, emphasising that good client outcomes remained paramount.

1 2 3 4 5 Audit, risk and internal control

Q Is there more detail about key matters considered during the year?

Risk area	Principal risks considered by the Committee
Appointed representatives (the Partnership)	<p>People, Regulatory & Legislative, Security & Resilience and Strategy & Change</p> <p>During the year the Committee has held a number of discussions regarding the Partnership, including reviewing the annual Self-Assessment of Compliance report by St. James's Place Wealth Management plc (SJPWM) and recommending it to that Board for approval. The Committee has also discussed other elements pertaining to the Partnership, such as the preferred access method to the SJP Network from a cyber security point of view and controls in place to maintain its integrity. Thought has continued to be given to the Group's approach to SJP's Business Sale and Purchase (BSP) proposition and the financial health of the Partnership in terms of liquidity of loans to Partners and ways in which the Group can ensure any early warning signs of distress are identified and acted upon to the benefit of the Partnership and client base as a whole. Partner sentiment has also been discussed, taking account of the amount of strategic change during the year and thought given to how best to support Partners in this period.</p>
Cyber security and operational resilience	<p>Financial, People, Regulatory & Legislative, Security & Resilience, Strategy & Change and Third Parties</p> <p>2025 has seen a number of high profile cyber attacks on household name companies. This has brought the topic to the fore even more than usual. The Committee has discussed what SJP can learn from such attacks, both for itself and its third parties. Protecting the security of SJP's clients and Partners remains a paramount concern. During the year a cyber incident at a fourth party used by one of the Group's key outsourcing partners, disrupted fund valuations for a small number of St. James's Place International products. The impact was minor with SJP's outsourcing partner maintaining client transactions through workarounds. It also provided SJP with an opportunity to test its joint incident management with the outsourcing partner. Incidents such as these have helped inform SJP's operational resilience and associated returns to the regulator which are viewed as live documents and regularly updated. The Committee has noted the value of playbooks and expert advice in tackling cyber security whilst also recognising the need to continually evolve its approach in this area to keep abreast of developments. The Committee has also received an update following the Group's cyber exercise, outlining areas for continued development in this fast-paced area.</p>
Historic ongoing service evidence review	<p>Advice & Conduct, Client Proposition, Financial, Partner Proposition, Regulatory & Legislative</p> <p>In February 2024 SJP announced a review of historic client servicing records. This has involved actively reviewing records of a sub-population of clients that has been charged for ongoing advice services since the start of 2018 but where the evidence of delivery of the ongoing advice service falls below an acceptable standard. The Group has continued to develop processes and controls to enable it to make repayments to clients where the evidence of delivery falls below the acceptable standard. The Committee has overseen progress in this area in terms of interactions with the Partnership to collate evidence and has monitored the pace at which operational elements have been developing.</p>

Q What are the Committee's priorities for 2026?

In the year ahead the Committee will continue to focus on material risks for the Group such as Cyber, Information Security and Operational Resilience. Also, it will consider elements relating to the continued embedding of Consumer Duty and how SJP can continue to serve its clients well taking account of changing wealth demographics, evolving client needs and the advice gap. The Committee will also oversee the continuing maturity of the Group's Risk Framework. Alongside this work will continue across the Group on key programmes of work, and delivery of its change programmes meaning that the Committee also expects to give ongoing attention to the associated strategic risks of this work.

Penny James

On behalf of the Group Risk Committee

24 February 2026

Report of the Group Remuneration Committee



Q&A with Group Remuneration Committee Chair **Helen Beck**

→ Find out more about the Committee's role and authority at sjp.co.uk/corporate-governance

Group Remuneration Committee membership

Member and date joined Committee

Helen Beck (Chair)	1 July 2025 (Chair from 17 September 2025)
Rooney Anand	1 January 2025
Simon Fraser	22 April 2024

Note: Emma Griffin and Lesley-Ann Nash were members of the Committee until 13 May 2025. Emma Griffin was Chair of the Committee until she stepped down from the Board on 13 May 2025. Simon Fraser stepped into the role of interim Chair of the Committee between 13 May and 17 September 2025. Rosemary Hilary was a member of the Committee until 31 December 2025.

The Committee's terms of reference set out the Committee's role and authority and can be found on the corporate website at sjp.co.uk/corporate-governance.

Dear Shareholder,

On behalf of the Committee, I am pleased to present to you the Directors' Remuneration report for 2025 (the Remuneration Report), the first since my appointment as Chair of the Committee. I would like to extend my thanks to colleagues who served on the Committee during 2025, including those who stepped down earlier in the year. I would also like to thank our shareholders for their engagement and ongoing support on remuneration-related matters over the last year.

Section 1 – Committee Chair's annual statement (unaudited)

→ page 85

Section 2 – Remuneration at a glance, summary of the 2026 Directors' Remuneration Policy and Annual Report on Remuneration

→ page 88

Section 3 – 2026 Directors' Remuneration Policy

→ page 108

Report of the Group Remuneration Committee continued

Section 1 – Committee Chair's annual statement (unaudited)

Q What is the key objective of the Committee?

The Committee's purpose is to oversee implementation of the Company's remuneration framework (including its Directors' Remuneration Policy) and monitor wider workforce remuneration and related schemes/policies. It is responsible for ensuring remuneration arrangements are aligned with strategy, risk appetite and long-term sustainable success, and support the recruitment, motivation and retention of Executive Directors. Further detail on the Committee's role and activities in the year is set out on page 104.

Q Who are the regular attendees at meetings?

The Chair of the Board, our Group Risk and Audit Committee Chairs, Chief Executive Officer, Chief People Officer and Director, Group Reward and People Regulatory regularly attend meetings in addition to Committee members.

Q What does the Remuneration Report cover?

The Remuneration Report includes the Committee Chair's annual statement, the Company's Annual Report on Remuneration for 2025 (including an 'at a glance' summary) and the Directors' Remuneration Policy, including proposed policy amendments (see pages 108 to 120 for more detail).

Q What have been the main areas of focus for the Committee?

The Committee met five times in 2025 and has covered a number of key topics, some of which are summarised below. Further detail of the Committee's activities is provided in the Company's Annual Report on Remuneration; see page 104.

During the year, the Committee has ensured robust continuity of remuneration oversight amidst a number of changes to the Board and executive team. Membership, and leadership, of the Committee also evolved during 2025, with Emma Griffin and Lesley-Ann Nash leaving the Committee in May and Rosemary Hilary stepping down in December, upon their corresponding departures from the Board. For Emma, this meant stepping down as Committee Chair at which point Simon Fraser took on the role of interim Committee Chair, prior to my appointment in September. I would like to thank both Emma and Simon for their leadership during a busy year.

With a number of changes to the Group Executive Committee in 2025, the Committee played a key role in overseeing the remuneration arrangements associated with the appointment of four new members of the executive team. At the same time, implementation of the 2025 Directors' Remuneration Policy (approved at the Company's Annual General Meeting (AGM) in May 2025) was a key feature of the Committee's focus for the Group's Executive Directors. With thanks to our shareholders, last year's Remuneration Report received strong support, with 99.27% of votes in favour.

With the benefit of refreshed remuneration experience and knowledge in the business, and in line with a statement to the market in the Company's 2024 Remuneration Report, the Committee has overseen a detailed review of the 2025 Directors' Remuneration Policy to ensure its continued relevance and appropriateness. This review has resulted in proposed changes which are outlined in this Committee Chair's annual statement, with more detail provided on pages 108 to 120.

The Committee has also taken the opportunity to reflect on its scope and advisory resource. Following a thorough and competitive tender process, led by Simon Fraser as interim Committee Chair, Deloitte was appointed as the Committee's external remuneration adviser in November 2025. The Committee thanks Alvarez & Marsal for its support and guidance on remuneration-related matters during its term.

The Committee has continued to drive alignment between incentive arrangements and the Group's strategy, culture and risk appetite. Focus on this alignment is evident from the information set out in this Remuneration Report and proposals in respect of the Directors' Remuneration Policy.

Q What are the key changes proposed in the Directors' Remuneration Policy (Policy)?

As indicated in last year's report, we have undertaken a full review of the Policy during the year. Guided by this review, the Committee has proposed a number of amendments to our Policy for 2026 which ensure strengthened alignment with the Group's strategy and culture.

Proposed changes, subject to shareholder approval

Annual bonus – we propose to increase the maximum opportunity for the CEO from 200% to 250% of base salary.

Note: Annual bonus – maximum opportunity for CFO within current Policy: there is no proposed increase to the Policy maximum for the CFO (which will remain at 200% of salary), with the actual award level for 2026 set at 185% of salary (an increase from 175% for 2025 recognising development in the role).

Approach to bonus deferral – in line with common market practice in our sector and reflecting regulatory requirements, we propose to move to annual tranche vesting for the deferred element of bonus awards. The overall deferral time horizon will continue to be three years.

LTIP awards – we propose to increase maximum opportunity for the CEO from 250% to 300% of base salary.

Note: It is not proposed that the maximum opportunity for the CFO be increased within the Policy, which will remain at 250% of base salary. The actual award level for the CFO for 2026 will be set at 225% of salary (an increase from 200% for 2025), recognising development in role since appointment.

Q What is the rationale for increasing the maximum annual bonus and LTIP opportunity for the CEO?

We have proposed an increase in the annual bonus opportunity to allow the Committee to award levels of annual bonus that help retain, motivate and reward the Executive Directors during the execution of our strategy.

Report of the Group Remuneration Committee continued

The proposal takes into account the significant effort and leadership required to achieve our ambition. The level of increase is supported by market data and permits annual bonus opportunity which is commensurate with the size and scale of the organisation. Sufficiently stretching, but realistic, financial and strategic targets will be set to align with the increased opportunity, supporting our continued growth.

Similarly the proposed increased LTIP opportunity is intended to allow levels of award that motivate and support retention of our leading executive team. Given the long-term nature of these awards, pay-out will be dependent on continued delivery of the Group's 'Amplify' phase of its strategy.

Again, the proposals are supported by market data and are commensurate with a business of our size, scale and complexity, as well as reflecting our strong performance since the Executive Directors were appointed.

We have set out detail of the market data the Committee used to guide its decision making on page 109. Our review included analysis against both wealth and asset management peers, as well as more general FTSE 31-100 listed businesses. Recognising our geographic footprint, our analysis against general FTSE-listed market data excluded those with more international revenue profiles. We also took into account relative business performance as part of our market review, reflecting the market outperformance delivered by SJP since the appointment of the Executive Directors.

Q What components of the 2025 Directors' Remuneration Policy are being retained?

Our last Policy was supported by 93% of shareholders who voted at the 2025 AGM. In light of this strong support from shareholders, retention of the following key features has been an underlying principle when reviewing the 2026 Policy components.

Retained components

Structure of pay – we have retained the remuneration framework's fundamental components including salary, pension, annual bonus and LTIP (including the possibility to award a portion of the LTIP in Restricted Shares).

Pension contributions – remain in line with the rate paid to all employees (currently equates to 10%, which increases with length of service up to a maximum of 15%).

Balance between short-term and long-term performance-related pay opportunity – retained at a similar level.

Length of deferral periods – for the annual bonus and LTIP, are unchanged, with a move to tranche vesting on the annual bonus in line with typical market practice in our sector.

Malus and clawback provisions – continue to apply, allowing the Remuneration Committee to reduce awards in appropriate scenarios.

In-employment and post-employment shareholding requirements – remain in place at 300% for the CEO and 200% for the CFO, which applies for two years after employment in line with best practice.

Q When might Restricted Share Awards be granted as part of the hybrid structure?

The ability to grant Restricted Share Awards was introduced in the 2025 Policy. While the Committee does not consider the use of Restricted Shares to be appropriate in the context of the Group's current phase of strategic execution, it has opted to retain the ability to award a portion of the LTIP in Restricted Shares for future flexibility. There is currently no intention to grant Restricted Shares during the period covered by the 2026 Policy. Should circumstances arise where an award of Restricted Shares was considered to be appropriate, shareholders would be consulted prior to any such award. Details of the context of the award and rationale would be communicated as part of the consultation process. Any such award would be subject to shareholder agreement and a maximum cap applied of 62.5% of base salary, equivalent to 50% of the face value of the Performance Share Award which it is replacing. This reduction is in line with best practice.

Q How have shareholders been engaged on the proposed Directors' Remuneration Policy?

The Committee has consulted the Company's top 20 shareholders (by holding percentage), proxy advisers and the Investment Association on the proposed 2026 Policy. The Committee thanks shareholders who have actively participated in this process, with sentiment being supportive of the proposals. Key themes arising from this engagement have related to the continued ability to award Restricted Shares (discussed above), the move to tranche vesting (see page 113), the decision to move away from the use of European Embedded Value (EEV) reporting as a step in the Company's reporting simplification journey and alignment of targets with increased maximum opportunity for the CEO (see page 115).

Q What are the annual bonus and LTIP outcomes for 2025?

The maximum annual bonus for the CEO and CFO in 2025 was 200% and 175% of salary, respectively. The bonus was based on the following metrics: Underlying cash result; net inflows; annual growth in controllable expenses; and cost and efficiency programme savings (the latter being a new addition to metrics). Strategic metrics include key performance indicators relating to: 'brilliant basics'; 'differentiated client proposition'; 'leading adviser offering'; and being a 'performance focused organisation'.

During 2025, the Group delivered strong results, achieving record performance in respect of Underlying cash result and FUM, sustained net inflows and disciplined cost control. Strategic performance has also been strong, with substantial progress made. Further detail about the Group's financial performance can be found on pages 26 to 32, with coverage of our strategic performances on pages 15 to 19.

In light of this performance, the Committee has determined an outturn of 100% of maximum opportunity for the financial element and for non-financial related performance, 87.5% for Mark FitzPatrick and 85.1% for Caroline Waddington. This means an overall bonus outcome of 95.0% of maximum opportunity for Mark FitzPatrick (equivalent to 190.0% of base salary) and 94.0% of maximum opportunity for the Caroline Waddington (equivalent to 164.6% of base salary).

Further details of the annual bonus outcomes can be found in the Company's Annual Report on Remuneration for 2025 on page 93.

There was no LTIP vesting for either Executive Director in the year as neither participated in the 2023 award. The 2023 award will vest at

Report of the Group Remuneration Committee continued

45% for other participants. Further details of the vesting outcome for the 2023 award can be found in the Company's Annual Report on Remuneration for 2025 on page 95.

The Committee is comfortable that the pay outcomes for both executive Directors are appropriate in the context of company and individual performance for 2025.

Q What other Committee activities should be highlighted from 2025?

Board Chair fee for 2026

During the latter part of 2025, the Committee reviewed the Board Chair fee level to ensure that this remains fair, competitive and aligned with the relevant time commitment and size and scale of the Group. Reflecting on the scope of the Chair's role and taking into consideration market practice, it was decided that the fee be increased to £475,000 effective from 1 January 2026. This decision was made subject to the successful conclusion of shareholder consultation on the change. The Company's top 20 shareholders were consulted on the matter at the same time as proposals in respect of the 2026 Policy. This process indicated shareholder support for the adjustment. The ongoing appropriateness of the Chair's remuneration will be considered again as part of the regular review cycle in 2026.

Workforce pay and consultation with colleagues

During the year, the Committee has considered the Group's wider workforce remuneration, with specific oversight in respect of reward strategy and the total compensation structure including related aggregate spend, ensuring alignment with market practice. The Committee has also monitored market trends on workforce remuneration, both current and emerging.

As the Non-executive Director with responsibility for workforce engagement, I undertook a number of workforce engagement sessions with employees from a cross-section of the business during the year. These discussions have enabled employees to raise queries and concerns relating to executive and wider workforce remuneration policy and practice.

Diversity and pay gaps

The Board monitors the gender and ethnic diversity of employees. Female representation in senior management roles in 2025 stood at 42.5% and we continue to work towards our target of 12% minority ethnic representation in our UK employee population by 2028 (currently at 10.2%). Total gender pay gap, which is an indication of whether we are moving closer to a broadly equal number of men and women at each job level in the Group, continues to be monitored by the Committee. Since 2017, we have made good progress on this: the median and mean hourly pay gaps have reduced by 23.8 and 19.5% percentage points respectively to date.

Q Looking ahead to 2026, what key considerations of the Committee should be highlighted?

Implementation of the 2026 Policy, subject to shareholder approval

Subject to shareholder approval of the 2026 Policy, the Committee will ensure implementation within the revised parameters of that Policy.

Base salary reviews for 2026

The Committee has reviewed base salaries for Executive Directors for 2026 and determined to uplift base salaries in line with the wider workforce rate of 3.5% at the 1 March 2026 review date. The salary level for Mark FitzPatrick will therefore be £932,000 and for Caroline Waddington will be £646,900.

Annual bonus metrics for 2026

When reviewing the Policy, the Committee has reflected on the annual bonus performance metrics for Executive Directors to ensure that these remain appropriate in light of our strategy. For 2026, financial metrics will continue to make up 60% of the annual bonus, with a maximum level of 40% based on non-financial metrics. However, the Committee has decided to simplify the non-financial element of the scorecard by removing the separate element based on individual objectives. For 2026, both directors will be assessed against a common set of strategic objectives, although the Committee will continue to take into account individual performance in the evaluation of the achievement of these objectives.

The full set of targets and outcomes will be reported to shareholders in the Remuneration Report for 2026, in the usual way.

PSP grants in 2026

In light of the business decision to move away from EEV, the Committee has undertaken a full review of potential financial metrics to identify a suitable replacement that underpins our Group strategy. Following this review, net inflows will replace EEV to sit alongside Cash result and relative Total Shareholder Return (TSR) as financial metrics for PSP grants in 2026. The relative weighting of the financial metrics remains unchanged.

The quantum is expected to be as follows:

- ◆ Mark FitzPatrick will receive an award of 300% of base salary, as permitted in the Policy (subject to shareholder approval).
- ◆ Caroline Waddington will receive an award of 225% of base salary, within the maximum opportunity of 250% outlined in the Policy (unchanged since the 2025 Policy approval).

- ◆ Vesting of these awards will be subject to stretching but achievable performance conditions and the Committee retains additional discretion to make downwards adjustment at vesting should this be considered appropriate.

Conclusion

Remuneration outcomes for 2025 reflect the Committee's robust approach to performance assessment – with total remuneration reflecting the positive developments in the business during the year. We are comfortable that the remuneration of Executive Directors is aligned with the long-term interests of our shareholders with shares constituting around 60% of the total package, through deferral of bonus for up to three years and long-term incentive awards that are subject to a total five-year vesting and holding period. Although, the amendments to our Policy increase the maximum quantum opportunity for the CEO, following consultation with our shareholders and other key stakeholders, the Policy remains closely aligned with shareholders' interests and expectations.

The Committee extends its thanks to shareholders for ongoing support and engagement on matters within its scope during 2025 and the early part of 2026. I encourage you to vote for the Directors' Remuneration report for 2025 and the proposed Directors' Remuneration Policy.

Helen Beck

On behalf of the Group Remuneration Committee

24 February 2026

Report of the Group Remuneration Committee continued

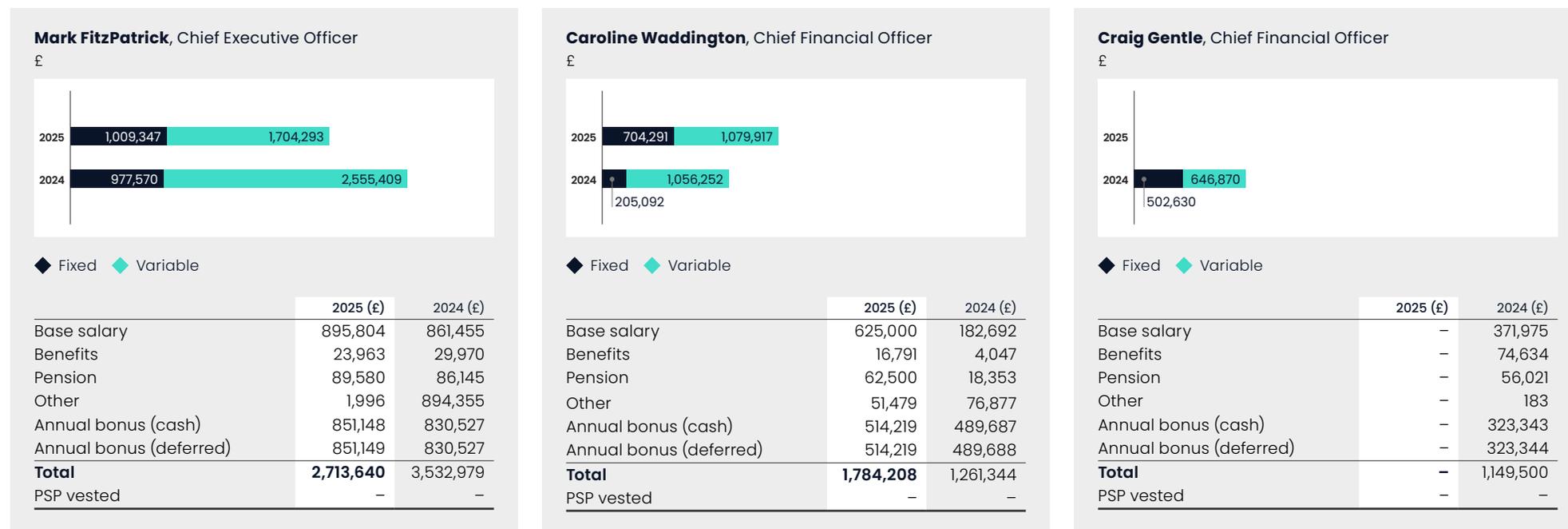
Section 2 – Remuneration at a glance, code compliance and annual report on remuneration

Remuneration at a glance

How our Executive Directors were rewarded during 2025 and 2024

Single figure remuneration for the year

The following tables provide a summary single total figure of remuneration for 2025 and 2024 for the Company's Executive Directors.



See pages 90 and 91 for full details, including relevant notes, of the remuneration received by Executive Directors in respect of the years ended 31 December 2025 and 2024.

Report of the Group Remuneration Committee continued

Summary of 2026 Directors' Remuneration Policy (subject to shareholder approval)

Current Policy and Practice		Update to Policy
Base Salary	Percentage increases will normally be at, or below, the percentage increases for the Company's wider employee population.	◆ No change.
Pension	Maximum pension aligned to the workforce scale (10% of base salary on joining, rising to 15% with service).	◆ No change.
Annual Bonus	<p>Maximum annual bonus: 200% of base salary for CEO and CFO. 50% of bonus award deferred into shares that vest after three years.</p> <p>Performance measured using a scorecard of financial measures (no less than 60% weighting) and non-financial criteria (up to 40% weighting) on each. Pay-outs on a scale from 20% to 100% of maximum. Below-threshold performance results in zero pay-out for the relevant metric.</p> <p>Normally 50% of any bonus payable will be deferred for three years. A lower percentage may be set by the Committee once an Executive Director has met their shareholding requirement, but will be no less than 25% of the award.</p> <p>Malus and clawback provisions apply.</p>	<ul style="list-style-type: none"> ◆ Increased maximum opportunity for CEO from 200% to 250%. ◆ No change to maximum opportunity for CFO (although note the proposed uplift in award level for 2026 from 175% to 185% of base salary). ◆ Maintaining the current three-year deferral period, but introduce annual one-third tranche vesting.
LTIP	<p>Annual grants of Performance Shares (PSP), which vest after three years subject to performance conditions. Followed by a two-year post-vesting sale restriction period (excluding sales to settle tax). Awards of up to 250% of base salary for CEO and CFO.</p> <p>Grants of Restricted Shares in lieu of PSP, subject to 50% discount on the face value of the PSP awards in line with best practice. A maximum award size of 62.5% of base salary (representing 50% of the LTIP face value). Awards vest after three years subject to the Committee's underpin assessment. Vesting is followed by a two-year post-vesting sale restriction period (excluding sales to settle tax).</p> <p>Underpin: Ability to cancel or scale-back vesting if there has been significant underperformance over the vesting period. The underpin assessment by the Committee will be a rounded appraisal of all aspects of performance which may include: financial and return performance such as net inflows, profitability and TSR; client acquisition, retention and satisfaction; employee engagement; risk management and regulatory compliance; and sustainability indicators.</p> <p>Malus and clawback provisions apply.</p>	<ul style="list-style-type: none"> ◆ Increased maximum opportunity for CEO from 250% to 300% for 2026 awards and beyond. ◆ No change to maximum opportunity for CFO (although note the proposed uplift in award level for 2026 from 200% to 225% of base salary). ◆ The ability to grant Restricted Share Awards, approved by shareholders in 2025, would remain, although not anticipated to be used in the life of this Policy (see page 114 for more details). Awards would be subject to a maximum level of 62.5% of base salary, in line with the 2025 Policy. Before any grant of Restricted Shares, the Committee will consult with shareholders. ◆ Length of vesting or retention periods unchanged. ◆ Balance of the short to long-term performance-related pay opportunity retained, to maintain alignment with shareholder interests. ◆ LTIP awarded into performance shares continue to vest after three years, subject to appropriately stretching performance conditions, with release after five years. LTIP awarded into Restricted Shares, should that option be utilised, will vest after three years, subject to an underpin assessment, with release after five years.
Shareholding Requirements	300% of base salary for the CEO and 200% for other Executive Directors, to be achieved normally within five years of appointment. Executive Directors are also subject to a two-year post-cessation holding requirement at 100% of the in-post requirement (or the shares accumulated by time of stepping down from the Board).	◆ No change.

Note – Malus and clawback continue to apply, allowing the Committee to reduce awards in appropriate scenarios.

Report of the Group Remuneration Committee continued

Annual report on remuneration

This Directors' Remuneration report, will be put to an advisory shareholder vote at the 2026 AGM. This part of the Remuneration report explains the work of the Remuneration Committee and sets out how we implemented our Policy during 2025. The information on pages 90 to 107 has been audited where indicated. This part also sets out how we intend to implement the Directors' Remuneration Policy in 2026, subject to shareholder approval of that Policy. The 2026 Policy, including the proposed amendments thereto, is set out on pages 111 to 120.

2.1 How the Remuneration Policy was applied in 2025

2.1.1 Remuneration payable in respect of performance in 2025 (audited)

Summary of total remuneration

The remuneration received by Executive Directors in respect of the years ended 31 December 2025 and 2024 is set out below.

Executive Director		Base salary £	Benefits £	Annual bonus £	Long-term incentives £	Pension £	Other £	Total £	Total fixed remuneration £	Total variable remuneration £
Mark FitzPatrick ¹	2025	895,804	23,963	1,702,297	–	89,580	1,996	2,713,640	1,009,347	1,704,293
	2024	861,455	29,970	1,661,054	–	86,145	894,355	3,532,979	977,570	2,555,409
Caroline Waddington ²	2025	625,000	16,791	1,028,438	–	62,500	51,479	1,784,208	704,291	1,079,917
	2024	182,692	4,047	979,375	–	18,353	76,877	1,261,344	205,092	1,056,252
Craig Gentle ³	2025	–	–	–	–	–	–	–	–	–
	2024	371,975	74,634	646,687	–	56,021	183	1,149,500	502,630	646,870

Non-executive Director		Base salary £	Benefits £	Total £
Rooney Anand ⁷	2025	148,444	1,328	149,772
	2024	–	–	–
Helen Beck ⁷	2025	68,433	–	68,433
	2024	–	–	–
Dominic Burke ⁴	2025	–	–	–
	2024	16,958	–	16,958
Simon Fraser ⁵	2025	200,952	–	200,952
	2024	125,968	–	125,968
Emma Griffin ⁶	2025	72,093	949	73,042
	2024	190,212	7,870	198,082
Rosemary Hilary ⁶	2025	208,703	446	209,149
	2024	204,504	735	205,239
John Hitchins	2025	275,677	359	276,036
	2024	199,747	–	199,747
Penny James ⁷	2025	55,548	27	55,575
	2024	–	–	–
Paul Manduca	2025	413,000	5,704	418,704
	2024	400,000	8,810	408,810
Lesley-Ann Nash ⁶	2025	50,637	–	50,637
	2024	132,875	966	133,841

1 Mark FitzPatrick joined the Board on 1 October 2023. The Other amount for 2024 includes the value of buyout awards which vested on; 17 May 2024 (4,169 shares at a market price on vesting of £4.774 per share); 4 April 2025 (35,379 shares at a market price on vesting of £8.178); and 27 May 2025 (52,495 shares at a market price on vesting of £11.09). The number of shares include dividend equivalent shares which were added on vesting. The vesting of the buyout awards reflected the actual vesting % of the Prudential LTIP 2021 award and the TSR performance of SJP to the end of 2024, details of which were set out in last year's Annual Report.

2 Caroline Waddington joined the Board on 16 September 2024. The Other amount for 2025 relates to buyout share awards which vested on 25 March 2025 (4,998 shares at a market price on vesting of £10.30 per share). The Other amount for 2024 relates to a buyout cash award payment. Details of the buyout awards were set out in last year's Annual Report.

3 Craig Gentle stepped down from the Board on 11 October 2024.

4 Dominic Burke stepped down from the Board on 31 January 2024.

5 Simon Fraser joined the Board on 22 April 2024.

6 Emma Griffin and Lesley-Ann Nash stepped down from the Board on 13 May 2025. Rosemary Hilary stepped down from the Board on 31 December 2025.

7 Rooney Anand joined the Board on 1 January 2025. Helen Beck and Penny James joined the Board on 1 July 2025.

Report of the Group Remuneration Committee continued

Annual report on remuneration continued

2.1.1 Remuneration payable in respect of performance in 2025 (audited) continued

Benefits

Benefits for Executive Directors comprise private healthcare, life and critical illness cover, permanent health insurance, health screening, travel costs and, until 30 April 2024, car allowance at which point this was consolidated into base salary with a downward adjustment to reflect the pension contribution that applies to base salary. During 2024 Craig Gentle received a location allowance of £72,000 per annum, which allowed him to work increased amounts of time in SJP's London office away from his normal place of work at SJP's Cirencester office. The amounts shown are generally the taxable amounts.

Benefits for Non-executive Directors are private medical cover expenses, as applicable, and the reimbursement of taxable travel expenses grossed up for any tax payable thereon. Non-executive Directors are not paid a pension and do not participate in any of the Company's variable incentive schemes.

Pension allowance

Consistent with the pension contributions provided to the wider workforce, all Executive Directors appointed after the 2018 AGM receive a pension allowance of 10% of salary on joining, increasing to 12.5% after five years and 15% after ten years of service. The pension allowances for Executive Directors appointed prior to the 2018 AGM were reduced to 15% of base salary on 1 January 2023. None of the Executive Directors participate in defined benefit pension schemes.

Annual bonus

As explained on page 89, 50% of the annual bonus is paid in cash and 50% is in the form of a conditional award of the Company's shares. Release of the shares is subject to the participant's continued employment. Deferred shares are subject to forfeiture for three years under the terms of the Deferred Bonus Plan (DBP).

Long-term incentives

The value of the long-term incentives is the value of shares vesting from the award where the performance period ends in the year, together with the value of dividend equivalents that have been added in the form of shares, during the three-year performance period, to the vested shares. The long-term incentive values are zero for Mark FitzPatrick and Caroline Waddington as they did not receive grants in 2023 or 2022. The long-term incentive value for 2024 is zero for Craig Gentle due to the overall performance conditions not being met for the PSP award granted on 25 March 2022.

Other

These amounts relate to three elements: (i) income received from the Share Incentive Plan (SIP) and the Sharesave Option Plan (SAYE); (ii) vesting of buyout awards for Mark FitzPatrick and Caroline Waddington; and (iii) the payment of a buyout cash award to Caroline Waddington in 2024. For the SIP, the value relates to the matching shares received (one matching share is awarded for every ten Partnership shares purchased). For Mark FitzPatrick, 17 matching shares were awarded on 25 March 2025 at £10.27 per share and 39 matching shares were awarded on 24 March 2024 at £4.5243 per share. Employees making contributions to the SAYE plan receive a 20% discount on shares under option. Mark FitzPatrick entered into a savings contract in September 2025 with a discount of £2.425 per share for 751 shares under option. Mark FitzPatrick will be eligible to receive a tax-free bonus of 0.5 times his monthly savings amount on the maturity of the 2025 SAYE. In 2024, Mark FitzPatrick entered into a savings contract with a discount of £1.008 per share for 2,748 shares under option. Mark FitzPatrick will be eligible to receive a tax-free bonus of 1.1 times his monthly savings amount on the maturity of the 2024 SAYE.

For Caroline Waddington, the buyout award vesting value for 2025 relates to 4,998 shares which vested on 25 March 2025. The shares have been valued using the closing share price on 25 March 2025, £10.30. No dividend equivalent shares had accrued at the time of vesting. 3,358 of the vested shares were subject to performance conditions and the vesting level was determined by the vesting level of the original awards which were replaced. It was confirmed in the UBS Group Annual Report 2024 that these awards vested in full. 1,640 of the vested shares were not subject to any performance conditions and therefore vested in full. No buyout awards vested to Caroline Waddington in 2024.

Subsidiary board fees

Emma Griffin and Simon Fraser received the following fees as Non-executive Directors of St. James's Place Unit Trust Group Limited during 2025: Emma Griffin £23,229 for the period 1 January to 13 May 2025 (at which point she resigned from the board); and Simon Fraser £40,695 for the period 13 May to 31 December 2025.

Simon Fraser, Rosemary Hilary and John Hitchens received the following fees as Non-executive Directors of St. James's Place UK plc during 2025: Simon Fraser £23,229 for the period 1 January to 15 May 2025 (at which point he resigned from the board); Rosemary Hilary £63,750; and John Hitchens £63,750.

John Hitchens and Rooney Anand received the following fees as Non-executive Directors of St. James's Place Wealth Management plc during 2025: John Hitchens £63,750; and Rooney Anand £42,791 for the period of 1 May (his appointment date) to 31 December 2025.

Report of the Group Remuneration Committee continued

Annual report on remuneration continued

2.1.2 Payment for loss of office and payments to past directors (audited)

Payment for loss of office for loss of office

As detailed in last year's Annual Report, Craig Gentle stood down from the Board on 11 October 2024. Craig undertook a period of 'gardening leave' from 1 November 2024 to 12 June 2025 when he ceased to be an employee. In 2025, he received a base salary of £221,910, pension payments of £31,880 and benefits totalling £45,677. He was not eligible for an annual bonus or LTIP award for 2025. Further detail of the treatment of his awards is set out in last year's annual report.

Malus and clawback provisions will apply to any awards or payments made to Craig under the annual bonus plan and discretionary share plans.

Shares held in the SIP were released to Craig on leaving in accordance with the rules of the SIP.

In line with the Directors' Remuneration Policy, Craig will be required to maintain a shareholding equivalent to 200% of his base salary from the date he retired from the Board for two years post cessation.

Craig received no additional compensation or payment for the termination of his service contract or his ceasing to be a Director of the Company or any other Group Company, except for the Company paying legal fees up to £25,000 plus VAT.

Payments to past directors

No payments were made to former Directors in 2025.

Report of the Group Remuneration Committee continued

Annual report on remuneration continued

2.1.3 Summary of total annual bonus for 2025 performance (audited)

Bonus scorecard

The performance conditions (both financial and non-financial targets) and weightings which applied to the annual bonus were as follows:

Measure	Weighting (percentage of maximum)	Threshold (20% payable)	Maximum value (100% payable)	Actual	Mark FitzPatrick ¹		Caroline Waddington ²	
					Payout (percentage of salary)	Payout (percentage of maximum total bonus)	Payout (percentage of salary)	Payout (percentage of maximum total bonus)
Underlying cash result	12.0%	£310.0m	£360.0m	£462.3m	24.0%	12.0%	21.0%	12.0%
Net inflows	24.0%	£2.0bn	£4.0bn	£6.2bn	48.0%	24.0%	42.0%	24.0%
Annual growth in controllable expenses	12.0%	£396.3m	£388.9m	£305.8m	24.0%	12.0%	21.0%	12.0%
Cost and efficiency programme savings	12.0%	£42.0m	£50.0m	£57.3m	24.0%	12.0%	21.0%	12.0%
Strategic objectives	20.0%	Assessment by the Committee of the performance of the Executive Directors			34.0%	17.0%	29.8%	17.0%
Individual objectives	20.0%				36.0%	18.0%	29.8%	17.0%
Total calculated payout					190.0%	95.0%	164.6%	94.0%

¹ The weighting and payout for Mark FitzPatrick is based on a maximum bonus opportunity of 200% of base salary.

² The weighting and payout for Caroline Waddington is based on a maximum bonus opportunity of 175% of base salary.

Annual bonus for 2025

The maximum bonus opportunity for Mark FitzPatrick was 200% of salary and 175% of salary for Caroline Waddington. As shown in the table above, 60% of the annual bonus was determined by a scorecard of financial performance metrics, 20% by strategic objectives and 20% by individual performance objectives.

Financial performance metrics

The scorecard of financial performance metrics was as follows:

Metric	Alignment with strategy
Underlying cash result	Recognises annual cash profitability, which is an important driver of dividends and future investment in the business.
Net inflows	Reflects both new business and client retention and is a driver of sustained profit growth.
Annual growth in controllable expenses	Keeping cost growth below the rate of growth in revenues is a key determinant of profit growth.
Cost and efficiency programme savings	This is to ensure that the savings under the programme are delivered.

Reflecting the strong performance of the business, as detailed in the Committee Chair's annual statement, and notwithstanding the stretching targets set for the business, as shown in the table above, the maximum targets for all the financial performance metrics were met and 60% of the maximum bonus will pay out based on these measures.

Strategic performance objectives

Mark FitzPatrick and Caroline Waddington were set the following strategic performance objectives:

Strategic Performance Objective	Mark FitzPatrick		Caroline Waddington	
	Weighting (percentage of maximum bonus)	Payout (percentage of maximum bonus)	Weighting (percentage of maximum bonus)	Payout (percentage of maximum bonus)
Client satisfaction	5.0%	5.0%	5.0%	5.0%
Adviser advocacy	5.0%	5.0%	5.0%	5.0%
Employee engagement and culture	5.0%	4.0%	5.0%	4.0%
Risk and controls	5.0%	3.0%	5.0%	3.0%
Total	20.0%	17.0%	20.0%	17.0%

Report of the Group Remuneration Committee continued

Annual report on remuneration continued

The details of the strategic objectives are as follows:

Strategic performance objective	Measure/target	Outcome
Client satisfaction	Overall client satisfaction score across five core satisfaction questions.	Achieved in-line with maximum target. Maintained high levels of client satisfaction, demonstrating our commitment to delivering good client outcomes. For example, in 2025 we delivered investment returns for clients which represented 12% of opening FUM, net of all charges, and we broadened investment choices available to clients through the launch of our Polaris Multi-Index range.
Adviser advocacy	Partner survey result metrics for engagement and proposition rating.	Achieved in-line with maximum target, demonstrating effective engagement with the Partnership during a period of significant change in the business, and our continued focus on providing a leading adviser offering. For example, during the year we improved this by introducing and piloting a range of technology and AI tools to help advisers work more effectively.
Employee engagement and culture	Measure based on performance against a dashboard of employee and cultural indicators, including employee survey results, inclusion & diversity targets and against key people metrics (e.g. attrition and retention).	Achieved above target, demonstrating effective leadership of the employee base during a period of significant change for the business, particularly with the transition to our new organisational design during the year. We also improved the inclusion and diversity representation across the business. For example, we increased the percentage of women in senior leadership roles.
Risk and controls	Measure based on performance against core KPIs measure in risk and control dashboard.	Achieved in-line with target. Demonstrating a strong risk and control culture across the organisation, supporting the Group to stay within its risk appetite.

Individual performance objectives

Mark FitzPatrick

Mark delivered a highly successful year for St. James's Place. Amid a complex operating environment, Mark's leadership further strengthened confidence among key stakeholders, including regulators, shareholders and the Partnership. Strategic achievements included making strong progress against key programmes of work, improving market sentiment and standing via an improved media and brand presence, and positioning the Group in a more influential stance to shape industry thinking. Additionally Mark's leadership led to building a stronger and more diverse Group Executive Committee, which has improved the organisation's ability to execute strategy and manage future succession. Overall, the performance review underscores a year of robust execution and clear leadership judgement, laying firm foundations for the Company's sustainable future growth.

Caroline Waddington

Caroline has made a significant contribution to the business this year, not least through leading on the organisational redesign required as part of our cost and efficiency programme. She has also been a strong culture champion for the organisation and been responsible for attracting new shareholders to St. James's Place. Caroline has led on plans to further strengthen our leading BSP scheme over the long-term, as well as progressing work around simplifying our financial reporting.

2025 performance against bonus scorecard (including Committee discretion)

The table below sets out performance against financial and non-financial targets under the bonus scorecard, and the effect of the Committee's overriding discretion on the final outcome. The Committee is comfortable that the scorecard outcomes for both Executive Directors are appropriate in the context of Company and individual performance for 2025. Therefore, no discretion was applied. The table also shows the portion of the annual bonus awarded in cash and the portion awarded in deferred shares.

	Mark FitzPatrick	Caroline Waddington
Financial targets (% of base salary)	120.0%	105.0%
Strategic objectives (% of base salary)	34.0%	29.8%
Individual objectives (% of base salary)	36.0%	29.8%
Committee discretion (% of base salary)	0.0%	0.0%
Final bonus outcome (% of base salary)	190.0%	164.6%
Maximum opportunity for 2025 (% of base salary)	200%	175%
Final bonus outcome (% of maximum)	95%	94%
Cash amount	£851,148	£514,219
Deferred amount	£851,149	£514,219

Report of the Group Remuneration Committee continued

Annual report on remuneration continued

2.1.4 Long-term incentive awards (audited)

Vesting of Performance Share Plan awards

On 31 December 2025, the awards made on 3 May 2023 under the PSP reached the end of their three-year performance period. As outlined below, these awards achieved 45.0% against the performance conditions.

The current Executive Directors did not receive this award as they were not employed by the Company at the time of grant.

The performance conditions which applied to the 2023 PSP awards, and the actual performance achieved against these conditions, are set out in the table below. The weighting of the following performance conditions is split one-third respectively.

Performance hurdle	TSR relative to the FTSE 51 to 150 ¹		EPS CAGR % using the Cash result		EPS CAGR % using EEV adjusted profit ²	
	Performance required	Percentage of one-third of award vesting	Performance required	Percentage of one-third of award vesting	Performance required	Percentage of one-third of award vesting
Below threshold	Below median	0%	Below 5%	0%	Below 5%	0%
Threshold	Median	25%	5%	25%	5%	25%
Stretch or above	Upper quartile or above	100%	12% or above	100%	12% or above	100%
Actual achieved ³	36 out of 76 companies	35.0%	Below 5%	0%	Above 12%	100%

1 FTSE 51 to 150 index excluding investment trusts and companies in the FTSE oil, gas and mining sectors.

2 This is by reference to the post-tax EEV operating profit (on a fully diluted per-share basis). This metric excludes the direct impact of stock market fluctuations and changes in economic assumptions on the final year's performance.

3 No discretion was exercised by the Committee to override the outcome referred to above.

Granting of PSP awards in 2025

Details of PSP awards (nil-cost options) granted to the Executive Directors in 2025 are set out in the table below.

Director	Type of award	Basis of award granted	Average share price at date of grant (£)	Number of SJP shares over which award was granted ^{1,2}	Face value of award (£)	Percentage of face value that would vest at threshold performance
Mark FitzPatrick	Nil-cost option	250% of salary of £900,528	10.27	219,213	2,251,318	25%
Caroline Waddington	Nil-cost option	200% of salary of £625,000	10.27	121,713	1,249,993	25%

1 The number of shares awarded was calculated based on the average of the mid-market share prices over a period of three days prior to the date of grant on 25 March 2025, being £10.27 per share. The face value of the award figure is calculated by multiplying the number of shares awarded by the average share price figure of £10.27.

2 PSP awards are structured as nil-cost options and therefore no exercise price is payable on exercise. Dividend equivalents accrue to the Executive Directors between the date of grant and the second anniversary of the vesting date or, if earlier, the exercise of the award (up to a maximum of five years from date of grant) but are released only to the extent that awards vest. Awards in 2025 were based on the achievement of three metrics: (a) TSR performance relative to a composite benchmark of the FTSE 51 to 150, excluding investment trusts and companies in the oil, gas and mining sectors for one-third of the award. For the TSR performance metric element, 25% vests at median, with a straight-line relationship to 100% vesting for upper quartile performance; (b) EPS using EEV adjusted profit for one-third of the award. This is by reference to the post-tax EEV operating profit (on a fully diluted per-share basis). This metric excludes the direct impact of stock market fluctuations and changes in economic assumptions on the final year's performance; and (c) EPS using the Cash result for one-third of the award. For the EPS performance metric elements, a threshold and stretch level of performance is set. At threshold, 25% of the relevant element vests, rising on a straight-line basis to 100% for attainment of levels of performance between threshold (EPS in 2027 using EEV adjusted profit of 174.92 pence per share and EPS in 2027 using the Cash result of 71.62 pence per share) and maximum (EPS in 2027 using EEV adjusted profit of 214.62 pence per share and EPS in 2027 using the Cash result of 85.68 pence per share) targets. These awards also have a post-vesting holding period of two years from the vesting date.

1 2 3 4 5 Remuneration

Report of the Group Remuneration Committee continued

Annual report on remuneration continued

2.1.5 Share awards (audited)

The tables below set out details of share awards that have been granted to individuals who were Executive Directors during 2025 and which had yet to vest or be exercised at some point during the year. With the exception of the buyout awards granted to Mark FitzPatrick and Caroline Waddington, the performance periods for share awards run for a period of three years, ending on 31 December of the year immediately preceding the vesting date.

Buyout awards outstanding

Director	Date of grant	Market price at grant (£) ¹	Shares originally awarded ¹⁶	Face value (£) ¹	Shares vested	Vesting date	Dividend equivalents added to vested awards	Shares exercised including dividend equivalents	Shares lapsed	Unexercised shares at 31 December 2025
Mark FitzPatrick	24 Oct 2023	6.4388	14,873	95,764	4,101 ²	17 May 2024	167	–	10,772 ²	4,268
	24 Oct 2023	6.4388	34,513	222,222	34,513	4 April 2025 ^{3,13}	1,421	–	–	35,934
	24 Oct 2023	6.4388	50,658	326,177	50,658	27 May 2025 ^{3,13}	2,087	–	–	52,745
Caroline Waddington	10 Dec 2024	7.1280	19,229	137,064	–	Various ^{4,13}	–	–	–	19,229
	10 Dec 2024	7.1280	19,229	137,064	–	Various ^{4,13}	–	–	–	19,229
	10 Dec 2024	7.1280	314	2,238	314	25 Mar 2025 ¹³	4	–	–	318
	10 Dec 2024	7.1280	1,261	8,988	631	Various ^{5,13,17}	9	–	–	1,270
	10 Dec 2024	7.1280	2,213	15,774	738	Various ^{6,13,17}	11	–	–	2,224
	10 Dec 2024	7.1280	2,434	17,350	608	Various ^{7,13,17}	8	–	–	2,442
	10 Dec 2024	7.1280	1,853	13,208	84	Various ^{8,13,17}	–	–	–	1,853
	10 Dec 2024	7.1280	188	1,340	188	25 Mar 2025 ¹⁴	2	–	–	190
	10 Dec 2024	7.1280	757	5,396	379	Various ^{5,14}	5	–	–	762
	10 Dec 2024	7.1280	1,328	9,466	443	Various ^{5,14}	6	–	–	1,334
	10 Dec 2024	7.1280	1,461	10,414	365	Various ^{9,14}	4	–	–	1,465
	10 Dec 2024	7.1280	1,327	9,459	265	Various ^{9,14}	3	–	–	1,330
	10 Dec 2024	7.1280	14,588	103,983	0	Various ^{10,15}	–	–	–	14,588
	10 Dec 2024	7.1280	8,804	62,755	0	Various ^{11,13,18}	–	–	–	8,804
	10 Dec 2024	7.1280	4,914	35,027	983	Various ^{9,13,18}	14	–	–	4,928
	10 Dec 2024	7.1280	19,088	136,059	0	Various ^{10,15}	–	–	–	19,088
	10 Dec 2024	7.1280	4,152	29,595	0	Various ^{12,13,18}	–	–	–	4,152

1 The face value of the award is calculated by multiplying the number of shares awarded by the market price at grant (for awards granted on 24 October 2023, this was calculated using the average share price figure over a period of five days prior to the date of grant; and for awards granted on 10 December 2024, this was calculated using the average share price figure over a period of five days prior to 16 September 2024).

2 27.58% of the award vested on 17 May 2024 and 72.42% of the award lapsed on the same date. The vesting

level was determined by the vesting level of the Prudential LTIP 2021 award as disclosed in the Prudential plc Annual Report 2023 and approved by the Committee. The vested options are available to exercise until 17 May 2027.

3 The performance period for Mark FitzPatrick's awards which vested on 4 April 2025 and 27 May 2025 was from 1 January 2024 to 31 December 2024. The performance conditions were met in full and the vested options are available to exercise until the third anniversary of the relevant vesting date.

4 The vesting dates and the percentage of the award due to vest on each date are as follows: 25 March 2027 (26%); 25 March 2028 (26%); 25 March 2029 (26%); and 25 March 2030 (22%). 33% of award to vest at threshold performance.

5 The vesting dates are 25 March 2025 and 25 March 2026. 50% of the award is due to vest on each date.

6 The vesting dates are 25 March 2025; 25 March 2026; and 25 March 2027. One-third of the award is due to vest on each date.

7 The vesting dates are 25 March 2025; 25 March 2026; 25 March 2027; and 25 March 2028. 25% of the award is due to vest on each date.

8 The vesting dates and the percentage of the award due to vest on each date are as follows: 25 March 2025 (4.52%); 25 March 2026 (23.87%); 25 March 2027 (23.87%); 25 March 2028 (23.87%); and 25 March 2029 (23.87%).

9 The vesting dates are 25 March 2025; 25 March 2026; 25 March 2027; 25 March 2028; and 25 March 2029. 20% of the award is due to vest on each date.

10 The vesting dates are 25 March 2026; 25 March 2027; 25 March 2028; 25 March 2029; and 25 March 2030. 20% of the award is due to vest on each date.

11 The vesting dates are 25 March 2028; 25 March 2029; and 25 March 2030. One-third of the award is due to vest on each date.

12 The vesting dates are 25 March 2026 and 25 March 2027. 50% of the award is due to vest on each date.

13 Vesting subject to performance conditions and continued employment. Vested awards will be subject to post-vesting holding periods.

14 Vesting subject to continued employment (no performance conditions). Vested awards will not be subject to post-vesting holding periods.

15 Vesting subject to continued employment (no performance conditions). Vested awards will be subject to post-vesting holding periods.

16 The awards are in the form of nil-cost options. The 24 October 2023 awards were granted under the rules of the Performance Share Plan and were subject to the performance conditions outlined in section 2.1.1. Vested awards are subject to a two-year holding period from the relevant vesting date. The 10 December 2024 awards were granted under the terms of a buyout award deed pursuant to UK Listing Rule 9.3.2(2). The share awards were granted under a UK Listing Rule 9.3.2(2) arrangement to facilitate the recruitment of Caroline Waddington as the rules of the PSP did not permit conditional share awards without performance conditions to be granted. Where applicable, post-vesting holding periods end on the same date as the post-vesting holding periods which applied to the original award which the buyout award relates to.

17 10% of award to vest at threshold performance.

18 Award to vest in full at threshold performance.

Report of the Group Remuneration Committee continued

Annual report on remuneration continued

Performance Share Plan (PSP) awards outstanding

Director	Date of grant	Market price at grant (£)	Shares originally awarded	Face value (£) ¹	Shares vested ⁴	Vesting date	Dividend equivalents added to vested awards	Shares exercised including dividend equivalents	Shares lapsed	Unexercised shares at 31 December 2025
Mark FitzPatrick	25 March 2024 ²	4.5243	464,160	2,099,999	–	25 March 2027	–	–	–	464,160
	25 March 2025 ³	10.27	219,213	2,251,318	–	25 March 2028	–	–	–	219,213
Caroline Waddington	25 March 2025 ³	10.27	121,713	1,249,993	–	25 March 2028	–	–	–	121,713

1 The face value of the award is calculated by multiplying the number of shares awarded by the market price at grant (the average share price figure over a period of three days prior to the date of grant). All awards are in the form of nil-cost options.

2 The performance conditions for the awards granted on 25 March 2024 are the achievement of three metrics: (a) TSR performance relative to a composite benchmark of the FTSE 51 to 150, excluding investment trusts and companies in the oil, gas and mining sectors for one-third of the award. For the TSR performance metric element, 25% vests at median, with a straight-line relationship to 100% vesting for upper quartile performance; (b) EPS using EEV adjusted profit for one-third of the award. This is by reference to the post-tax EEV operating profit (on a fully diluted per-share basis). This metric excludes the direct impact of stock market fluctuations and changes in economic assumptions on the final year's performance; and (c) EPS using the Cash result for one-third of the award. For the EPS performance metric elements, a threshold and stretch level of performance is set. At threshold, 25% of the relevant element vests, rising on a straight-line basis to 100% for attainment of levels of performance between threshold (EPS in 2026 using EEV adjusted profit of 116.06 pence per share and EPS in 2026 using the Cash result of 45.38 pence per share) and maximum (EPS in 2026 using EEV adjusted profit of 143.65 pence per share and EPS in 2026 using the Cash result of 55.86 pence per share) targets. These awards also have a post-vesting holding period of two years from the vesting date.

3 The performance conditions for the awards granted on 25 March 2025 are outlined in the 'Granting of PSP awards in 2025' section on page 95.

4 There are no vested but unexercised options.

Company Share Option Plan (CSOP) options outstanding (linked to PSP awards)

Director	Date of grant	Option price (£)	Share options originally awarded	Grant value (£) ¹	Share options vested	Vesting date	Share options exercised	Share options lapsed	Unexercised shares at 31 December 2025
Mark FitzPatrick	25 March 2024	4.5243	13,261	59,997	–	25 March 2027	–	–	13,261
Caroline Waddington	25 March 2025	10.27	5,842	59,997	–	25 March 2028	–	–	5,842

1 The grant value of the award is calculated by multiplying the number of shares options awarded by the option price (the average share price figure over a period of three days prior to the date of grant).

All share options are in the form of tax-advantaged CSOP options which are linked to the PSP award granted on the same date shown in the 'Performance Share Plan awards outstanding' table above. The CSOP options are subject to the same performance conditions as the linked PSP award. On the exercise of vested CSOP options, shares will lapse from the linked PSP award equivalent in value to the gain achieved on the exercise of the CSOP options.

Report of the Group Remuneration Committee continued

Annual report on remuneration continued

Deferred Bonus Plan (DBP) – shares held during 2025

The table below sets out details of the awards held by the Executive Directors under the deferred element of the annual bonus scheme during 2025:

Director	Balance at 1 January 2025	Released in year	Awarded in year	Balance at 31 December 2025 ^{1,2}	Vesting date
Mark FitzPatrick	–	–	80,869	80,869	25 Mar 2028
Caroline Waddington	–	–	47,681	47,681	25 Mar 2028

- 1 Outstanding awards at the year-end relate to deferred shares awarded in 2025 which were earned in 2024. The share price used to calculate the 2025 award was £10.27 (the average of the mid-market share prices for 20, 21 and 24 March 2025). The face value of the deferred shares awarded in 2025 was £830,525 for Mark FitzPatrick and £489,684 for Caroline Waddington at the time of award. The awards are not subject to performance conditions.
- 2 Deferred share awards are held as Restricted Shares in the Company's Employee Benefit Trust until the vesting date.

Further details of the deferred element of the annual bonus plan are set out on page 89. Dividends accrue to the Executive Directors during the three-year period that the shares are subject to forfeiture.

Sharesave Option Plan (SAYE) – shares held during 2025

Details of the options held by the Directors in 2025 under the SAYE plan and any movements during the year are as follows:

Director	Options held at 1 January 2025	Granted in year ¹	Lapsed in year	Exercised in year	Options held at 31 December 2025	Exercise price (£)	Dates from which exercisable
Mark FitzPatrick	2,748	–	–	–	2,748	4.05	1 May 2027 to 31 October 2027
	–	751	–	–	751	9.71	1 November 2028 to 30 April 2029

- 1 The options were granted on 30 September 2025. The share price used to calculate the exercise price was £12.135 (the mid-market share price for 5 September 2025, the dealing day immediately preceding the Sharesave invitation date). The face value was £9,113.39. The exercise price was calculated by applying a 20% discount to £12.135, the maximum discount permitted under the SAYE rules.

At 31 December 2025, the mid-market price for the Company's shares was £13.845. The range of prices between 1 January 2025 and 31 December 2025 was between £7.91 and £13.98.

Share Incentive Plan (SIP) – shares held during 2025

The table below sets out details of the awards held by the Executive Directors under the Share Incentive Plan during 2025:

Director	Balance at 1 January 2025	Partnership shares allocated in year ¹	Matching shares allocated in year ²	Dividend shares allocated in year ³	Balance at 31 December 2025 ⁴	Holding period (matching shares)
Mark FitzPatrick	439	–	–	–	439	25 March 2024 to 25 March 2027
	–	175	17	10	202	25 March 2025 to 25 March 2028

- 1 Partnership shares are shares awarded in return for an investment of between £10 and £1,800. Partnership shares were purchased on behalf of Mark FitzPatrick on 25 March 2025 at a price of £10.27 per share, in return for £1,800 being deducted from his pre-tax salary.
- 2 For every ten Partnership shares acquired, the Company awards one matching share. Matching shares were also awarded on 25 March 2025 in relation to the partnership shares mentioned above.
- 3 Seven dividend shares were purchased on 28 May 2025 at a price of £11.068 per share and three dividend shares were purchased on 24 September 2025 at a price of £12.4705 per share.
- 4 The partnership, dividend and matching shares will be held by the SIP Trust on behalf of the Director. The matching and dividend shares must be held for a minimum period of three years from the date of the award/purchase.

Between 31 December 2025 and 24 February 2026, there were no exercises or other dealings in the Company's share awards by the Directors.

Report of the Group Remuneration Committee continued

Annual report on remuneration continued

2.1.6 Shareholding requirements and Directors' share interests (audited)

Shareholding requirements

To align the long-term interests of Executive Directors and shareholders, Executive Directors are required to build up a holding in the Company's shares. The Chief Executive Officer is required to build up a shareholding equivalent to 300% of salary and the Chief Financial Officer is required to build up a shareholding equivalent to 200% of salary. The table below sets out the shareholdings of the Executive Directors as well as Non-executive Directors, and their connected persons (as applicable). Mark FitzPatrick's shareholding will build as his awards have started to vest from 2024 and Caroline Waddington's shareholding will build as her awards started to vest from 2025. Until the shareholding requirements are met, at least 50% of vested shares from the PSP and other share awards (less tax liability) will normally be retained by the Executive Director.

Director	Shares held at 1 January 2025 ¹	Shares held at 31 December 2025 ¹	Percentage of base salary held in SJP shares as at 31 December 2025 ¹
Mark FitzPatrick	439	81,510	66.9%
Caroline Waddington	–	47,681	56.0%
Rooney Anand ⁴	–	10,509	
Helen Beck ⁵	–	–	
Simon Fraser	–	–	
Emma Griffin ²	2,331	–	
Rosemary Hilary ³	–	–	
John Hitchins	–	–	
Penny James ⁵	–	–	
Paul Manduca	27,000	27,000	
Lesley-Ann Nash ²	–	–	

¹ Shares held include: shares beneficially owned; Share Incentive Plan shares; and unvested DBP awards, which have been earned for past performance but are subject to a continuous service requirement. The percentage of base salary has been calculated using the mid-market price at 31 December 2025 of £13.845 and the base salary as at 31 December 2025. The overall percentage of base salary excludes the value of shares that would need to be sold to meet the notional tax and employee National Insurance contributions on DBP awards.

² Emma Griffin and Lesley-Ann Nash stepped down from the Board on 13 May 2025.

³ Rosemary Hilary stepped down from the Board on 31 December 2025.

⁴ Rooney Anand joined the Board on 1 January 2025.

⁵ Helen Beck and Penny James joined the Board on 1 July 2025.

The interests of the Executive Directors set out on this page include the gross number of shares held in trust for the Directors for DBP awards which are subject to a three-year continuous service requirement, details of which are set out on page 98. The interests of the Executive Directors also include awards under the Share Incentive Plan, details of which are set out on page 98. Unexercised share options are not included.

The Company's register of Directors' interests contains full details of Directors' shareholdings and any share awards under the Company's various share plans.

Disclosure of the Executive Directors' interests in share awards is made on pages 96 to 98 and also in Note 27 – Related party transactions.

Between 31 December 2025 and 24 February 2026, there were no transactions in the Company's shares by the Directors.

Report of the Group Remuneration Committee continued

Annual report on remuneration continued

Executive Directors' shareholdings and outstanding share awards

	Beneficially owned at 31 December 2025 ¹	Outstanding PSP awards (performance conditions) ²	Outstanding unvested buyout awards (performance conditions) ³	Outstanding unvested buyout awards (no performance conditions) ³	Outstanding vested buyout awards (unexercised options) ³	Outstanding SAYE options (no performance conditions) ⁴	Outstanding DBP awards (no performance conditions) ⁵	Outstanding SIP shares (no performance conditions) ⁶
Mark FitzPatrick	81,510	683,373	–	–	92,947	3,499	80,869	641
Caroline Waddington	47,681	121,713	61,045	37,097	5,064	–	47,681	–

1 Beneficially owned shares include those DBP awards and SIP shares set out in columns 8 and 9 above.

2 Details of the PSP awards are set out on page 97.

3 Details of the buyout awards (including options that are unvested and those that are vested but have not been exercised) are set out on page 96.

4 Details of the SAYE options are set out on page 98.

5 Details of DBP awards are set out on page 98.

6 Details of the SIP shares are set out on page 98.

2.1.7 Dilution (unaudited)

Dilution limits agreed by shareholders at the time of shareholder approval of the various long-term incentive plans allow for up to 10% of share capital in ten years to be used for grants to employees and members of the SJP Partnership under all share plans (i.e. both the employee and Partner share plans), and up to 5% of share capital in ten years to be used for grants to employees under discretionary share plans. These limits comply with the Investment Association dilution guidelines on the issue of new shares.

The table to the right sets out, as at 31 December 2025, the number of new ordinary shares in the Company which have been issued, or are capable of being issued (subject to the satisfaction of any applicable performance conditions), as a result of options or awards granted under the various long-term incentive plans, deferred bonus plans and SAYE plans operated by the Company in the ten years prior to 31 December 2025.

Type of share plan	Number of new ordinary shares of 15 pence each	Percentage of total issued share capital as at 31 December 2025
SAYE plans	5,040,422	0.96%
Executive share plans	14,775,324	2.80%
Partners' share plans	10,732,781	2.04%
Total	30,548,527	5.80%

In addition, as at 31 December 2025, the Company's Employee Benefit Trust held 8,177,915 shares in the Company which were acquired to meet awards made under the PSP, CSOP, DBP, buyout awards and SAYE. The number of shares in the Company held in the Share Incentive Plan Trust as at 31 December 2025 was 503,464.

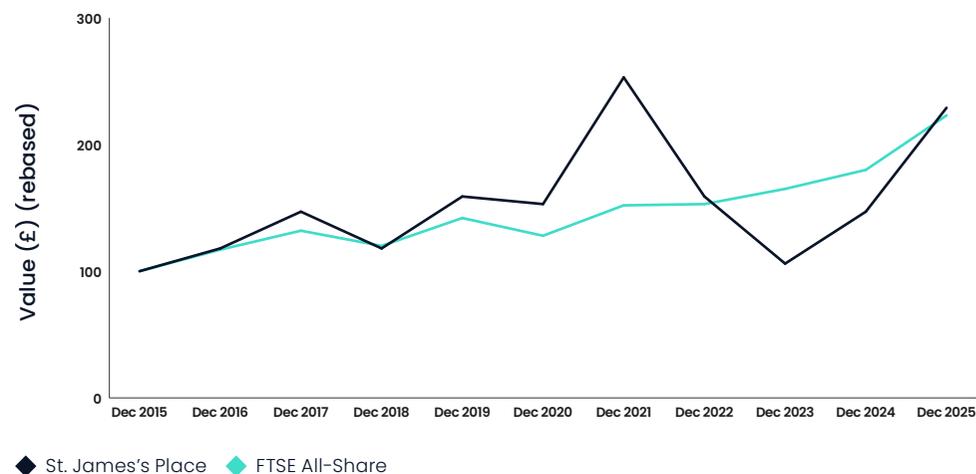
Report of the Group Remuneration Committee continued

Annual report on remuneration continued

2.1.8 Total shareholder return performance and CEO pay over the same period (unaudited)

The graph to the right shows a comparison of the Company's TSR performance against the FTSE All-Share Index over the last ten financial years. The Company considers this to be the most appropriate comparator index, given the broad nature of the index and the companies within it.

This graph shows the value, by 31 December 2025, of £100 invested in St. James's Place on 31 December 2015, compared with the value of £100 invested in the FTSE All-Share Index on the same date. The other points plotted are the values at intervening financial year-ends.



The table below shows the total remuneration figure for the Chief Executive Officer over the last ten financial years. The total remuneration figure includes the annual bonus and long-term incentive awards which vested based on performance in those years (and ending in that year for PSP awards).

	Year ending 31 December										
	David Bellamy			Andrew Croft					Mark FitzPatrick		
	2016	2017	2018	2019	2020	2021	2022	2023	2023	2024	2025
Total remuneration (£)	2,631,667	2,458,020	1,886,774	1,421,729	812,678	3,141,423	3,115,406	695,545	257,469	3,532,979	2,713,640
Annual bonus (% of maximum)	96.67%	96.67%	62%	37.5%	0%	96.7%	77.1%	0%	–	96.4%	95.0%
LTIP vesting (% of maximum)	100%	87.94%	85.3%	62.9%	9%	93.4%	86.4%	0%	–	–	–

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Report of the Group Remuneration Committee continued

Annual report on remuneration continued

2.1.9 Percentage change in remuneration of all Directors and employees (unaudited)

As the Company has no employees, the table below shows the percentage change in the salary/fee, benefits and annual bonus for each Director against all UK employees of the Group over the last five years.

Remuneration element		Average employee (% change)	Executive Directors (% change)	
			M FitzPatrick ³	C Waddington ³
Salary/fee ¹	2025	4.3	4.0	242.1
	2024	9.1	310.2	–
	2023	7.5	–	–
	2022	7.4	–	–
	2021	–	–	–
Benefits ²	2025	11.8	(20.0)	315
	2024	6.0	–	–
	2023	8.6	–	–
	2022	3.3	–	–
	2021	5.6	–	–
Bonus	2025	10.0	2.5	5.0
	2024	77.7	100	–
	2023	(28.7)	–	–
	2022	9.5	–	–
	2021	–	–	–

Remuneration element		Average employee (% change)	Non-executive Directors (% change) ⁴									
			D Burke ^{6,7}	S Fraser ⁶	E Griffin ^{6,8}	R Hilary ⁷	J Hitchins ^{5,7,8}	P Manduca ⁶	L-A Nash ⁶	R Anand ⁶	P James ⁶	H Beck ⁶
Salary/fee ^{1,4}	2025	4.3	(100.0)	59.5	(62.1)	2.1	38.0	3.3	(61.9)	–	–	–
	2024	9.1	(88.5)	–	36.5	28.4	40.2	6.7	18.6	–	–	–
	2023	7.5	593.6	–	12.3	3.4	16.7	–	0.9	–	–	–
	2022	7.4	–	–	18.6	20.6	765.1	22.6	31.1	–	–	–
	2021	–	–	–	18.1	34.3	–	–	71.4	–	–	–
Benefits ²	2025	11.8	–	–	(87.9)	(39.3)	100.0	(35.3)	(100.0)	–	–	–
	2024	6.0	–	–	(25.9)	75.5	(100.0)	205.9	755.2	–	–	–
	2023	8.6	–	–	61.3	100.0	100.0	(39.8)	32.9	–	–	–
	2022	3.3	–	–	239.0	(100.0)	–	2,572.6	(94.6)	–	–	–
	2021	5.6	–	–	62.9	(58.5)	–	–	–	–	–	–
Bonus	2025	10.0	–	–	–	–	–	–	–	–	–	–
	2024	77.7	–	–	–	–	–	–	–	–	–	–
	2023	(28.7)	–	–	–	–	–	–	–	–	–	–
	2022	9.5	–	–	–	–	–	–	–	–	–	–
	2021	–	–	–	–	–	–	–	–	–	–	–

- 1 The change in the salary for average employees is higher in 2022, 2023, 2024 and 2025 than the average salary increase of the workforce referred to in the Committee Chair's annual statements in prior years due to salary increases in respect of promotions and role changes being taken into account. Additionally, the consolidation of car allowance into base salaries contributed to the salary increases in 2024.
- 2 See the Benefits note on page 91 for further details on the benefits for Directors.
- 3 Mark FitzPatrick was appointed to the Board on 1 October 2023 and as Chief Executive Officer on 1 December 2023 and Caroline Waddington was appointed to the Board and as Chief Financial Officer on 16 September 2024.
- 4 The fees for Non-executive Directors for 2022 were split into a base fee and a separate committee membership fee. The total for these two elements resulted in an increase of 1.6% for 2022.
- 5 The Directors in office at the time each agreed to a 20% reduction of base salaries/fees for May, June and July 2020. The reduction is reflected in the changes for 2021.
- 6 Paul Manduca and John Hitchins were appointed in 2021. Dominic Burke was appointed in 2022. Simon Fraser was appointed in 2024. Rooney Anand, Helen Beck and Penny James were appointed in 2025. John Hitchins was appointed to the boards of St. James's Place UK plc during 2022 and St. James's Place Wealth Management plc in 2024. Rooney Anand was appointed to the board of St. James's Place Wealth Management plc in 2025. Simon Fraser was appointed to the board of St. James's Place Unit Trust Group Limited in 2025. Emma Griffin stepped down as Chair to, and a director of, the board of St. James's Place Unit Trust Group Limited in 2023 and 2025 respectively. Dominic Burke stepped down from the Board on 31 January 2024. Emma Griffin and Lesley-Ann Nash stepped down from the Board on 13 May 2025. Rosemary Hilary stepped down from the Board on 31 December 2025.
- 7 The significant increase in (a) John Hitchins' fee in 2022 was due to him having not served a full year in 2021; and (b) Dominic Burke's fee in 2023 was due to him having not served a full year in 2022. The significant decrease in Dominic Burke's fee in 2024 was due to him not serving a full year in 2024, this further reduced to nil in 2025.
- 8 The increase in Emma Griffin's and John Hitchins' fees in 2024 takes account of them serving as Chairs of the Group Remuneration Committee and Group Audit Committee respectively and as members of the Group Nomination and Governance Committee for a full year, having been appointed to the roles part way through 2023. The increase in Lesley-Ann Nash's fee in 2024 was in part due to her joining the Group Audit Committee during the year. The increase to Simon Fraser's fee in 2025 was due to him having not served a full year in 2024 and having been appointed as the Senior Independent Director later in 2024. Fees for Directors serving on Committees (including as Chair) and subsidiary boards were also higher in 2024 than in 2023.
- 9 The decrease in Emma Griffin and Lesley-Ann Nash's fees in 2025 was due to both not serving a full year in 2025.

Report of the Group Remuneration Committee continued

Annual report on remuneration continued

2.1.10 Relative importance of spend on pay (unaudited)

The following table sets out the percentage change in profit, dividends and overall spend on pay in the year ending 31 December 2025, compared to the year ending 31 December 2024.

	2025	2024	Percentage change
	£'Million	£'Million	
Executive Directors' remuneration ¹	4.5	5.7	(21.4)%
IFRS profit after tax ²	531.4	398.4	33.4%
European Embedded Value (EEV) operating profit after exceptional items before tax ²	1,829.8	1,045.0	75.1%
Dividends	95.2	98.1	(2.9)%
Share buy-back programme	218.1	125.5	73.8%
Employee remuneration costs	346.9	317.8	9.2%

¹ Calculated on the same basis as the single total figure of remuneration on page 88 for Executive Directors in office as at 31 December 2025.

² IFRS profit after tax has been presented to enable comparison between different companies, as it is a measure defined by International Financial Reporting Standards. EEV operating profit after exceptional items before tax is an alternative performance measure (for further details see the glossary of alternative performance measures on pages 208 to 210), which has been presented as it is the financial performance measure upon which bonuses are based. Further information about these measures is set out in the financial review on pages 26 to 32.

2.1.11 CEO pay ratio (unaudited)

Year	Methodology	25th percentile pay ratio	Median pay ratio	75th percentile pay ratio
2025	Option C	60:1	39:1	22:1
2024	Option C	73:1	53:1	36:1
2023	Option C	19:1	13:1	7:1
2022	Option C	75:1	54:1	30:1
2021	Option C	93:1	60:1	33:1
2021	Option A	87:1	56:1	31:1
2020	Option A	25:1	16:1	10:1
2019	Option A	45:1	28:1	17:1

	CEO pay	25th percentile pay	50th percentile pay	75th percentile pay
	£	£	£	£
Salary	895,804	34,547	49,506	76,517
Total pay	2,713,640	45,467	69,097	121,339

For 2025, we have continued to calculate the CEO pay ratio using Option C, as it allows us to use our existing gender pay gap information supplemented with other pay data from our Group companies. To calculate the ratio in accordance with the regulations we ranked all our UK employees by their annualised full-time equivalent salary as at 31 December 2025. From this we identified three employees at the 25th, 50th and 75th percentiles. We then calculated the total remuneration figure for each of the three employees throughout 2025, in line with the same reporting regulations that apply to our Executive Directors, which is then used to calculate the ratio to the CEO's remuneration. We believe the three identified employees are representative of the 25th, 50th and 75th percentiles.

In comparison to three employees identified at the 25th, 50th and 75th percentiles, a larger proportion of the CEO's total remuneration was delivered through variable pay schemes. In 2025, the CEO's annual bonus outcome was strong, in line with his and the Company's performance. However, the pay ratios have reduced in 2025 as a result of the CEO not having a Buyout award or LTIP vesting value included in the total pay amount for the year. Notwithstanding this, the median pay ratio is consistent with our pay, reward and progression policies for employees which relate pay levels to performance and market benchmarks.

Report of the Group Remuneration Committee continued

Annual report on remuneration continued

2.2 Remuneration Committee (unaudited)

2.2.1 Role, activities and performance of the Committee

The Committee's purpose is to determine, and oversee the implementation of the Company's remuneration framework, including Director's Remuneration Policy (the Policy), ensuring alignment with strategy and the long-term sustainable success of the business. It also ensures the appropriateness of remuneration arrangements for Material Risk Takers (identified in accordance with relevant PRA and FCA requirements), monitoring compliance with the Group's remuneration policies, as they apply to that population. The Committee also assesses wider workforce remuneration and related policies, ensuring alignment of incentives and rewards with culture and risk appetite. When determining the appropriateness of remuneration, the Committee pays particular attention to wider workforce pay (including through Director pay ratios, pay gap reporting, relative importance of spend and levels of salary increase), market practice and overall competitiveness of packages compared with peers. Members of the Committee maintain independent judgement and use discretion where appropriate when authorising remuneration outcomes, taking into account the performance of the Company and individuals.

During the latter part of 2025, the Committee considered a reconciliation of its activities during the year against its terms of reference, which can be found at sjp.co.uk/corporate-governance. The Committee met its responsibilities and acted in accordance with these terms of reference throughout the year. The Committee's key areas of activity are outlined in the table below.

Topic	Summary of activity in 2025	Find out more
2025 Policy implementation, review and shareholder engagement	The Committee oversaw implementation of the 2025 Policy throughout the year, which operated as intended to reflect Company performance and appropriate quantum outcomes. In line with shareholder expectations, the Committee undertook a thorough review of the 2025 Policy to ensure it remains appropriate. The strategic rationale for the proposed Policy, remuneration structures and performance metrics can be found on pages 108 to 110 and 115 of this report. The Company's top 20 shareholders were consulted in respect of proposed revisions to the Policy and elements to be retained. Engagement has been positive and the Policy included at pages 111 to 120 is proposed for shareholder approval at the Company's 2026 Annual General Meeting.	 pages 90 to 95 and 108 to 120
Annual bonus objectives and new awards	The Committee considered and set the strategic and individual performance objectives for 2026 and agreed the bonus outcomes from 2025.	 pages 93 to 94 and 105 to 106

Topic	Summary of activity in 2025	Find out more
LTIP performance metrics, awards and vesting	The Committee determined the grants and performance conditions for LTIP awards to be made to Executive Directors, senior management and Material Risk Takers.	 page 106
Malus and clawback	The Committee also considered whether there were any circumstances which warranted the application of malus or clawback provisions, or the exercise of discretion permitted under plan rules. No malus and clawback was instigated in the year.	
Assessing risk	The Committee monitored alignment of the Group's remuneration policies with risk appetite and regulatory requirements. The Group Chief Risk Officer provided the Committee with risk opinions in the year to enable it to ensure remuneration outcomes for 2025 were in line with risk appetite. No risk adjustment was deemed necessary in respect of 2025.	
Financial services sector and regulation	The Group's remuneration policies and practices are designed to ensure ongoing compliance with applicable regulatory requirements. During the year, the Committee monitored adherence to these requirements and provided oversight in respect of the methodology applied for those in scope of its remit (including Material Risk Takers). Regular regulatory and market development updates were provided to the Committee in the year. In addition, it monitored existing and emerging market trends, including specific trends in the financial services sector, as well as developments in shareholder expectations.	
Remuneration advisers	As outlined in the Committee Chair's annual statement, on page 85, a competitive tender process (led by the interim Committee Chair, Simon Fraser) was undertaken in respect of the Committee's remuneration adviser. The tender resulted in the appointment of Deloitte in November 2025 in place of Alvarez & Marsal. There are no circumstances impacting Deloitte's independence in respect of this appointment.	 page 85
Governance and other matters	The Committee reviewed the Group's Gender and Ethnicity Pay Gap report, its own terms of reference (and agenda coverage in the year) and the Chair's fee.	

Report of the Group Remuneration Committee continued

Annual report on remuneration continued

2.2.2 Committee membership and attendance in 2025

This is set out on pages 64 and 84. No Director was present when their own remuneration was considered or agreed.

2.2.3 Advisers to the Committee

The Committee carried out a formal tender process in 2025 and appointed Deloitte as advisers to the Committee in November 2025. Deloitte are signatories to the Remuneration Consultants' Code of Conduct, which requires their advice to be impartial, and they have confirmed their compliance with the Code to the Committee. Since their appointment, Deloitte have provided advice in relation to general remuneration matters, developments in the market and on proposed changes to the Policy, as outlined on page 85 of the Committee Chair's annual statement. No conflicts of interest exist as a result of other services provided to the Company and the Committee is satisfied that Deloitte have no connection with the Company or individual Directors which might compromise their independence or objectivity. Prior to the appointment of Deloitte, Alvarez & Marsal were the Committee's remuneration advisers during the year. During this period, no conflicts of interest existed as a result of other services provided to the Company and the Committee was satisfied that Alvarez & Marsal had no connection with the Company or individual Directors which could have compromised their independence or objectivity.

The total fees paid to Alvarez & Marsal for advice provided to the Committee during the year (prior to the appointment of Deloitte) were £128,149.20. The total fees paid to Deloitte for advice provided to the Committee during the year, since their appointment in November, were £30,300.00. Fees are charged on a 'time spent' basis.

2.2.4 Voting at annual general meetings

The votes cast at the 2025 Annual General Meeting in respect of the resolution on the Directors' Remuneration report is summarised below.

	2025 Directors' Remuneration report vote	Percentage of votes cast	2025 Directors' Remuneration Policy vote	Percentage of votes cast
Votes for	422,150,695	99.27%	400,952,294	93.92%
Votes against	3,106,396	0.73%	25,936,462	6.08%
Total votes cast	425,257,091		426,888,756	
Total votes withheld	3,412,686		1,779,591	

2.3 Implementation of the Remuneration Policy in 2026 (unaudited)

2.3.1 2026 salaries

The base salaries of the Executive Directors were reviewed in 2025. The salaries as at 1 March 2025 and from 1 March 2026 are as shown below. These percentage increases are at the average increase levels for other employees of the Company.

Executive Director	Salary from March 2025	Salary from March 2026	Percentage increase
	£	£	
Mark FitzPatrick	900,528	932,000	3.5%
Caroline Waddington	625,000	646,900	3.5%

2.3.2 Annual bonus for 2026

60% of the annual bonus will be determined by a scorecard of financial performance metrics and 40% by strategic objectives. As detailed in the Committee Chair's annual statement, personal objectives will be removed from the non-financial metrics to reduce complexity and provide transparency of reporting. Malus and clawback provisions apply to both the cash and deferred elements of the bonus. The maximum bonus opportunities are 250% and 185% of base salary for the CEO and CFO, respectively.

Financial metrics

The scorecard of financial performance metrics is intended to:

- ◆ provide a rounded and balanced view of financial performance;
- ◆ include targets that management can directly influence;
- ◆ include a target relating to future growth; and
- ◆ recognise current year profitability.

Metrics	Weighting (% of maximum – total 60%)	Alignment with strategy
Underlying cash result	12%	Recognises annual cash profitability, which is an important driver of dividends and future investment in the business.
Net inflows	24%	Reflects both new business and client retention, and is a driver of sustained profit growth.
Annual growth in controllable expenses	12%	Keeping cost growth below the rate of growth in revenues is a key determinant of profit growth.
Cost and efficiency programmes savings	12%	This is to ensure that the savings under the programme are delivered.

Annual bonus performance targets for the 2026 metrics set out here will be disclosed in the Directors' Remuneration report for 2026, as disclosing them in the report for 2025 could have commercial disadvantages for the Company.

Report of the Group Remuneration Committee continued

Annual report on remuneration continued

Strategic objectives

For 2026, the Committee has set the Executive Directors' strategic objectives which will determine 40% of the annual bonus outcome. The strategic objectives align to the refreshed strategic outcomes and KPIs underpinning our annual business plan. Each outcome is equally weighted and is made up of objectives which will be scored against a set of defined stretching KPI metrics to determine the outcome.

Whilst personal objectives are removed from the non-financial element of the annual bonus performance objectives, personal objectives will still be set for both the CEO and CFO and, based on performance, the Committee will have the discretion to adjust the strategic objective outcomes. The individual performance objectives include a range of objectives which are designed to support the achievement of certain strategic outcomes.

In order to strengthen the alignment to a strong risk and control culture, for 2026 a risk and controls assessment, acting as an underpin to the non-financial element, is being introduced. Executive Directors will only be able to achieve the full strategic objective outcome if risk and controls are delivered at or above the expected target thresholds.

Strategic outcomes (scorecard weighting – % of base salary – total 40%)	
Brilliant basics ♦ Transformation delivery	Differentiated client proposition ♦ Client satisfaction
Leading adviser offering ♦ Adviser advocacy	Performance focused organisation ♦ Culture index

2.3.3 Performance Share Plan awards for 2026

In 2026, subject to approval of the 2026 Directors' Remuneration Policy at the 2026 AGM, the CEO will receive a PSP award of 300% of salary (2025: 250%). The CFO will receive a PSP award of 225% of salary (2025: 200%). These awards will be granted in May 2026, shortly after the 2026 Directors' Remuneration Policy has been voted on at the 2026 AGM. In order to ensure there is no unintended windfall for the Executive Directors, the share price which will be used to calculate the number of shares granted for these awards will be the same as that used for the PSP awards which are due to be granted in March for the other participants of this plan. The PSP awards are subject to a relative TSR performance condition for one-third of the award; annualised growth in EPS using Underlying cash result for one-third. As outlined in the Committee Chair's annual statement, the Company has decided that EEV is to be replaced as a financial performance metric in the PSP awards by a net inflows metric for one-third of the award. Stretching targets for these metrics are as follows:

Performance level hurdle	Performance required	TSR relative to FTSE 51 to 150 ¹	Annualised growth in EPS using Underlying cash result ²		Net Inflows per FUM ³	
		Percentage of one-third of award vesting	Performance required	Percentage of one-third of award vesting	Performance required	Percentage of one-third of award vesting
Below threshold	Below median	0%	below 5%	0%	below 4%	0%
Threshold	Median	25%	5%	25%	4%	25%
Stretch or above	Upper quartile or above	100%	12% and above	100%	9% and above	100%

1 FTSE 51 to 150, excluding investment trusts and companies in the FTSE oil, gas and mining sectors.

2 One-third of the award is based on annualised growth in EPS using Underlying cash result.

3 One-third of the award is based the total net inflows between 1 January 2026 and 31 December 2028 as a percentage of the FUM as at 31 December 2025.

4 Straight-line vesting occurs between threshold and maximum vesting.

5 Awards are subject to a three-year performance period. Vested shares cannot normally be sold for a further two years other than to the extent necessary to settle tax on vesting or exercise.

6 Malus and clawback provisions apply.

2.3.4 Shareholding requirement

The CEO is required to build and maintain a shareholding equivalent to 300% of salary in the Company's shares. For the other Executive Directors, the shareholding requirement is 200% of salary.

Report of the Group Remuneration Committee continued

Annual report on remuneration continued

2.3.5 Duration of contracts

The details of existing Executive Directors' service contracts are summarised in the table below:

Executive Director	Date of service agreement	Notice period from Company	Notice period from Executive Director
Mark FitzPatrick	1 October 2023	12 months	12 months
Caroline Waddington	16 September 2024	12 months	12 months

Executive Directors' service contracts do not have fixed end dates. The Board of the Company is proposing that each of the Executive Directors be elected or re-elected at the Company's forthcoming AGM.

2.3.6 Fees for the Board Chair and Non-executive Directors for 2026

The fees for the Board Chair and Non-executive Directors for 2025 and 2026 are as set out to the right. SJP aims to provide competitive recognition and reward for all employees that reflects the nature of individual roles and enables us to attract and retain the best talent. Similarly, providing adequate compensation to all Board members is essential if the Board is to be able to recruit and retain high-calibre Directors and maintain effective succession plans for all Board roles. The fees paid to Non-executive Directors are set in line with individual responsibilities, which the Board believes will ensure that the fees paid better reflect their differing responsibilities and time commitments and will also recognise the impact on specific Committees and roles of increased complexity, workload, regulatory responsibilities and the size of the Group.

As set out in the Committee Chair's annual statement, an uplift to the Chair's fee was agreed for 2026. The Board (excluding Non-executive Directors) reviewed the Non-executive Director fee rates and concluded that a modest increase of 2.5% should be applied to the base fee, which is less than the average increase of 3.5% for employees effective in 2026. Limited changes have also been made to other Non-executive Director fees.

	Fees from 1 January to 31 December 2025	Fees from 1 January to 31 December 2026	Percentage increase from 2025
	£	£	
Board Chair	413,000	475,000	15.0%
Base fee	79,000	81,000	2.5%
Committee Chair (excluding Nomination and Governance Committee)	31,000	31,800	2.5%
Audit, Risk and Remuneration Committee member (per Committee membership)	14,500	16,500	13.8%
Nomination and Governance Committee member	7,500	9,000	16.6%
Senior Independent Director	16,000	19,000	18.8%
Designated Non-executive Director for Workforce Engagement	15,000	15,400	2.5%

This Remuneration Report was approved by the Board of Directors and signed on its behalf by:

Helen Beck

Chair of the Group Remuneration Committee

24 February 2026

Report of the Group Remuneration Committee continued

Section 3 – 2026 Directors' Remuneration Policy

Overview of the Policy

Our Remuneration Policy for shareholder approval is set out on pages 111 to 120.

As indicated in the 2025 Directors' Remuneration Policy, during the year, the Committee carried out a further comprehensive review of both our Group-wide remuneration strategy and Directors' Remuneration Policy (Policy). The review focused on ensuring continued alignment with SJP's corporate strategy and culture, both now and as we move into the 'Amplify' phase of our strategic plan. For the Policy, we conducted a thorough assessment of each component to provide a holistic view of its ongoing appropriateness. Additionally, we carried out a robust market practice review, which included analysis of companies within the scope of our employee-wide compensation dataset, and developed a refined benchmarking group which considered both Executive Directors' remuneration quantum and structures, and reflected pay practices in other UK-listed financial services firms, our key market for executive talent. Having received strong support for our 2025 Remuneration Policy, our overarching principle in this review has been to retain as many of the key features of the current Policy as possible, whilst proposing a small number of changes taking into account the factors detailed below and in the Committee Chair's annual statement. Pages 111 to 120 of the Directors' Remuneration report set out the new Policy, which is expected to apply for three years, and will be submitted for a shareholder vote at the 2026 AGM. The Policy can be found at sjp.co.uk/corporate-governance.

Objectives of the Policy

The proposed new Policy is designed to meet the following objectives:

- ◆ To support the retention of Executive Directors with the experience and skills to deliver both (i) the 'Strengthen' phase and as we move into our 'Amplify' phase of our strategic plan (see page 15 for more details) and (ii) drive the performance of the Company.
- ◆ To provide variable pay for Executive Directors which is commensurate with the size and scale of the organisation, as well as reflective of their role and responsibilities.
- ◆ To ensure remuneration is transparent and reflects the performance of the Group in the relevant year and the longer term. Annual bonus and long-term incentive opportunities are therefore linked to the achievement of demanding performance targets.
- ◆ To align pay with the strategic objectives and culture of the Company, with the interests and expectations of our shareholders, and wider stakeholders, whilst giving due regard to principles of best practice and relevant regulations.

Considerations when setting the Policy

The Committee's purpose is to oversee the implementation of the Company's remuneration framework (including the Policy) and monitor wider workforce remuneration and related scheme and policies. The Committee, on behalf of the Board, draws up and recommends the Policy and determines the remuneration packages of the Executive Directors of the Company and the Chair of the Board. In addition, the Committee determines the remuneration of the senior management team (including the Chief Risk Officer) and any other employees classified as Material Risk Takers or Identified Staff under relevant financial services regulations. The Committee also oversees the remuneration policy and practice for the wider employee population, including the operation of any share plans.

In setting the Policy for the Executive Directors, the Committee also takes into consideration a number of factors:

- ◆ The Committee applies the principles set out in the UK Corporate Governance Code and has regard for best practice guidance issued by the major UK institutional investor bodies, the PRA and FCA (including the provisions of any applicable remuneration codes) and other relevant organisations.
- ◆ The Committee has overall responsibility for the remuneration policies and structures for employees of the Group as a whole and it reviews remuneration policy on a firm-wide basis. When the Committee determines and reviews the Policy, it considers and compares it against the pay, policy and employment conditions of the Group to ensure that there is appropriate alignment.
- ◆ The Committee values the contribution provided by shareholders, and other stakeholders, in helping to develop the Policy, and regularly consults with the Company's major shareholders to ensure their views are considered when setting the Policy. See more information in the engagement with shareholders section on page 109.
- ◆ The Committee considers the external market in which the Group operates and uses comparator remuneration data from time to time to inform its decisions. However, the Committee recognises that such data should be used as a guide only. See more information in the market positioning section on page 109.

The Committee's view, having had due regard to the factors above, is that a substantial proportion of total remuneration should be in the form of variable pay. This is achieved by setting base pay and benefits around mid-market levels, with annual bonus and long-term incentive opportunities linked to the achievement of demanding performance targets. The Policy ensures alignment of the total remuneration paid to the Executive Directors with the interests of shareholders and wider stakeholders.

Executive Directors are not involved in the determination of their personal remuneration. Committee members are not permitted to vote on the implementation of the Non-executive Director elements of the Policy that apply to them, in line with the procedures established by the Board for the management of conflicts of interest (see page 65).

Report of the Group Remuneration Committee continued

Overview of the Policy continued

For a summary of the proposed changes to the Policy, please refer to the at a glance section on page 89.

Engagement with shareholders

The Committee engaged with, and sought the views of, its major investors and investor representative bodies when developing the Policy. The Committee has consulted with the Company's top 20 shareholders (by holding percentage), proxy advisers and the Investment Association, and are pleased that those who entered into dialogue were predominately supportive. Key themes arising from this engagement have been:

- ◆ **When would the Committee use Restricted Shares** – We clarified that our intention is not to award Restricted Shares during the lifetime of this Policy, but have opted to retain the feature for flexibility.
- ◆ **Tranche vesting** – We received questions on the move to tranche vesting for the annual bonus, which we substantiated with market data for peer businesses.
- ◆ **Move away from the use of EEV EPS as a metric** – Some shareholders queried the move away from EEV as a metric in the LTIP. We clarified this reflects our approach to broader corporate reporting and is not a pay-specific point.
- ◆ **Targets to reflect increased quantum** – Some shareholders advised that given the increase in maximum opportunity for the Executive Directors, performance targets on the annual bonus and LTIP should be appropriately stretching. This feedback has been taken into account in calibrating targets for 2026 awards.

Market positioning

In determining the preferred approach to the 2026 Remuneration Policy, the Committee also reflected on the current market positioning of the Executive Directors. It considered the compensation approach in a select group of financial services companies, as well as across the FTSE 31-100 more broadly. Recognising that the FTSE 31-100 includes a number of more international businesses, it excluded from the market analysis those businesses who have more geographically diverse revenue profiles.

The Committee reviewed the pay approach in the following select financial services peers to guide our pay approach: Aberdeen Group, Admiral Group, Aviva, Beazley, Hiscox, Intermediate Capital Group, Legal & General Group, M&G, Phoenix Group Holdings and Schroders. These peers were chosen as businesses operating in similar markets to SJP, as well as reflecting the businesses that we broadly compete with for talent. These financial services businesses were ranked in the 31-105 in the FTSE, with SJP being positioned at around the median of this group in terms of 12-month market capitalisation.

Below we set out the high-level outcomes from the market analysis completed. As shown, the proposed increases in variable pay would move total compensation from below lower quartile to broadly median of the financial services peer group for on-target and maximum performance. The proposed pay levels would also be appropriate in the context of the broader FTSE 31-100 market.

We also reflected on the relative performance of peer businesses as part of the market review. Against these peer businesses, SJP delivered a market return at the top of the peer group, further substantiating the Committee's preference to offer remuneration opportunity to our Executive Directors that is in line with the wider market.

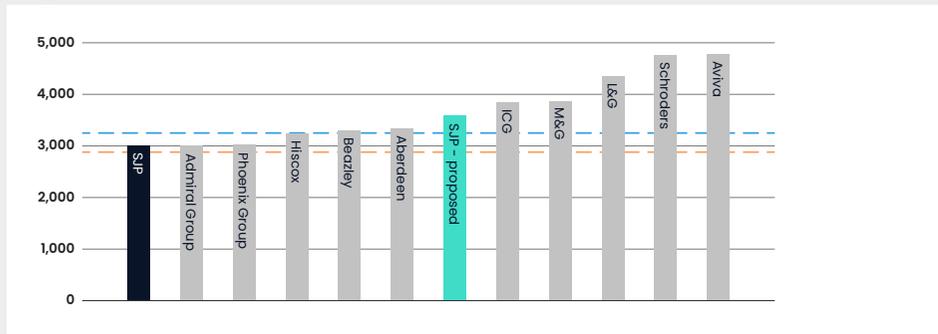
Report of the Group Remuneration Committee continued

Overview of the Policy continued

Chief Executive Officer

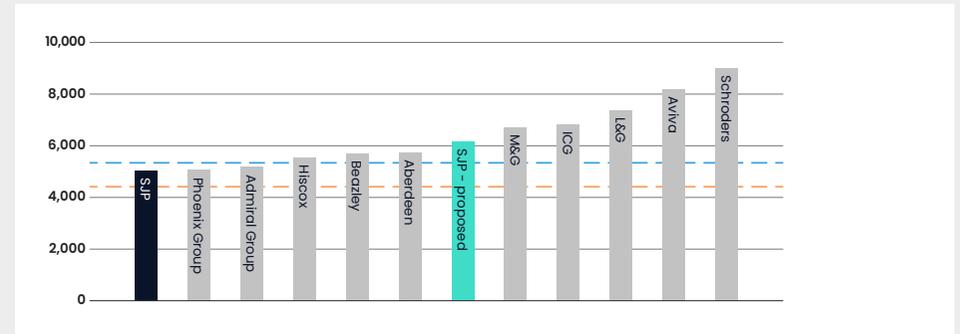
£'000

Target



◆ SJP – current ◆ SJP – proposed ◆ FTSE 31-100 LQ¹ ◆ FTSE 31-100 Median¹

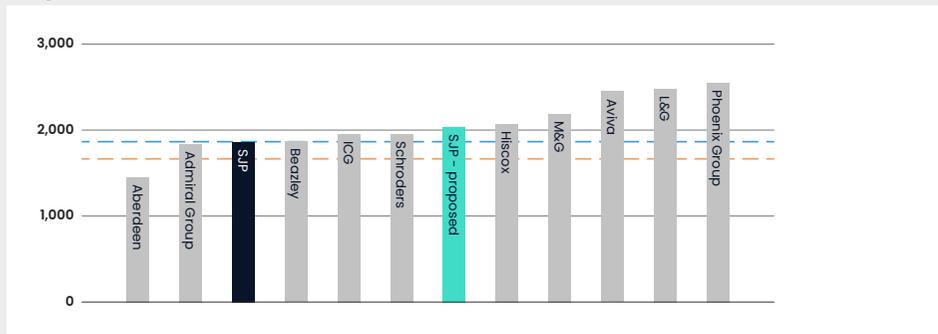
Maximum



Chief Financial Officer

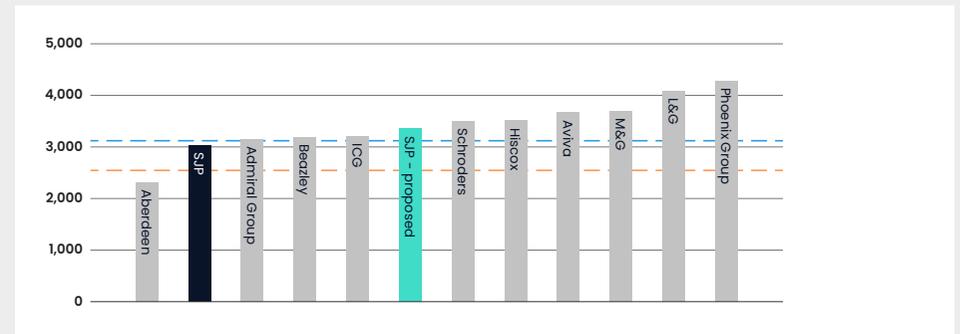
£'000

Target



◆ SJP – current ◆ SJP – proposed ◆ FTSE 31-100 LQ¹ ◆ FTSE 31-100 Median¹

Maximum



Report of the Group Remuneration Committee continued

Remuneration Policy for Executive Directors

The following table summarises each element of the Policy, explaining how each element operates and links to corporate strategy.

Element	Purpose and link to strategy	Operation including maximum opportunity	Performance metrics
Base salary	<p>To provide the core reward for the role.</p> <p>Sufficient level to recruit and retain individuals of the necessary calibre, taking into account the required skills, experience, demands and complexity of the role.</p>	<p>Normally reviewed annually from 1 March, taking into account: role, experience and performance of the individual; Company performance; external economic conditions; average changes in broader workforce salary; and periodic benchmarking for each role against similar UK-listed companies.</p> <p>Percentage increases will normally be at, or below, the level of percentage increases for the Company's wider employee population. Increases may be higher in exceptional circumstances, such as a change in role, a significant change in responsibility or role size and/or where salary is substantially out of line with market norms.</p> <p>Where new appointees have been given a starting salary below mid-market level, percentage increases above those granted to the wider workforce may be awarded, subject to individual performance and development in the role.</p>	<p>Whilst there are no performance targets attached to the payment of base salary, performance is considered as context in the annual salary review.</p>
Changes from previous Policy: No change from the previous approach.			
Pension	<p>Helps recruit and retain Executive Directors.</p> <p>Provides a discrete element of the package to contribute to retirement income.</p>	<p>Provides defined contributions to a pension scheme and/or an equivalent cash amount via non-pensionable allowance.</p> <p>The pension allowances for Executive Directors are aligned to those of the wider workforce, which is currently an employer contribution of 10% of salary on joining, which increases with service up to a maximum of 15%. The definition of wider workforce will be as determined by the Remuneration Committee.</p> <p>In response to changes in legislation or similar developments, the Company may amend the form of an Executive Director's pension arrangements.</p>	N/A
Changes from previous Policy: No change from the previous approach.			

Report of the Group Remuneration Committee continued

Element	Purpose and link to strategy	Operation including maximum opportunity	Performance metrics
Other benefits	Operate competitive benefits to help recruit, retain and support the wellbeing of employees.	<p>Including but not limited to:</p> <ul style="list-style-type: none"> ◆ private medical insurance ◆ life cover ◆ critical illness ◆ death-in-service cover ◆ relocation assistance, such as accommodation allowance, where necessary ◆ use of a driver for business purposes. <p>Executive Directors are eligible to participate in any all-employee share plan (e.g. SIP and SAYE) operated by the Company, on the same terms as other eligible employees. The maximum level of participation is determined in accordance with the rules of the relevant plan.</p> <p>Any reasonable business expenses (including tax thereon) may be reimbursed.</p>	N/A
Changes from previous Policy: No change from the previous approach.			

1 2 3 4 **5** Remuneration

Report of the Group Remuneration Committee continued

Remuneration Policy for Executive Directors continued

Element	Purpose and link to strategy	Operation including maximum opportunity	Performance metrics
Annual bonus	<p>Rewards the achievement of annual financial and strategic business plan targets and delivery of key non-financial objectives.</p> <p>Deferred element aids retention, encourages long-term shareholding, discourages excessive risk-taking and aligns with shareholders' and other key stakeholders' interests.</p> <p>Performance metrics reflect the key performance drivers of the annual business plan, achievement of which will indicate performance in line with the Group's strategy.</p>	<p>Maximum opportunity for the CEO is 250% of base salary and 200% of base salary for the CFO.</p> <p>Performance below threshold results in zero payment. Payments are on a scale from 20% to 100% of the maximum opportunity, for performance between threshold and maximum.</p> <p>Normally, 50% of any bonus payable is paid in cash. The remaining 50% will usually be deferred into SJP shares and will usually vest in annual equal tranches over three years, subject to remaining in service but no further performance conditions.</p> <p>Once the Committee has determined that an Executive Director has met their Director's minimum shareholding requirement, the Committee is able to set a lower bonus deferral percentage. This lower deferral percentage, of no less than 25%, will ensure that the Committee has sufficient ability to apply malus and clawback provisions, and regulatory deferral requirements applying to total variable pay are met. For further information on the Company's malus and clawback policy, see further detail below.</p> <p>Dividend equivalents will usually be paid in additional shares or cash when the deferred awards vest.</p> <p>All bonus payments are at the discretion of the Committee. The Committee has the discretion to override formulaic bonus outcomes, where necessary, under both financial and non-financial performance metrics, to take account of overall performance. The Committee also has the discretion to grant and/or settle an award in cash in exceptional circumstances.</p> <p>The Company's malus and clawback policy applies as summarised below.</p>	<p>Performance is normally measured over one year.</p> <p>At least 60% of the bonus is based on financial measures, reflecting the key priorities of the business for the relevant year.</p> <p>Up to 40% of the annual bonus can be based on the achievement of key non-financial objectives. Performance will be based on a strategic scorecard, which may include (but not limited to):</p> <ul style="list-style-type: none"> ◆ strategic objectives; and/or ◆ people objectives; and/or ◆ customer metrics; and/or ◆ risk, conduct and compliance measures; and/or ◆ personal/individual objectives. <p>Actual measures and weightings may change from year to year to reflect the business priorities at that time.</p> <p>Details of performance criteria and targets set for the year under review and performance against them are provided in the annual report on remuneration.</p>
<p>Changes from previous Policy: Increase in the maximum opportunity for the CEO from 200% to 250% of base salary and introduce tranche vesting across the three-year deferral period.</p>			

Report of the Group Remuneration Committee continued

Remuneration Policy for Executive Directors continued

Element	Purpose and link to strategy	Operation including maximum opportunity	Performance metrics
Long-term incentives	<p>Supports long-term retention.</p> <p>Focuses the Executive Director on longer-term corporate performance and objectives.</p> <p>Aligns interests to those of shareholders.</p>	<p>Maximum annual award for the CEO is 300% of base salary and 250% of base salary for the CFO, in Performance Shares.</p> <p>Alternatively, in exceptional circumstances and subject to shareholder consultation, where practical, up to 62.5% of base salary may be granted in Restricted Shares, with grants of Performance Shares reducing to 175% of base salary for the CEO and 125% of base salary for the CFO.</p> <p>Performance Shares (and Restricted Shares if exceptionally granted) vest after three years and are both subject to a two-year post-vesting holding requirement.</p> <p>Dividend equivalents will usually accrue, in the form of additional shares or cash, on awards made between the date of grant and the end of the two-year post-vesting holding period or, if the award is in the form of nil-cost options, until the date of exercise. These dividend equivalents will be released only to the extent that awards vest.</p> <p>The Committee has the discretion to override formulaic vesting outcomes, where necessary, to take account of overall performance. The Committee also has the discretion to grant and/or settle an award in cash in exceptional circumstances.</p> <p>The Company's malus and clawback policy applies as summarised below.</p>	<p>Performance Shares: awards vest to the extent of achievement of the performance metrics. The Committee maintains discretion to vary the metrics and choose different measures and weightings, if it deems appropriate, taking into account the strategic objectives of the Company. For each performance metric a threshold and stretch level of performance is set. At threshold, 25% of the relevant element vests, rising on a straight-line basis to 100% for stretch performance.</p> <p>Restricted Shares: The Committee has the ability to cancel or scale back vesting if there has been significant underperformance over the vesting period. The underpin assessment by the Committee will be a rounded appraisal of all aspects of performance including financial and return performance such as net inflows, profitability and TSR; client acquisition, retention and satisfaction; colleague engagement; risk management and regulatory compliance; and sustainability indicators.</p>
Changes from previous Policy: Increase in the maximum opportunity for the CEO from 250% to 300% of base salary.			
Minimum shareholding requirements	To ensure alignment of the long-term interests of Executive Directors and shareholders.	<p>Executive Directors are required to build and maintain a minimum shareholding equivalent to 300% of base salary for the CEO and 200% of base salary for other Executive Directors, to be achieved normally within five years of appointment. The operation of this guideline may be varied in exceptional circumstances.</p> <p>Until the threshold is reached, at least 50% of vested shares from the PSP and other share awards (less tax liability) should normally be retained.</p>	N/A
Changes from previous Policy: No change from the previous approach.			

Report of the Group Remuneration Committee continued

Remuneration Policy for Executive Directors continued

Element	Purpose and link to strategy	Operation including maximum opportunity	Performance metrics
Post-cessation shareholding requirements	To ensure continued alignment of the long-term interests of Executive Directors and shareholders post cessation.	Executive Directors are required to maintain a shareholding equivalent to the in-employment shareholding requirement calculated on the last day of appointment as a Director of the Company, and expressed as a number of shares (or the actual share and award holding on departure from the Board, if lower) for two years post-cessation. The operation of this guideline may be varied in exceptional circumstances. There are appropriate arrangements in place to ensure enforceability.	N/A
Changes from previous Policy: No change from the previous approach.			

Performance Measures and approach to target setting

The performance metrics and targets that are set for the Executive Directors' annual bonus and PSP awards are carefully selected to align with the Company's strategic and key performance indicators.

For the annual bonus, financial and strategic metrics are reviewed and selected by the Committee annually. The measures selected and weighting between them may vary annually depending on the key priorities of the business for the year ahead. Robust and demanding targets will be set annually taking into account the economic environment, market expectations and the Company's budget and business plan for the year ahead. Currently a set of financial metrics, such as Underlying cash result, net inflows, controllable expense growth, and cost and efficiency savings, are used to assess financial performance as these measures reflect a number of key performance drivers including new business, retention of funds under management and cost control. The remaining bonus is determined based on strategic measures set annually on a balanced scorecard basis.

The Committee will take into consideration prior Group and individual performance when assessing the value of the LTIP grant level for Executive Directors. Forward looking performance is measured against a long-term scorecard of financial metrics. Financial metrics have included relative TSR measure and EPS growth targets for the PSP for a number of years in line with the Group's strategy of delivering profitable growth and superior returns to its shareholders. The Committee has recently replaced EEV EPS metric with a net inflows metric and will continue to review the choice of performance measures and the appropriateness of targets prior to each PSP award being made and will set robust and stretching measures for any alternative measures used.

For the financial measures that are considered, stretching targets will be set annually taking into account the economic environment, market expectations and the Company's budget and business plan at that time. For the comparative TSR measure, the Committee may, from time to time, review the appropriateness of the TSR comparator group.

No performance targets are set for the SAYE and SIP awards as these form part of all-employee arrangements designed to encourage employees across the Group to purchase shares in the Company.

Malus and clawback

Malus and clawback provisions may be operated at the discretion of the Remuneration Committee in respect of any cash and deferred share elements of the bonus and LTIP awards (including both any Performance Share or Restricted Share elements).

Under malus, unvested share awards (including any LTIP awards subject to a post-vesting holding period) can be reduced (down to zero if considered appropriate) or be made subject to additional conditions. Clawback allows for repayment of bonuses previously paid and/or shares previously received following vesting (and/ or exercise).

Malus/clawback can be operated up to four years following the start of the relevant bonus year for bonuses, and up to six years from the relevant date of grant for LTIP awards. These periods may be extended if there is an ongoing investigation. They have been chosen to reflect the risk profile of the business and set in the context of typical market practice around recovery periods.

The Committee has the discretion to apply malus and/or clawback in the event of the following circumstances: misconduct; misbehaviour or making a material error; failure to meet appropriate standards of fitness and propriety; severe reputational damage to the Group or any Member of the Group and for which the Participant bears significant responsibility (whether by act or omission); financial misstatement, error or miscalculation in determining a performance outcome or award; material failure of risk management; or failure of risk management or regulatory non-compliance, for which the Participant bears significant responsibility, resulting in failure to ensure Client interests are prioritised or protected.

Report of the Group Remuneration Committee continued

Remuneration Policy for Executive Directors continued

Committee discretion

The Committee will operate the annual bonus plan, DBP, LTIP and all-employee share plans according to the rules of each respective plan and consistent with normal market practice and the UK Listing Rules, where relevant. The Committee will retain flexibility in a number of areas regarding the operation and administration of these plans, including (but not limited to) the following:

- ◆ who participates in the plans
- ◆ when to make awards and payments
- ◆ how to determine the size of an award, a payment, or when and how much of an award should vest
- ◆ Share awards granted may be granted or settled (in whole or in part) in cash, although the Committee would only do so where the particular circumstances made it appropriate to do so – for example, where there is a regulatory restriction on the delivery of shares or in respect of the tax liability arising in respect of an award
- ◆ how to deal with a change of control or restructuring of the Group
- ◆ in the case of stated good leaver reasons or otherwise, whether a Director is a good/bad leaver for incentive plan purposes and whether and what proportion of awards vest at the time of leaving or at the original vesting date(s) as relevant
- ◆ how and whether an award may be adjusted in certain circumstances (e.g. for a rights issue, a corporate restructuring or for special dividends)
- ◆ whether any adjustment to the LTIP vesting outcome is required, taking account of any windfall gain due to share price variation at the time of grant or other relevant factors.

The Committee also has the discretion within the Policy to adjust targets and/or set different measures and alter weightings for the annual bonus plan and the LTIP if events happen that cause it to determine that the original targets or conditions are no longer appropriate, and the amendment is required so that the targets or conditions achieve their original purpose. The Committee has the discretion to adjust the application of the minimum shareholding requirements, in role or post-cessation, to take account of exceptional circumstances.

The Committee has an overriding discretion, notwithstanding any performance conditions, to adjust vesting outcomes where it considers the application of formulaic performance conditions to be inappropriate.

In the event of any use of exceptional discretion to override formulaic outcomes, the Committee will make full and clear disclosure of any such adjustments within the Annual Report on Remuneration for the relevant financial year.

Awards made prior to the effective date

For the avoidance of doubt, in approving the Policy, authority was given to the Company to honour any commitments entered into with current or former Directors that have been disclosed to shareholders in previous remuneration reports. This includes all historic awards that were granted under any current or previous share plans operated by the Company but remain outstanding (detailed in the Annual Report on Remuneration) and which will remain eligible to vest based on their award terms. Awards made under the Performance Share Plan in earlier years will continue to be based on the achievement of the metrics previously set for those awards.

Approach to remuneration for recruitment and promotions

The Committee aims to set a new Executive Director's remuneration package in line with the Policy in place at the time of appointment. The Committee will take into account, in arriving at a total package and in considering the quantum for each element of the package, the skills and experience of the candidate, the market rate for a candidate of that experience, and the importance of securing the best candidate. For new appointments, base salary and total remuneration may be set initially below normal market rates on the basis that it may be increased once satisfactory development and performance in role has been demonstrated.

Annual bonus and long-term incentive maximum award sizes will comply with the maximum opportunity set out in the Policy table (not including any arrangements to replace foregone remuneration – see below). Participation in the annual bonus plan will normally be pro-rated for the year of joining and different performance measures may be set from those applying to the other Directors, if it is appropriate to do so to reflect the individual's responsibilities and the point in the year at which they joined the Board. An LTIP award of Performance Shares or a Restricted Share award can be made shortly following an appointment (assuming the Company is not in a closed period). Where it is essential for the purposes of recruitment, such as where a new external recruit has not had any bonus deferral in their previous role, bonus deferral may be phased in over a short period. The standard approach will be for deferral to apply as stated in the Policy table.

The Committee may, to the extent permitted by the UK Listing Rules and other regulatory requirements to which the Group is subject, make additional cash and/or share-based awards as it deems appropriate and, if the circumstances so demand, to take account of foregone remuneration by an executive on leaving a previous employer. Awards would, where possible, reflect the nature of awards forfeited in terms of delivery mechanism (cash or shares), time horizons, attributed expected value and performance conditions. Other payments may be made in relation to relocation expenses and other incidental expenses as appropriate.

The Committee retains discretion to include other elements of remuneration which are not included in the provisions of the Policy set out above should business needs require. This may include where an interim appointment is made to undertake an Executive Director role on a short-term basis; or if exceptional circumstances require that the Chair of the Board or a Non-Executive Director takes on an executive function on a short-term basis.

Report of the Group Remuneration Committee continued

Remuneration Policy for Executive Directors continued

In the case of an internal appointment, any variable pay element awarded in respect of the prior role would be allowed to pay out according to its terms and any other ongoing remuneration obligations existing prior to appointment would continue.

For an overseas appointment, the Committee will have the discretion to offer benefits and pension provisions which reflect local market practice and relevant legislation.

If appropriate and in exceptional circumstances the Committee may agree, on the recruitment of a new Executive Director, a notice period of in excess of 12 months but reducing to 12 months over a specified period.

Risk management

Risk is managed within the Policy through the Committee:

- ◆ Taking into consideration the recommendations contained in any applicable Remuneration Codes and associated guidance which apply to the Group.
- ◆ Structuring the annual bonus plan to typically contain a mix of financial and strategic performance metrics, where performance conditions are tailored to the business outlook and strategy, including the management of risk within the business. The Committee also retains the discretion to reduce the bonus and LTIP outturns where appropriate.
- ◆ Assessing the performance metrics from a risk perspective, with input from the Group Risk Committee and Chief Risk Officer.
- ◆ Requiring deferral of 25% - 50% of annual bonus payments into the Company's shares, which are then deferred for up to three years.
- ◆ Requiring Executive Directors to retain shares acquired on vesting of LTIP awards granted for a post-vesting holding period of two years on the shares vesting. During this period the vested shares cannot normally be sold other than to the extent necessary to settle tax on vesting or exercise.
- ◆ Ensuring that the majority of the incentive pay comes in the form of an LTIP subject to stretching performance targets (and/or underpins) measured over multi-year performance periods, with the performance period for subsequent awards overlapping the previous award, together with an additional two-year holding period. This ensures that there is no incentive to maximise performance over a particular period.
- ◆ Incorporating withholding (malus) and recovery (clawback) provisions into the Company's bonus and long-term incentive plans.
- ◆ Requiring Executive Directors to build and maintain a substantial shareholding in the Company, and to retain a shareholding for two years post cessation.

Remuneration policy across the Group

The Policy is designed after having regard to the remuneration policy for employees across the Group as a whole and the Committee aims, where appropriate, for there to be a consistent approach applied. For instance, the suite of benefits in kind is generally consistent (other than in relation to quantum) and all employees participate in annual bonus plans. All employees, including Executive Directors, are offered the opportunity to participate in the Group's Sharesave Option Plan and Share Incentive Plan. Senior managers participate in the long-term incentive plan.

In determining pay levels for the employees as a whole, the Group annually considers externally provided benchmark levels for comparable jobs as well as individual development and performance. The general level of increase resulting from this review informs the Committee's deliberations on appropriate pay levels for the Executive Directors, together with external data specific to their roles which is used to ensure that the levels of remuneration are appropriate.

The Remuneration Policy for Executive Directors is more weighted towards variable pay than for other employees to make a greater part of their pay conditional on the successful delivery of the strategy, and in line with shareholder interests. In addition, a higher proportion of senior level remuneration is deferred than is the case for the wider workforce.

The Committee Chair is also the Non-executive Director with responsibility for workforce engagement and has conducted workforce engagement sessions with employees from a cross-section of the business during the year. These sessions have enabled employees to be consulted on a range of topics, which include, amongst other matters, the Directors' Remuneration Policy and the Company's approach to remuneration. Employees have the opportunity to comment on reward, amongst other workplace matters, through employee forums and surveys and the views of employees are considered by the People Function.

Report of the Group Remuneration Committee continued

Remuneration Policy for Executive Directors continued

Remuneration scenarios for Executive Directors

The chart to the right shows how the proportion of each Executive Director's remuneration package varies at different levels of performance in accordance with the Policy to be implemented in 2026 and using the assumptions set out below. A significant proportion of remuneration is linked to performance, especially at stretch performance levels.

Assumptions

Threshold = fixed pay only (salary, benefits and pension).

Target = fixed pay plus payout of the annual bonus at midway between threshold and maximum and 50% vesting of PSP awards.

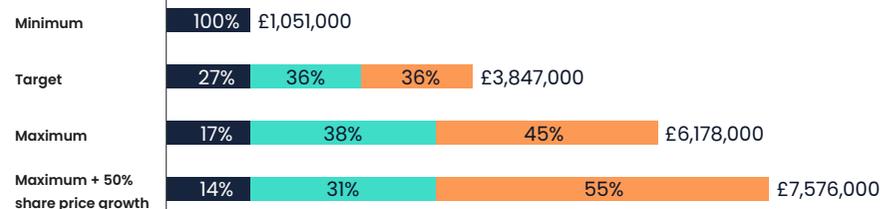
Maximum = fixed pay plus 100% vesting of the annual bonus and PSP awards.

Maximum + 50% share price growth = maximum pay + the impact of an assumed 50% share price growth on the PSP award.

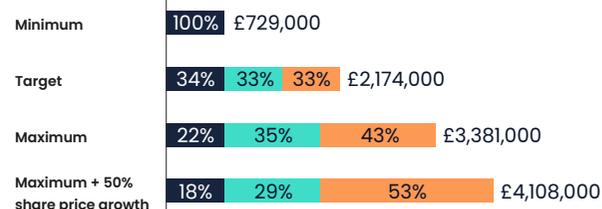
Salaries used are those applying on 1 March 2026 and taxable benefits are those reported for the year ending 31 December 2025.

Amounts have been rounded to the nearest £1,000. The assumptions noted for 'on-target' PSP performance in the graph on the right are provided for illustration purposes only. Participation in all employee plans, dividends payable on PSP awards over the vesting period or on deferred share bonus awards are not included in the above scenarios.

CEO



CFO



- ◆ Fixed pay
- ◆ Annual bonus
- ◆ LTIP

Report of the Group Remuneration Committee continued

Remuneration Policy for Executive Directors continued

Service contracts and loss of office

The Company's policy is that service contracts may be terminated with 12 months' notice from either the Company or from the Executive Director (except in certain exceptional recruitment situations where a longer notice period from the Company may be set provided it reduces to a maximum of 12 months within a specified time limit). Service contracts do not contain a fixed end date.

Under their service contracts the Executive Directors are entitled to salary, pension contributions and benefits for their notice period (except on termination for events such as gross misconduct where payment will be for sums earned up to the date of termination only with no notice period). The Company would seek to ensure that any payment is mitigated by the use of phased payments and offset against earnings elsewhere in the event that an Executive Director finds alternative employment during their notice period. There are no contractual provisions in force other than those set out above that impact any termination payment.

In summary the position on cessation of employment is as follows:

Provision	Detailed Terms
Notice Period	12 months by either party
Termination payment	Base salary plus benefits (including pension). An express obligation on the Executive Director to mitigate their loss. Payments can be made on a monthly basis, and reduced or ceased if an Executive Director is able to secure alternative employment. In addition any statutory amounts would be paid as necessary.
Remuneration entitlements on cessation of appointment	A pro rata bonus may also become payable for the period of active service along with the vesting of outstanding share awards (in certain circumstances as described on the right). The Committee may pay the earned bonus in respect of the Executive Director's year of departure and/ or year of notice in cash where appropriate.
Change of control	As on termination and with remuneration entitlements as described above.

Executive Directors are also subject to the Company's post-cessation shareholding policy.

When considering the size of any proposed termination payment, the Committee would take into account a number of factors including the health, length of service and performance of the relevant Executive Director, including the duty to mitigate their own loss, with a broad aim to avoid rewarding poor performance while dealing fairly with cases where the departure is due to other reasons, for example illness or redundancy.

Any unvested awards held under the PSP and RSP will lapse at cessation of employment, unless the individual is leaving for certain reasons (defined under the plan rules such as death, injury, ill-health, disability, their office or employment being either a company which ceases to be a Group member or relating to a business or part of a business which is transferred to a person who is not a Group member, or any other reason the Committee so decides). In these circumstances, unvested awards will normally vest at the normal vesting date (unless the Committee decides they should vest at cessation of appointment) subject to performance conditions (and/or underpins) being met and normally subject to scaling back in respect of actual service as a proportion of the total performance period (unless the Committee decides that scaling back is inappropriate). The same approach applies on a change of control. Awards are typically released at the end of the applicable holding period unless the Committee decides to release the shares earlier.

Any unvested awards held under the Deferred Bonus Plan will lapse at cessation of employment unless the individual is leaving for certain reasons (defined under the plan rules such as death, injury, ill-health, disability, their office or employment being either a company which ceases to be a Group member or relating to a business or part of a business which is transferred to a person who is not a Group member, or any other reason the Committee so decides). In these circumstances the Committee may determine whether unvested awards will vest at the normal vesting date or at cessation of employment.

The Committee may agree to the payment of disbursements such as legal costs and outplacement services if appropriate and depending on the circumstances of the leaving Executive Director.

In appropriate circumstances, the Committee may agree that certain benefits (such as medical insurance) may be continued for a reasonable period following termination of employment.

The Committee may pay any legal entitlements or settle or compromise claims in connection with a termination of employment, where considered in the best interests of the Company.

External appointments

Executive Directors are permitted to be appointed to an external board or committee so long as this is unlikely to interfere with the business of the Group. Any fees received in respect of external appointments are retained by the relevant Executive Director.

Report of the Group Remuneration Committee continued

Remuneration policy for the Chair of the Board and Non-executive Directors

Element	Purpose and link to strategy	Operation including maximum opportunity	Performance metrics
Non-executive Directors' fees	To attract high-quality, experienced Non-executive Directors.	<p>The Chair of the Board is paid an all-inclusive annual fee which is reviewed periodically by the Committee.</p> <p>All Non-executive Directors receive a basic annual fee for carrying out their duties, together with additional fees in respect of Board Committee chairship and, where appropriate, membership and other responsibilities, with fee levels reviewed periodically by the Board. They may also be paid additional fees in the event of exceptional levels of additional time being required. Non-executive Directors who are also members of subsidiary boards of the Company may receive fees in respect of their duties on the subsidiary boards. Fees may be paid in cash or St. James's Place plc shares, or a combination of both.</p> <p>Any reasonable business expenses (including tax thereon if applicable) may be reimbursed.</p> <p>There is no prescribed maximum individual fee level or annual increase. The policy is to take account of market data for similar non-executive roles in other companies of a similar size, complexity and/or business to SJP as well as the time commitment of chairs and Non-executive Directors.</p>	Neither the Chair nor the Non-executive Directors are eligible for any performance-related remuneration.
Changes from previous Policy: Introduction of the possibility of paying Non-executive Directors' fees in shares.			

For the appointment of a new Chair or Non-executive Director, the fee arrangement would be set in accordance with the approved Policy at that time.

Non-executive Directors' letters of appointment

The Non-executive Directors (including the Chair of the Board) do not have service contracts and do not participate in any of the Group's pension or incentive arrangements. The Non-executive Directors (excluding the Chair of the Board) do not have any benefits in kind arrangements. The appointment of each Non-executive Director can be terminated by giving three months' notice (subject to annual re-appointment at the AGM). Any period of service longer than six years is subject to particularly rigorous review by the Group Nomination and Governance Committee of the Board. The Non-executive Directors' letters of appointment do not provide for any payment on termination except for accrued fees and expenses to the date of termination.

The terms and conditions of Executive Directors' service contracts and the letters of appointment of the Non-executive Directors are available for inspection at the Company's registered office during normal business hours and at the AGM, the details of which can be found in the Directors' report in the Company's Annual Report and Accounts.

Directors' report

The Directors present their report together with the audited consolidated financial statements of the Group for the year ended 31 December 2025. The Company is registered as a public limited company under the Companies Act 2006 and is listed on the London Stock Exchange. For details of the Company's subsidiaries and overseas branches, please see Note 26 on page 189.

This report has been prepared in accordance with applicable legal and regulatory requirements, in particular those outlined within The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008; and, together with the strategic report, forms the management report as required under the UK Financial Conduct Authority's (FCA) Disclosure Guidance and Transparency (DTRs) Rule DTR4.1.5 R(2). Certain information that fulfils the requirements of the Directors' report can be found elsewhere in this document and is referred to below. This information is incorporated into the Directors' report by reference.

Information disclosed in accordance with the requirements of the sections of the FCA's UKLR6.6.1 R (Annual Financial Report) and DTR7 (Corporate Governance) that is applicable can be located as follows:

Disclosure	Location
<ul style="list-style-type: none"> ◆ Contracts of significance ◆ Waiver of emoluments by a Director ◆ Waiver of future emoluments by a Director ◆ Employment of disabled persons ◆ Major shareholders' interests ◆ Authority to purchase own shares 	This Directors' report
Board diversity targets	Corporate governance report
Details of long-term incentive schemes	Directors' remuneration report
Statement of interest capitalised	Financial statements Note 19 on page 170
Shareholder waivers of dividends	Financial statements Note 23 on page 183
Shareholder waivers of future dividends	Financial statements Note 23 on page 183
Directors' interests (including their connected persons) in the Company's shares	Directors' remuneration report
Internal controls	Report of the Group Audit Committee
Climate-related financial disclosures consistent with the Task Force on Climate-related Financial Disclosures (TCFD)	Our Responsible Business section and Climate report 2025 located on our corporate website at sjp.co.uk/shareholders/esg-reporting-hub/responsible-business

As permitted by legislation, some of the matters required to be included in the Directors' report have instead been included elsewhere in this Annual Report and Accounts:

- ◆ future business developments can be found throughout the Strategic Report
- ◆ risk management (see pages 33 to 38 of the Strategic Report)
- ◆ details of branches operated by the Company (see Note 26 on page 189)
- ◆ the Group's impact on the environment, including disclosures required regarding the Group's greenhouse gas emissions, energy consumption and energy efficiency action (see pages 41 to 46 of the Strategic Report)

Share capital

Company's issued share capital

As at 31 December 2025, the Company's issued and fully paid-up share capital was 527,112,135 ordinary shares of 15 pence each. All ordinary shares are quoted on the London Stock Exchange and can be held in uncertificated form via CREST. All shares have equal rights to dividends and to participate in a distribution on winding up. Details of the rights and obligations attaching to the Company's ordinary shares are included in the Company's Articles of Association (Articles), which are available on the Company's website at sjp.co.uk. Holders of ordinary shares are entitled to: receive the Company's Reports and Accounts; attend, speak and exercise voting rights; and appoint proxies to attend General Meetings. Details of the issued and fully paid-up share capital as at 31 December 2025 and movement in the issued share capital during the year are provided in Note 23 on page 183.

Voting rights

At any General Meeting, on a show of hands, each member who is present in person has one vote and every proxy present who has been duly appointed by a member entitled to vote on a resolution has one vote. On a poll, every member who is present in person or by proxy shall have one vote for every share of which they are the holder.

Shares held by the Company's Employee Share Trust and Share Incentive Plan Trust rank pari passu with the shares in issue and have no special rights. Voting rights and rights of acceptance of any offer relating to the shares held in the Employee Share Trust rests with the trustees, who may take account of any recommendation from the Company. The trustees of the Share Incentive Plan Trust may vote in respect of shares held in the Trust, but only as instructed by participants in the Share Incentive Plan in respect of their Partnership, dividend and/or matching shares. The trustees will not otherwise vote in respect of shares held in the Share Incentive Plan Trust.

Directors' report continued

Restrictions on voting rights

If any shareholder has been sent a notice by the Company under section 793 of the Companies Act 2006 and has failed to supply the relevant information within a period of 14 days, then the shareholder may not (for so long as the default continues) be entitled to attend or vote either personally or by proxy at a shareholders' meeting, or to exercise any other right conferred by membership in relation to shareholders' meetings.

If those default shares represent at least 0.25% of their class, any dividend payable in respect of the shares will be withheld by the Company and (subject to certain limited exceptions) no transfer, other than an excepted transfer, of any shares held by the member in certificated form will be registered.

Restrictions on share transfers

Restrictions on share transfers are set out in the Company's Articles. Restrictions include transfers made in favour of more than four joint holders and transfers held in certificated form. Directors may decline to recognise a transfer unless it is in respect of only one class of share and lodged and duly stamped by HMRC. The Directors may also refuse to register any transfer of shares held in certificated form which are not fully paid. Directors may also choose to decline requests for share transfers from a US Person (as defined under Regulation S of the United States Securities Act 1933) that would cause the aggregate number of beneficial owners of issued shares who are US Persons to exceed 70. The registration of transfers may be suspended at such times and for such periods (not exceeding 30 days in any year) as the Directors may from time to time determine in respect of any class of shares.

The Company is not aware of any agreements between shareholders that restrict the transfer of shares or voting rights attached to the shares.

Authority to purchase own shares

At the 2025 Annual General Meeting (AGM), shareholders granted authority for the Company to purchase up to 54,387,019 of its own shares. Details of how the authority was exercised, and the number of shares purchased, can be found under 'Results and dividends' in this Directors' report. The authority will expire at the 2026 AGM. A resolution to renew this authority will be proposed in the 2026 AGM Notice of Meeting.

Authority to allot shares

In accordance with section 551 of the Companies Act 2006, the Board is authorised to allot ordinary shares in the Company, with an aggregate nominal value of £27,193,509, which equates to approximately 33% of the total issued ordinary share capital as at 10 March 2025. The authority will expire at the 2026 AGM and a resolution to renew this authority will be proposed in the 2026 AGM Notice of Meeting.

Substantial shareholders

Information provided to the Company by substantial shareholders pursuant to the FCA's DTRs is published via a Regulatory Information Service and is available on the Company's website.

As at 31 December 2025 and the date of this report, the Company had been notified of the following interests in accordance with Chapter 5 of the DTRs:

	% of voting rights as at 31 December 2025
BlackRock, Inc.	6.10%
BLS Capital	5.28%
Norges Bank	4.16%

Since 31 December 2025, the Company received a notification on 13 January 2026 that BLS Capital reduced its shareholding to 4.89% of the Company's issued share capital (ISC). BLS Capital sent a further notification on the 29 January 2026 that it had reduced its shareholding to 3.79% of the Company's ISC. A further notification followed from BLS Capital on the 13 February 2026 that its shareholding had increased to 4.24% of the Company's ISC. No other notifications have been received between 31 December 2025 and 24 February 2026.

Directors' report continued

Results and dividends

The financial review on pages 26 to 32 sets out the consolidated results for the year.

An interim dividend of 6.00 pence per share, which equates to £31.9 million, was paid on 19 September 2025 in respect of the year ended 31 December 2025 (2024: 6.00 pence per share/£32.8 million). The Directors recommend that shareholders approve a final dividend of 12.00 pence per share, which equates to £63.3 million (2024: 12.00 pence per share/£64.4 million), in respect of the year ended 31 December 2025, to be paid on 8 May 2026 to shareholders on the register at close of business on 27 March 2026. Details of the Dividend Reinvestment Plan (DRIP) are set out on page 201.

The Articles provide Directors authority to allot unissued shares up to pre-determined levels set and approved by shareholders in general meetings. Under the authority granted by shareholders at the 2024 AGM, and in line with the Company's revised approach to shareholder distributions, on 28 February 2025 the Company announced to the market that it was commencing a share buy-back programme with respect to 2024 subject to a maximum consideration of £92.6 million, in order to reduce the capital of the Company. The Company purchased 9,516,886 ordinary shares (representing 1.8% of called up share capital) on the London Stock Exchange (LSE) in aggregate at a volume weighted average price of 973.0073p per ordinary share for a total consideration of approximately £92.6 million. The Company cancelled all purchased shares. The programme concluded on 19 May 2025.

The authority granted to the Directors for the purchase by the Company of its own shares was re-approved by shareholders at the 2025 AGM. Under this authority, the Company carried out an interim buy-back programme in respect of 2025. This commenced on 11 August 2025 and concluded on 7 October 2025, and the Company purchased 7,522,665 ordinary shares (representing 1.4% of called up share capital) on the LSE in aggregate at a volume weighted average price of 1269.3153p per ordinary share for a total consideration of £95.5 million. The Company cancelled all purchased shares. The Directors will propose the renewal of this authority at the 2026 AGM.

Under the authority granted by shareholders at the 2025 AGM, the Directors have resolved to undertake a final share buy-back programme with respect to 2025, committing to purchase shares up to a maximum value of £103.9 million. An additional share buy-back programme, to return capital to shareholders following a release of the Ongoing Service Evidence provision, will be undertaken, committing to purchase shares up to a maximum value of £18.7 million. This share buy-back programme will commence in March 2026. Together, this will bring the total share buy-back in respect to 2025 to a maximum value of £218.1 million.

Our people

Details of the Company and Board's approach to employee engagement can be found in the stakeholder engagement section of our Strategic Report on pages 20 to 22. This engagement, including through insights provided by the designated workforce engagement Non-executive Director, ensures that the Board is able to take account of the interests of employees in its discussions and decision making. During 2025, this engagement and updates from management on employee related matters have contributed to Board considerations regarding embedding the Group's new operating model, and have supported the Board in the discharge of its culture oversight responsibility.

During the year, information about the Group's performance and market trends impacting the business was shared with employees through an all-employee intranet site and townhall meetings. Employees were invited to participate in the Group's Share Save and Share Incentive Plans, advertised via the same all-employee intranet site.

Employment of disabled persons

We give full and fair consideration to applications for employment by disabled persons, assessing their individual aptitudes and abilities. If an employee becomes disabled, we aim to continue their employment and provide reasonable adjustments, tailored training and support as appropriate. All disabled employees have equal access to training, career development, and promotion opportunities; with support through accessible learning content and ongoing feedback-driven improvements. Further details of the Company's approach to Diversity, Equity and Inclusion, and the Company's approach to maintaining an appropriately skilled and diverse workforce, including recruitment practices, can be found on pages 47 to 48 of this Annual Report.

Fostering stakeholder relationships

Engagement with the Group's key stakeholders, including clients, suppliers and others, is outlined in the stakeholder engagement section of our Strategic Report on pages 20 to 22. The Board's engagement and how Directors have had regard for the need to foster business relationships with relevant stakeholders can also be found in the section referred to above. The Group's primary point of direct engagement with stakeholders is through management, where regular dialogue is facilitated. Management reporting on such engagement enables the Board to maintain a clear view of business relationships with these stakeholders and has provided important context in its deliberations and decision-making. Further details are set out in the Company's section 172(1) statement on page 22, with additional insights provided in the Corporate Governance Report on page 60.

Directors' report continued

Significant contracts and change of control

The Company has a number of contractual arrangements which it considers essential to the business of the Company. Specifically, these are committed loan facilities from a number of banks, arrangements with fund managers and contracts with third-party providers of administrative services.

A change of control of the Company may cause some agreements to which the Company is a party to alter or terminate. These include bank facility agreements, securitisation arrangements and employee share plans.

The Group had committed facilities totalling £471 million as at 20 February 2026 (the last practical date to report) that contain clauses which require lender consent for any change of control. In addition, the Group guarantees the obligations of loans made to Partners in connection with facilities agreed with various lenders totalling £362 million in aggregate. Should consent not be given, a change of control would trigger mandatory repayment of the said facilities.

The Group also had committed securitisation facilities totalling £400 million which contain clauses which require lender consent for any change of control. Should such consent not be given, a change of control would trigger early amortisation of the facilities.

All the Company's employee share plans contain provisions relating to a change of control. Outstanding awards and options may vest and become exercisable on a change of control, subject where appropriate to the satisfaction of any performance conditions at that time and pro-rating of awards.

Payment practices and performance in respect to suppliers

The following information is provided under the Companies (Directors' Report) (Payment Reporting) Regulations 2025.

The payment period specified in the Company's standard payment terms in its qualifying contracts between it and its suppliers is 30 calendar days. The Company did not vary the standard payment terms in its qualifying contracts between it and its suppliers in the financial year.

The average days taken to make payments in the reporting period was 17 days. The percentage of payments made within 30 days was 91.6% (totalling £404.96m). The percentage of payments made between 31 and 60 days was 7.0% (totalling £108.07m) and the percentage of payments made on or after day 61 was 1.4% (totalling £16.57m). Regarding the payments which fell due within the financial year 1 January to 31 December 2025, the total percentage of payments not made within the payment period was 8.4%. The sum total of these payments was £124.64m.

Financial instruments

An indication of the Group's use of financial instruments, and financial risk management policies, can be found in Note 20 on pages 171 to 181.

Going concern

In conjunction with its assessment of longer-term viability as set out on page 38, the Board concluded that it remained appropriate to adopt the going concern basis of accounting in preparing the consolidated financial statements as it believes the Group will continue to be in business, with neither the intention nor the necessity of liquidation, ceasing trading or seeking protection from creditors pursuant to laws or regulations, for a period of at least 12 months from the date of approval of the consolidated financial statements.

Board membership and appointments

Details of the Directors of the Company who were in office during the year and up to the date of the signing of the financial statements can be found in the Corporate Governance report on pages 55 to 58. During 2025, and up to the date of this report, the following changes in Board membership occurred:

- ◆ Emma Griffin and Lesley-Ann Nash resigned as Directors with effect from 13 May 2025 and Rosemary Hilary retired from the Board with effect from 31 December 2025.
- ◆ Helen Beck and Penny James were appointed as Directors with effect from 1 July 2025.

Rules relating to the appointment and replacement of Directors are contained within the Company's Articles. A summary of the appointment process and rules relating to the election and re-election of Directors at the Company's AGM can be found on page 65 of the Corporate Governance Report. The service agreements of current Executive Directors and the letters of appointment of the Non-Executive Directors are available for inspection at the Company's registered office.

Directors' indemnities

Details of the indemnity provisions in place for the Directors, including qualifying third-party indemnity provisions, can be found on page 65.

Directors' report continued

Directors' powers

The powers of the Directors are determined by the Companies Act 2006, the provisions of the Articles and by any valid directions given by shareholders by way of special resolution.

Waiver of emoluments by a Director

During 2025, and up to the date of this Annual Report and Accounts, no Director has waived emoluments, including future emoluments.

Directors' remuneration and interests

A report on Directors' Remuneration is presented within the Directors' Remuneration Report on pages 88 to 107. This includes details of the interests of the Directors, and any persons closely associated with them, in the issued share capital of the Company.

Political and charitable donations

It is the Group's policy not to make any donations to political parties within the definitions set out in the Political Parties, Elections and Referendums Act 2000 and sections 362 to 379 of the Companies Act 2006. During the year no political donations were made. During the year we have donated £3.6 million to the St. James's Place Charitable Foundation, more details of which can be found on page 40.

Annual General Meeting

The Company plans to hold its Annual General Meeting on Thursday 30 April 2026. Full details of the meeting, including location, time and the resolutions to be put to shareholders at the meeting, are included in a separate Notice of Annual General Meeting, which will be available on our website at sjp.co.uk/shareholders/shareholder-information/shareholder-meetings.

Articles of Association

The Company's Articles of Association were last adopted by special resolution on 13 May 2025. Any amendments to the Articles may be made in accordance with the provisions of the Companies Act 2006, by way of a special resolution at a general meeting of shareholders.

Important events since the financial year-end

There have been no important events affecting the Group since 31 December 2025 to disclose.

Disclosure of information to auditors

Each of the Directors, at the date of approval of the financial statements, confirm that:

- ◆ so far as each Director is aware, there is no relevant audit information of which the auditors are unaware
- ◆ each Director has taken all steps that he or she ought to have taken as a Director to make himself or herself aware of any relevant audit information and to establish that the Company's auditors are aware of such information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

On behalf of the Board:

Mark FitzPatrick
Chief Executive Officer

24 February 2026

Statement of Directors' responsibilities

The Directors (as listed on pages 56 to 58 of this report) are responsible for preparing the Annual Report and Accounts 2025 in accordance with applicable law and regulation.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the Group financial statements in accordance with UK-adopted international accounting standards and the Parent Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 'Reduced Disclosure Framework', and applicable law).

Under company law, Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Parent Company and of the profit or loss of the Group for that period. In preparing the financial statements, the Directors are required to:

- ◆ select suitable accounting policies and then apply them consistently
- ◆ state whether applicable UK-adopted international accounting standards have been followed for the Group financial statements and United Kingdom Accounting Standards, comprising FRS 101, have been followed for the Parent Company financial statements; subject to any material departures disclosed and explained in the financial statements
- ◆ make judgements and accounting estimates that are reasonable and prudent
- ◆ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Parent Company will continue in business.

The Directors are responsible for safeguarding the assets of the Group and Parent Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and Parent Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Parent Company and enable them to ensure that the financial statements and the Directors' remuneration report comply with the Companies Act 2006.

The Directors are responsible for the maintenance and integrity of the Parent Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' confirmations

The Directors consider that the Annual Report and Accounts 2025, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's and Parent Company's position and performance, business model and strategy.

Each of the Directors, whose names and functions are listed in the Board of Directors section on pages 56 to 58, confirms that, to the best of their knowledge:

- ◆ the Group financial statements, which have been prepared in accordance with UK-adopted international accounting standards, give a true and fair view of the assets, liabilities, financial position and profit of the Group
- ◆ the Parent Company financial statements, which have been prepared in accordance with United Kingdom Accounting Standards, comprising FRS 101, give a true and fair view of the assets, liabilities and financial position of the Parent Company
- ◆ the strategic report and this management report includes a fair review of the development and performance of the business and the position of the Group and Parent Company, together with a description of the principal risks and uncertainties that it faces.

In the case of each Director in office at the date the Directors' report is approved:

- ◆ so far as the Director is aware, there is no relevant audit information of which the Group's and Parent Company's auditors are unaware
- ◆ they have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Group's and Parent Company's auditors are aware of that information.

Jonathan Dale

Company Secretary

24 February 2026



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33%

Of people taking ongoing financial advice say it makes them feel more confident.

→ Find out more about the value of financial advice on page 09

→ Find out more in our Real Life Advice Report sjp.co.uk/real-life-advice

Real advice that turned a family business into family wealth

Ian Lockett, 58, from Hampshire sold his family business in 2020. With the help of his SJP adviser, he is now enjoying a new life where he can spend, save and support his children and grandchildren.

→ Watch and read Ian's and other stories sjp.co.uk/client-stories

Independent Auditors' Report to the Members of St. James's Place plc

Report on the audit of the financial statements

Opinion

In our opinion:

- ◆ St. James's Place plc's consolidated financial statements and Parent Company financial statements (the "financial statements") give a true and fair view of the state of the group's and of the Parent Company's affairs as at 31 December 2025 and of the group's profit and the group's cash flows for the year then ended;
- ◆ the consolidated financial statements have been properly prepared in accordance with UK-adopted international accounting standards as applied in accordance with the provisions of the Companies Act 2006;
- ◆ the Parent Company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework", and applicable law); and
- ◆ the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Accounts 2025 (the "Annual Report"), which comprise:

- ◆ the Consolidated statement of financial position as at 31 December 2025;
- ◆ the Parent Company statement of financial position as at 31 December 2025;
- ◆ the Consolidated statement of comprehensive income for the year then ended;
- ◆ the Consolidated statement of cash flows for the year then ended;
- ◆ the Consolidated statement of changes in equity for the year then ended;
- ◆ the Parent Company statement of changes in equity for the year then ended; and
- ◆ the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Our opinion is consistent with our reporting to the Group Audit Committee.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, as applicable to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that non-audit services prohibited by the FRC's Ethical Standard were not provided.

Other than those disclosed in Note 5, we have provided no non-audit services to the company or its controlled undertakings in the period under audit.

Our audit approach

Overview

Audit scope

- ◆ The consolidated financial statements comprise the consolidation of approximately 75 components, each of which represents an individual legal entity within the Group or consolidation adjustments.
- ◆ We assessed each component and considered the contribution it made to the Group's performance in the year, whether it displayed any significant risk characteristics and/or whether it contributed a significant amount to any individual financial statement line item.
- ◆ The above assessment resulted in us identifying seven components significant by risk or size that required full scope audit procedures for the purpose of the audit of the consolidated financial statements.
- ◆ Six components that are significant by risk or size are based in the UK. The other significant component by risk or size is based in the Republic of Ireland. We also performed audit of specific balances in four components with large individual balances.
- ◆ We performed a full scope audit of all material line items in the Parent Company financial statements.

Key audit matters

- ◆ Provision for redress in respect of ongoing service evidence (group).
- ◆ Valuation of level 3 investments, being investment properties and equities and fixed income securities (group).
- ◆ Recoverability of Parent Company's investment in subsidiaries (parent).

Materiality

- ◆ Overall group materiality: £23,250,000 (2024: £22,500,000) based on 5% of underlying cash result.
- ◆ Specific Group overall materiality: £1,081,000,000 (2024: £931,000,000) based on 0.5% of Assets held to cover linked liabilities applies to assets held to cover linked liabilities, investment contract liabilities and associated income statement line items.
- ◆ Overall Parent Company materiality: £22,087,500 (2024: £20,250,000) based on 1% of total assets (limited to 95% of group materiality).
- ◆ Performance materiality: £17,437,500 (2024: £16,875,000) (group) and £16,565,625 (2024: £15,187,500) (Parent Company).
- ◆ Specific performance materiality: £810,750,000 (2024: £698,250,000) applied to assets held to cover linked liabilities, investment contract liabilities and associated income statement line items.

Independent Auditors' Report to the Members of St. James's Place plc continued

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements.

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

This is not a complete list of all risks identified by our audit.

Valuation of the Operational Readiness prepayment in respect of the development of an administration platform at an outsourced provider, which was a key audit matter last year, is no longer included because of the Operational Readiness prepayment no longer having additional costs added, being subject to ongoing amortisation and there being no impairment indicators in the current year. Otherwise, the key audit matters below are consistent with last year.

Key audit matter	How our audit addressed the key audit matter
<p><i>Provision for redress in respect of ongoing service evidence (Group)</i></p> <p>As disclosed in the Group Audit Committee Report (Page 71) and Note 18 (page 168) to the Financial Statements the Group holds an Ongoing Service Evidence provision related to the ongoing review of a sub-population of clients that has been charged for ongoing advice services since the start of 2018 but where the evidence of delivery of the ongoing advice service falls below an acceptable standard.</p> <p>As at 31 December 2025 the total provision in respect of the review was £272.3m (2024: £425.1m) which represents the estimated refund of charges, interest and the administration costs associated with completing the exercise. The estimation of the provision involves significant judgement and subjectivity in relation to key assumptions.</p> <p>Management has estimated the provision based on a sample of case record reviews undertaken over a representative cohort of clients with the results from the sample applied to the wider population.</p> <p>Significant assumptions include:</p> <ul style="list-style-type: none"> ◆ extrapolation from a representative cohort – that the assessment, of a representative cohort of client records, can be extrapolated to the wider review population; ◆ opt-in response rate – the response rate by clients to an invitation to join the review, taking into account internal and industry experience; and ◆ administration costs – that in-house historic experience and wider market experience of similar exercises can be used to estimate the cost to fulfil the exercise. 	<p>We have assessed and challenged the Group's methodology and the assumptions applied in arriving at the provision.</p> <ul style="list-style-type: none"> ◆ We performed procedures to verify that the representative cohort of clients used in the estimation of the provision did not include any management bias. ◆ We obtained the available evidence of ongoing advice for a sample of clients within the representative cohort and evaluated this against the redress schemes parameters and assessed whether we came to the same conclusion. ◆ We obtained management's calculation and tested the mathematical accuracy and agreed the calculation back to source data. ◆ We assessed whether any changes were required to be made to management's assumptions and estimates based on currently available evidence and information including latest industry developments, and further data obtained through the ongoing project. ◆ We independently performed sensitivity analysis on the significant assumptions and considered alternative scenarios which could be considered reasonably possible. ◆ We obtained and reviewed relevant regulatory correspondence with the Financial Conduct Authority and Prudential Regulation Authority, discussing the content of any correspondence considered to be pertinent to our audit with management. As part of our audit procedures we met with each regulator. ◆ We reviewed the minutes of the project meetings and performed inquiries throughout the business as to the latest project status. ◆ Given the inherent uncertainty in the estimation of the provision and its judgemental nature, we evaluated the disclosures made in the financial statements. <p>Based on the procedures performed and evidence obtained, we found management's assumptions to be appropriate.</p>

Independent Auditors' Report to the Members of St. James's Place plc continued

Key audit matter	How our audit addressed the key audit matter
<p>Valuation of level 3 investments, being investment properties and equities (Group)</p> <p>As disclosed in Note 20 (page 178) as at 31 December 2025 the Group held £218.8 billion of financial assets and investment properties. The majority of these investments do not require significant judgement in calculating their valuation in the financial statements.</p> <p>Whilst there have been significant disposals of level 3 investments in the current period, included in the total financial assets and investment properties are investment properties of £0.4 billion (2024: £0.9 billion) and level 3 equities of £0.4 billion (2024: £1.0 billion). These require management to use estimates and judgements in order to calculate the valuation at the year-end. The Group engages independent experts for the investment valuation activities for each, with assets in the DAF valued by Kohlberg Kravis Roberts & Co. Inc ("KKR"), whilst the investment property portfolio is managed by Invesco with regular valuations performed by CBRE.</p>	<p>We performed each of the following procedures:</p> <ul style="list-style-type: none"> ◆ Assessed the independence, objectivity and competency of management's expert. ◆ Obtained and reviewed the CBRE valuation report covering all the group's investment properties. ◆ We analysed the listing of individual property valuations for unusual or unexpected movements compared to the prior year and, where such movements were identified we sought explanations and supporting evidence from management. ◆ Obtained independent confirmation, including valuation, of the level 3 equity investments direct from the asset manager. ◆ Tested a selection of disposals during the period for investment property and level 3 equity investments. ◆ Evaluated other available information relating to the valuation of the investments. <p>Based on the procedures performed and evidence obtained throughout the procedures outlined above, we have found management's valuation to be appropriate.</p>
<p>Recoverability of Parent Company's investment in subsidiaries (Parent)</p> <p>The carrying value of directly held investments in subsidiaries is £2,211.0m as at 31 December 2025 (2024: £2,102.4m) accounting for 81.3% of the Parent Company's total assets. The investments in subsidiaries are carried at cost stated after any impairment losses. Management is required to review at least annually for indicators of impairment, or when circumstances or events indicate there may be uncertainty over its value. When an impairment indicator exists, the determination of recoverable amounts for subsidiaries requires assumptions to be made and the key assumptions used are the value of in-force business and the discount rate applied. The carrying value of these investments is not at a higher risk of significant misstatement or subject to significant judgement. However, due to their materiality in the context of the Parent Company financial statements, this is the area that had the greatest effect on our overall Parent Company audit.</p>	<p>For investments where impairment indicators existed, we obtained management's value in use impairment assessment and ensured the calculations were mathematically accurate.</p> <p>We verified that the methodology used by the directors in arriving at the carrying value of each subsidiary was compliant with applicable accounting standards.</p> <p>We challenged management on key elements of the assessments including the value of in-force business and the discount rate. We further obtained and understood management's value in use and sensitivity calculations over the carrying value assessments, and have independently re-performed the sensitivity ourselves.</p> <p>Based on the procedures performed and evidence obtained, we have found management's model and assessments to be appropriate.</p>

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the group and the Parent Company, the accounting processes and controls, and the industry in which they operate.

The Group is structured as an integrated wealth management business and operates predominantly within the United Kingdom. Seven components within the group were considered significant by risk or size and therefore required an audit of their complete financial information. These were St. James's Place UK plc, St. James's Place Unit Trust Group Limited, St. James's Place Investment Administration Limited, St. James's Place Management Services Limited, St. James's Place Wealth Management plc, St. James's Place Wealth Management Group Limited and St. James's Place International plc.

Six of the components that are significant by risk or size are based in the United Kingdom with audit procedures performed directly by the group audit team with St. James's Place International plc incorporated and regulated in the Republic of Ireland and audited by a component audit team. At the planning stage of the audit we provided written instructions to the component audit team to confirm the work we required them to complete. The instructions set out respective responsibilities (including on actuarial work), our involvement in their work, and the materiality level this work should be performed to. We held regular meetings with the component engagement leader, director, and other senior members of the component team through the planning, execution and completion phases of the audit to inform them of developments at a Group level and to understand from them any local developments that were relevant for our audit of the Group. During the execution phase, senior members of the group audit team performed a review of the component teams audit working papers, reviewing selected elements of their work focused on the significant and elevated risks identified.

In addition to the full scope audit of the seven components noted above, we also performed audit procedures on certain financial statement line items within four other components. These financial statement line items were selected for testing to ensure that we had sufficient coverage of each financial statement line item within the consolidated financial statements.

Independent Auditors' Report to the Members of St. James's Place plc continued

The impact of climate risk on our audit

The Group has set out its approach and goals in respect of its Funds under Management in the Investing responsibly section of the Strategic Report. This includes the goal of becoming "Net Zero" in investments by 2050 (with an interim target of a 25% reduction in the carbon emissions of its investment proposition by 2025).

In planning our audit, we considered the extent to which climate change is impacting the Group and how it impacted our risk assessment for the audit of the financial statements. In making these considerations we:

- ◆ Enquired of management in respect of their own climate change risk assessment, including associated governance processes and understood how these have been implemented.
- ◆ Obtained the latest Climate Report from the Group and checked it for consistency with our knowledge of the Group based on our audit work and the disclosures made in the Strategic Report.
- ◆ Considered management's risk assessment and the Climate Report in light of our knowledge of the wider asset and wealth management industries.

Our conclusions were that the impact of climate change does not give rise to a Key Audit Matter for the Group and it did not impact our risk assessment for any material Financial Statement line item or disclosure.

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Financial statements – group	Financial statements – company
Overall materiality	£23,250,000 (2024: £22,500,000).	£22,087,500 (2024: £20,250,000).
How we determined it	5% of underlying cash result.	1% of total assets (limited to 95% of group materiality).
Rationale for benchmark applied	The engagement team concluded that £23.25 million is the most appropriate figure when setting an overall materiality on the engagement. The quantum of £23.25 million was determined by considering the various benchmarks available to us as auditors, our experience of auditing the Group and our experience of the group. £23.25 million represents 5% of the underlying cash result.	The purpose of the Parent Company is to hold investments in other Group companies. As such PwC considers it appropriate to use total assets as the benchmark for overall materiality, limited to 95% of the overall group materiality.

For certain balances, our specific group overall materiality level was £1,081,000,000 (2024: £931,000,000) for assets held to cover linked liabilities applies to assets held to cover linked liabilities, investment contract liabilities and associated income statement line items.

For each component in the scope of our group audit, we allocated a materiality that is less than our overall group materiality. The range of materiality allocated across components was between £3,700,000 and £22,100,000. Certain components were audited to a local statutory audit materiality that was also less than our overall group materiality.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% (2024: 75%) of overall materiality, amounting to £17,437,500 (2024: £16,875,000) for the group financial statements and £16,565,625 (2024: £15,187,500) for the Parent Company financial statements.

In determining the performance materiality, we considered a number of factors – the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls – and concluded that an amount in the middle of our normal range was appropriate.

For certain balances, our specific performance materiality was 75% of the specific overall materiality for assets held to cover linked liabilities, investment contract liabilities and associated income statement line items, amounting to £810,750,000 (2024: £698,250,000) for the consolidated financial statements.

Independent Auditors' Report to the Members of St. James's Place plc continued

We agreed with the Group Audit Committee that we would report to them misstatements identified during our audit above £1,162,500 (group audit) (2024: £1,125,000) and £1,104,375 (Parent Company audit) (2024: £1,012,500) as well as misstatements below those amounts that, in our view, warranted reporting for qualitative reasons. For balances where we apply our specific performance materiality we agreed to report misstatements greater than £23,250,000 (2024: £22,500,000).

Conclusions relating to going concern

Our evaluation of the directors' assessment of the group's and the Parent Company's ability to continue to adopt the going concern basis of accounting included:

- ◆ Obtaining the Directors' going concern assessment for the consolidated and the Parent Company financial statements and gaining an understanding of the Directors' going concern assessment process, including the preparation of the budget;
- ◆ Obtaining the budget covering the period of the going concern assessment and evaluating the forecasting method adopted by the Directors in assessing going concern;
- ◆ Testing the mathematical accuracy of the model and evaluating the key assumptions using our understanding of the Group and external evidence where appropriate. We also performed a comparison of the 2025 budget and the actual results to assess the historical accuracy of the budgeting process;
- ◆ Evaluating the results of management's analysis of the relevant solvency requirements and liquidity position of the Group, including forward looking plausible downside scenarios within the Group's Own Risk and Solvency Assessment;
- ◆ Evaluating the reasonableness of management's downside assumptions using our understanding of the Group and the external environment. We evaluated management's assumptions by performing independent stress testing to determine whether a reasonable alternative stressed scenario would result in a breach of minimum regulatory requirements or the Group's liquidity requirements;
- ◆ Evaluating the mitigating actions that management identified and assessing whether these were in the control of management and possible in the going concern period of assessment;
- ◆ Evaluating information obtained through review of regulatory correspondence, minutes of meetings of the Board, Group Audit and Group Risk Committees, as well as publicly available information to identify any information that would contradict management's assessment; and
- ◆ Assessing the adequacy of disclosures in the Going Concern Statement in note 1 of the consolidated and Parent Company financial statements and within the Assessment of going concern section of the Directors' report on page 124.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the Parent Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's and the Parent Company's ability to continue as a going concern.

In relation to the directors' reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 31 December 2025 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the group and company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

Directors' Remuneration

In our opinion, the part of the Report of the Group Remuneration Committee to be audited has been properly prepared in accordance with the Companies Act 2006.

Independent Auditors' Report to the Members of St. James's Place plc continued

Corporate governance statement

The Listing Rules require us to review the directors' statements in relation to going concern, longer-term viability and that part of the corporate governance statement relating to the Parent Company's compliance with the provisions of the UK Corporate Governance Code specified for our review. Our additional responsibilities with respect to the corporate governance statement as other information are described in the Reporting on other information section of this report.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the financial statements and our knowledge obtained during the audit, and we have nothing material to add or draw attention to in relation to:

- ◆ The directors' confirmation that they have carried out a robust assessment of the emerging and principal risks;
- ◆ The disclosures in the Annual Report that describe those principal risks, what procedures are in place to identify emerging risks and an explanation of how these are being managed or mitigated;
- ◆ The directors' statement in the financial statements about whether they considered it appropriate to adopt the going concern basis of accounting in preparing them, and their identification of any material uncertainties to the group's and Parent Company's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements;
- ◆ The directors' explanation as to their assessment of the group's and Parent Company's prospects, the period this assessment covers and why the period is appropriate; and
- ◆ The directors' statement as to whether they have a reasonable expectation that the Parent Company will be able to continue in operation and meet its liabilities as they fall due over the period of its assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Our review of the directors' statement regarding the longer-term viability of the group and Parent Company was substantially less in scope than an audit and only consisted of making inquiries and considering the directors' process supporting their statement; checking that the statement is in alignment with the relevant provisions of the UK Corporate Governance Code; and considering whether the statement is consistent with the financial statements and our knowledge and understanding of the group and Parent Company and their environment obtained in the course of the audit.

In addition, based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the financial statements and our knowledge obtained during the audit:

- ◆ The directors' statement that they consider the Annual Report, taken as a whole, is fair, balanced and understandable, and provides the information necessary for the members to assess the group's and Parent Company's position, performance, business model and strategy;
- ◆ The section of the Annual Report that describes the review of effectiveness of risk management and internal control systems; and
- ◆ The section of the Annual Report describing the work of the Group Audit Committee.

We have nothing to report in respect of our responsibility to report when the directors' statement relating to the Parent Company's compliance with the Code does not properly disclose a departure from a relevant provision of the Code specified under the Listing Rules for review by the auditors.

Responsibilities for the financial statements and the audit Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to UK and Irish regulatory principles, such as those governed by the Prudential Regulation Authority, the Financial Conduct Authority and the Central Bank of Ireland, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting of inappropriate journals and management bias in accounting estimates and judgemental areas as shown in our key audit matter. The group engagement team shared this risk assessment with the component auditors so that they could include appropriate audit procedures in response to such risks in their work. Audit procedures performed by the group engagement team and/or component auditors included:

- ◆ Discussions with the Risk and Compliance function, Internal Audit and the company's legal counsel, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;

Independent Auditors' Report to the Members of St. James's Place plc continued

- ◆ Reviewing the Group Audit Committee papers in which whistle blowing matters are reported and considered the impact of these matters on the group's compliance with laws and regulations;
- ◆ Reviewing key correspondence with the Prudential Regulation Authority, the Financial Conduct Authority and the Central Bank of Ireland in relation to compliance with laws and regulations;
- ◆ Reviewing relevant meeting minutes including those of the Board, Risk and Group Audit Committees;
- ◆ Reviewing the company's register of litigation and claims, in so far as they related to non-compliance with laws and regulations and fraud;
- ◆ Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations increasing reported revenues;
- ◆ Designing audit procedures to incorporate unpredictability around nature, timing or extent of our testing; and
- ◆ Procedures relating to the estimates and judgements applied provision for redress in respect of ongoing service evidence and recoverability of Parent Company's investment in the subsidiaries described in the related key audit matter.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the Parent Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- ◆ we have not obtained all the information and explanations we require for our audit; or
- ◆ adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- ◆ certain disclosures of directors' remuneration specified by law are not made; or
- ◆ the Parent Company financial statements and the part of the Report of the Group Remuneration Committee to be audited are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Appointment

We were first appointed by the company for the financial year ended 31 December 2009. Our uninterrupted engagement covers 17 financial years.

Other matter

The Parent Company is required by the Financial Conduct Authority Disclosure Guidance and Transparency Rules to include these financial statements in an annual financial report prepared under the structured digital format required by DTR 4.1.15R – 4.1.18R and filed on the National Storage Mechanism of the Financial Conduct Authority. This auditors' report provides no assurance over whether the structured digital format annual financial report has been prepared in accordance with those requirements.

Gary Shaw

Senior Statutory Auditor

for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors

Bristol

24 February 2026

Consolidated statement of comprehensive income

	Note	Year ended 31 December 2025	Year ended 31 December 2024
		£'Million	£'Million
Fee and commission income	4	3,766.4	3,163.9
Expenses	5, 18	(2,551.9)	(2,236.7)
Investment return	6	26,371.8	22,785.3
Movement in investment contract benefits	6	(26,285.5)	(22,688.5)
Insurance revenue	7	24.2	25.2
Insurance service expenses	8	(22.6)	(21.8)
Net reinsurance expense		(0.4)	(3.1)
Insurance service result		1.2	0.3
Net insurance finance (expense)/income		(1.9)	2.7
Finance income	9	64.0	58.5
Finance costs	9	(28.9)	(36.4)
Profit before tax	3	1,335.2	1,049.1
Tax attributable to policyholders' returns	10	(638.5)	(513.2)
Profit before tax attributable to shareholders' returns		696.7	535.9
Total tax charge	10	(803.8)	(650.7)
Less: tax attributable to policyholders' returns	10	638.5	513.2
Tax attributable to shareholders' returns	10	(165.3)	(137.5)
Profit and total comprehensive income for the year		531.4	398.4
Profit attributable to non-controlling interests		0.3	–
Profit attributable to equity shareholders		531.1	398.4
Profit and total comprehensive income for the year		531.4	398.4
	Note	Pence	Pence
Basic earnings per share	23	99.9	73.0
Diluted earnings per share	23	98.8	72.6

The results relate to continuing operations.

The Notes and information on pages 139 to 193 form part of these consolidated financial statements.

As permitted by section 408 of the Companies Act 2006, no statement of comprehensive income is presented for the Company.

Consolidated statement of changes in equity

	Equity attributable to owners of the Parent Company							Non-controlling interests	Total equity	
	Share capital	Share premium	Capital redemption reserve	Shares in trust reserve	Misc. reserves	Retained earnings	Total			
	Note	£'Million	£'Million	£'Million	£'Million	£'Million	£'Million			£'Million
At 1 January 2024		82.3	233.9	–	(0.7)	2.5	665.4	983.4	0.1	983.5
Profit and total comprehensive income for the year		–	–	–	–	–	398.4	398.4	–	398.4
Dividends	23	–	–	–	–	–	(76.6)	(76.6)	(0.2)	(76.8)
Shares repurchased in buy-back programmes	23	(0.7)	–	0.7	–	–	(33.1)	(33.1)	–	(33.1)
Consideration paid for own shares		–	–	–	(9.5)	–	–	(9.5)	–	(9.5)
Retained earnings credit in respect of share option charges		–	–	–	–	–	11.2	11.2	–	11.2
At 31 December 2024		81.6	233.9	0.7	(10.2)	2.5	965.3	1,273.8	(0.1)	1,273.7
Profit and total comprehensive income for the year		–	–	–	–	–	531.1	531.1	0.3	531.4
Dividends	23	–	–	–	–	–	(96.3)	(96.3)	(0.2)	(96.5)
Exercise of share options		–	1.5	–	–	–	–	1.5	–	1.5
Shares repurchased in buy-back programmes	23	(2.5)	–	2.5	–	–	(189.2)	(189.2)	–	(189.2)
Consideration paid for own shares		–	–	–	(61.3)	–	–	(61.3)	–	(61.3)
Shares sold during the year		–	–	–	3.0	–	(3.0)	–	–	–
Retained earnings credit in respect of share option charges		–	–	–	–	–	19.2	19.2	–	19.2
At 31 December 2025		79.1	235.4	3.2	(68.5)	2.5	1,227.1	1,478.8	–	1,478.8

The number of shares held in the shares in trust reserve is given in Note 23 Share capital, earnings per share and shareholder returns.

Miscellaneous reserves represent other non-distributable reserves.

The Notes and information on pages 139 to 193 form part of these consolidated financial statements.

Consolidated statement of financial position

	Note	As at 31 December 2025 £'Million	As at 31 December 2024 £'Million
Assets			
Goodwill	11	18.5	23.3
Deferred acquisition costs	11	284.1	286.2
Intangible assets	11	8.1	15.5
Property and equipment, including leased assets	12	122.3	134.0
Investment property	14, 20	370.3	892.3
Deferred tax assets	10	10.2	2.7
Investment in associates	26	24.0	21.9
Reinsurance assets	17	11.7	14.9
Other receivables	15	2,861.6	2,687.4
Financial investments	14, 20	212,073.5	182,320.2
Derivative financial assets	14, 20	2,908.7	2,812.8
Cash and cash equivalents	14	6,184.5	5,663.9
Total assets		224,877.5	194,875.1
Liabilities			
Borrowings	19	341.5	516.8
Deferred tax liabilities	10	966.2	679.4
Insurance contract liabilities	17	566.2	518.6
Deferred income	11	421.6	469.5
Other provisions	18	298.4	460.3
Other payables	16	2,655.3	2,144.3
Investment contract benefits	14, 20	163,728.7	141,038.8
Derivative financial liabilities	14, 20	2,412.1	3,052.1
Net asset value attributable to unit holders	14, 20	51,982.8	44,699.5
Income tax liabilities		25.9	22.1
Total liabilities		223,398.7	193,601.4
Net assets		1,478.8	1,273.7

	Note	As at 31 December 2025 £'Million	As at 31 December 2024 £'Million
Shareholders' equity			
Share capital	23	79.1	81.6
Share premium		235.4	233.9
Capital redemption reserve		3.2	0.7
Shares in trust reserve		(68.5)	(10.2)
Miscellaneous reserves		2.5	2.5
Retained earnings		1,227.1	965.3
Equity attributable to owners of the Parent Company		1,478.8	1,273.8
Non-controlling interests		-	(0.1)
Total equity		1,478.8	1,273.7
		Pence	Pence
Net assets per share		280.5	234.1

The consolidated financial statements on pages 135 to 193 were approved by the Board on 24 February 2026 and signed on its behalf by:

Mark FitzPatrick
Chief Executive Officer

The Notes and information on pages 139 to 193 form part of these consolidated financial statements.

Consolidated statement of cash flows

	Note	Year ended 31 December 2025	Year ended 31 December 2024 ¹
		£'Million	£'Million
Cash flows from operating activities			
Cash generated from/(used in) operations	21	1,396.1	(528.5)
Interest received		224.5	236.6
Interest paid		(28.9)	(36.4)
Income taxes paid	10	(524.5)	(326.1)
Net cash inflow/(outflow) from operating activities¹		1,067.2	(654.4)
Cash flows from investing activities			
Payments for property and equipment	12	(1.1)	(3.6)
Payment of software development costs	11	–	(5.1)
Payments for acquisition of subsidiaries and other business combinations, net of cash acquired		(0.8)	–
Payments for associates		(1.7)	(8.3)
Contingent consideration paid ¹	20	(4.8)	(1.3)
Net cash outflow from investing activities		(8.4)	(18.3)
Cash flows from financing activities			
Proceeds from the issue of share capital and exercise of options		1.5	–
Shares repurchased in share buy-back programmes		(189.2)	(33.1)
Consideration paid for own shares		(61.3)	(9.5)
Proceeds from borrowings	19	135.7	473.8
Repayment of borrowings	19	(311.7)	(208.1)
Principal elements of lease payments	13	(14.0)	(14.0)
Dividends paid to Company's shareholders	23	(96.3)	(76.6)
Dividends paid to non-controlling interests in subsidiaries		(0.2)	(0.2)
Net cash (outflow)/inflow from financing activities		(535.5)	132.3
Net increase/(decrease) in cash and cash equivalents		523.3	(540.4)
Cash and cash equivalents at 1 January		5,663.9	6,204.3
Effects of exchange rate changes on cash and cash equivalents		(2.7)	–
Cash and cash equivalents at 31 December	14	6,184.5	5,663.9

¹ Restated to reclassify £1.3 million of Contingent consideration paid from operating activities to investing activities which better reflects the nature of the item.

The Notes and information on pages 139 to 193 form part of these consolidated financial statements.

Notes to the consolidated financial statements under International Financial Reporting Standards

1. Accounting policies

St. James's Place plc (the Company) is a public company limited by shares which is incorporated and registered in England and Wales, domiciled in the United Kingdom and whose shares are publicly traded.

i. Statement of compliance

The Group financial statements consolidate those of the Company and its subsidiaries (together referred to as the Group).

The Group financial statements have been prepared in accordance with UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards.

As at 31 December 2025 there were no new and amended standards, that became effective on or after 1 January 2025, that were relevant to the Group.

ii. New and amended accounting standards not yet effective

As at 31 December 2025, the following new and amended standards, which are relevant to the Group but have not been applied in the financial statements, were in issue but are not yet effective. All of the below have been endorsed by the UK Endorsement Board:

- ◆ Amendments to the classification and measurement of Financial Instruments – Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures
- ◆ IFRS 18 Presentation and Disclosure in Financial Statements.

The Group is currently assessing the impact that the adoption of the above standards and amendments will have on the Group's results reported within the financial statements. The only one expected to have a significant impact on the Group's financial statements is IFRS 18 Presentation and Disclosure in Financial Statements. Further information on this standard is given below.

IFRS 18 Presentation and Disclosure in Financial Statements

The IASB issued IFRS 18 Presentation and Disclosure in Financial Statements on 9 April 2024 which will replace IAS 1. IFRS 18 introduces three sets of new requirements to improve companies' reporting of financial performance and gives investors better basis for analysing and comparing companies:

- ◆ improved comparability in the statement of comprehensive income
- ◆ enhanced transparency of management defined performance measures
- ◆ more useful grouping of information in the financial statements.

Management are currently assessing the impacts of adopting the new standard, however it is only expected to have an impact on the presentation and disclosure of the financial statements and is not expected to have an impact on recognition and measurement. The effective date of the standard is 1 January 2027.

iii. Basis of preparation

The going concern basis has been adopted in preparing these financial statements.

The Group's business activities, together with the factors likely to affect its future development, performance and position, are set out in the Chief Executive Officer's report and the Chief Financial Officer's report. The financial performance and financial position of the Group are described in the financial review.

As shown in Note 22 Capital management and allocation, the Group's capital position remains strong and well in excess of regulatory requirements. In addition, it has continued to operate within its external banking covenants. In addition, the Fitch rating remains at A+ for SJPUK (A at SJP PLC level). Further, the long-term nature of the business results in considerable positive cash flows arising from existing business.

The Board has considered the challenging macroeconomic and geopolitical conditions which continued during 2025, noting that the business continued to be successful in this environment. Notwithstanding these challenges, gross inflows for 2025 were £21.9 billion, up 19% on 2024. Retention of client funds under management remained strong at 94.9% resulting in net inflows of £6.2 billion. These factors along with the performance of our key outsource providers, monitored through our ongoing oversight, supports its view that the business will continue to remain operationally resilient.

The Board has also considered a profitability forecast including base case scenario and severe but plausible downside scenarios. In modelling these scenarios, the Group has considered its liquidity, cash and IFRS results. The downside scenarios are severe but plausible and would still leave the Group with a positive cash result and IFRS profit.

As a result of its review, the Board believes that the Group will continue to operate, with neither the intention nor the necessity of liquidation, ceasing trading or seeking protection from creditors pursuant to laws or regulations, for a period of at least 12 months from the date of approval of the Group financial statements.

The financial statements are presented in pounds Sterling rounded to the nearest one hundred thousand pounds. They are prepared on a historical cost basis, except for assets classified as investment property and financial assets and liabilities at fair value through profit and loss.

Notes to the consolidated financial statements under International Financial Reporting Standards continued

1. Accounting policies continued

The preparation of the financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years, if the revision affects both current and future years.

Judgements made by management in the application of IFRSs that have material effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in Note 2.

The financial statements are prepared in accordance with the Companies Act 2006 as applicable to companies reporting under IFRS, and the accounting policies set out below have been applied consistently to all years presented in these consolidated financial statements.

iv. Summary of significant accounting policies

(a) Basis of consolidation

The consolidated financial information incorporates the assets, liabilities and results of the Company and of its subsidiaries. Subsidiaries are those entities which the Group controls. Control exists if the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity (including unit trusts in which the Group holds more than 30% of the units). Further information on how control is assessed, including the judgement taken in consolidating SJP Partner Loans No.1 Limited, the Group's securitisation entity, is set out in Note 2.

Associates are all entities over which the Group has significant influence but not control, and are accounted for at fair value through profit or loss. The Group uses the acquisition method of accounting to account for business combinations and expenses all acquisition costs as they are incurred. The financial information of subsidiaries is included in the consolidated financial statements from the date that control commences until the date that control ceases. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with policies adopted by the Group.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IFRS 9 in the consolidated statement of comprehensive income.

The treatment of transactions with non-controlling interests depends on whether, as a result of the transaction, the Group alters control of the subsidiary. Changes in the Parent's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions; any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Parent entity. Where the Group loses control of a subsidiary, at the date when control is lost the amount of any non-controlling interest in that former subsidiary is derecognised and any investment retained in the former subsidiary is remeasured to its fair value; the gain or loss that is recognised in profit or loss on the partial disposal of the subsidiary includes the gain or loss on the remeasurement of the retained interest.

Intra-Group balances, and any income and expenses or unrealised gains and losses arising from intra-Group transactions, are eliminated in preparing the consolidated financial statements.

The St. James's Place Charitable Foundation is not consolidated within the financial information. This is because the Company does not meet the control definitions required by IFRS 10.

(b) Fee and commission income

Fee and commission income comprises:

- (i) advice charges (post-RDR) paid by clients who receive advice alongside their investment in a St. James's Place product. Advice may be provided at initial investment, and on an ongoing basis;
- (ii) third-party fee and commission income, due from third-party product providers in respect of products sold on their behalf;
- (iii) wealth management fees paid by clients for the ongoing administration of their investment products;
- (iv) investment management fees paid by clients for investment management, including charges taken by the Group to pay third-party investment advisers;
- (v) fund tax deductions, which are fees charged to clients to match the policyholder tax expense;
- (vi) policyholder tax asymmetry, which is the difference between the deferred tax position and the offsetting client balances;
- (vii) discretionary fund management (DFM) fees generated through the services provided by our DFM business; and
- (viii) amortisation of deferred income (DIR), the unwinding of income that has been deferred. This relates to initial product charges and dealing margins from unit trusts.

The provision of initial advice is a distinct performance obligation. As a result, initial advice charges are recognised in full on acceptance and inception of the associated policy by the relevant product provider, which may be a Group company or a third-party. Ongoing advice charges are recognised as revenue on an ongoing basis, consistent with the nature of the performance obligation being discharged, rather than at a single point in time.

Notes to the consolidated financial statements under International Financial Reporting Standards continued

1. Accounting policies continued

Third-party fee and commission income is recognised in full on acceptance and inception of the associated policy by the relevant third-party product provider. The performance obligation is the initial advice provided to a client which leads to investment in a third-party product, hence it is appropriate that this revenue stream is recognised on the same basis as initial advice charges. Where the third-party product provider retains the right to clawback of commission on an indemnity basis, revenue on sale of these products is recognised to the extent that it is highly probable the revenue will not be clawed back. A provision is recognised for any amounts received which do not meet the 'highly probable' threshold.

Wealth management fees, investment management fees, fund tax deductions, policyholder tax asymmetry and DFM fees relate to services provided on an ongoing basis, and revenue is recognised on an ongoing basis to reflect the nature of the performance obligations being discharged.

When initial product charges and dealing margins do not relate to a distinct performance obligation satisfied at inception of a contract, the income is deferred and amortised over the anticipated period in which the services will be provided.

(c) Expenses

(i) Payments to Partners

Payments to Partners comprise initial commission and initial advice fees (IAF) (paid for initial advice, at policy outset and within an initial period for regular contribution), renewal commission and renewal advice fees (payable on regular contributions) and fund fee commission or ongoing advice fees (OAF) (based on funds under management). Initial and renewal commission and advice fees are recognised in line with the associated premium income, but initial commission on insurance and investment contracts may be deferred, as set out in accounting policy (m). Fund fee commission and ongoing advice fees are recognised on an accruals basis.

(ii) Lease expenses

Lease expenses under IFRS 16 comprise depreciation of the right-of-use asset. Further information on depreciation of the right-of-use asset is set out in accounting policy (o).

The Group recognises lease payments associated with short-term leases and leases of low-value assets on a straight-line basis over the lease term.

(d) Investment return

Investment return comprises investment income and investment gains and losses. Investment income includes dividends, interest and rental income from investment properties under operating leases. Dividends are accrued on an ex-dividend basis, and rental income is recognised in the statement of comprehensive income on a straight-line basis over the term of the lease. Interest on assets classified at fair value through profit or loss are accounted for based on the actual coupon payments, whilst interest on financial assets measured at amortised cost are accounted for using the effective interest method.

(e) Insurance revenue

Insurance revenue represents the expected income from the provision of insurance services. The income is recognised during the coverage period in which the services will be provided.

(f) Insurance service expenses

Insurance service expenses comprise insurance claims and other insurance service expenses. The expense is recognised during the relevant coverage period in which the services will be provided, excluding any investment components.

(g) Finance income

Finance income comprises interest received on cash and cash equivalents and business loans to Partners. Interest on assets classified at fair value through profit or loss is accounted for based on the actual coupon payments, whilst interest on financial assets measured at amortised cost is accounted for using the effective interest method.

(h) Finance costs

Finance costs comprise an interest expense on the lease liability and external borrowings. Interest expense on the lease liability and external borrowings is calculated using the effective interest method.

(i) Income taxes

Income tax on the profit or loss for the year comprises current and deferred tax charge of the Group in respect of policyholders and shareholders. Income tax is recognised in the statement of comprehensive income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity. Tax liabilities are recognised when it is considered probable that there will be a future outflow of funds to a taxing authority, and are measured using a best-estimate approach.

(i) Current tax

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

(ii) Deferred tax

Deferred tax is provided using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following differences are not provided for: the initial recognition of assets or liabilities that affect neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date and taking into account expected timing of utilisation.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities, and when the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Notes to the consolidated financial statements under International Financial Reporting Standards continued

1. Accounting policies continued

(iii) Policyholder and shareholder tax

The total income tax charge is a separate adjustment within the statement of comprehensive income based on the movement in current and deferred income taxes in respect of income, gains and expenses. The total charge reflects tax incurred on behalf of policyholders as well as shareholders, and so it is useful to be able to identify these separately.

Shareholder tax is estimated by making an assessment of the effective rate of tax that is applicable to the shareholders on the profits attributable to shareholders. This is calculated by applying the appropriate effective corporate tax rates to the shareholder profits. The remainder of the tax charge represents tax on policyholders' investment returns.

(j) Dividends

Interim dividend distributions to the Company's shareholders are recognised in equity in the period in which they are paid. Final dividend distributions to the Company's shareholders are recognised in the period in which the dividends are declared: that is, when they are appropriately authorised and no longer at the discretion of the Company. The final dividend for the financial year is disclosed but shown as unpaid and awaiting approval by the Company's shareholders at the Annual General Meeting.

(k) Investment contract deposits and withdrawals

Investment contract payments in and out are not included in the statement of comprehensive income but are reported as deposits to or deductions from investment contract benefits in the statement of financial position. The movement in investment contract benefits within the statement of comprehensive income principally represents the investment return credited to policyholders.

Explicit advice charges are payable by most clients who wish to receive advice with their investment in a St. James's Place retail investment product. St. James's Place facilitates the payment of these charges for the client, by arranging withdrawals from the client's policy, which are then recognised as income to the Group. A proportion of the charge is then paid to the St. James's Place adviser who provides the advice (see (b) Fee and commission income (i) and (c) Expenses (i)).

(l) Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the identifiable net assets of the acquired entity at the date of acquisition. Where the fair value of the Group's share of the identifiable net assets of the acquired entity is greater than the cost of acquisition, the excess is recognised immediately in the statement of comprehensive income.

Goodwill is recognised as an asset at cost and is reviewed at least annually for impairment or when circumstances or events indicate there may be uncertainty over this value. If an impairment is identified, the carrying value of the goodwill is written down immediately through the statement of comprehensive income and is not subsequently reversed. At the date of disposal of a subsidiary, the carrying value of attributable goodwill is included in the calculation of the profit or loss on disposal except where it has been written off directly to reserves in the past.

(m) Deferred acquisition costs

For investment contracts, only directly attributable acquisition costs, which vary with and are related to securing new contracts and renewing existing contracts, are deferred, and only to the extent that they are recoverable out of future revenue. These deferred acquisition costs, which represent the contractual right to benefit from providing investment management services, net of any impairment losses, are amortised to expenses in the statement of comprehensive income on a straight-line basis over the expected lifetime of the Group's investment contracts. All other costs are recognised as expenses when incurred. The period over which costs are expected to be recoverable for investment contracts is 14 years.

(n) Intangible assets

(i) Purchased value of in-force business

The purchased value of in-force business represents the present value of profits that are expected to emerge from business acquired on business combinations. It is calculated at the time of acquisition using best-estimate actuarial assumptions for interest, mortality, persistency and expenses, net of any impairment losses, and it is amortised on a straight-line basis as profits emerge over the anticipated lives of the related contracts in the portfolio.

An intangible asset is also recognised in respect of acquired investment management contracts, representing the fair value of contractual rights acquired under those contracts. The purchased value of in-force business is expressed as a gross figure in the statement of financial position, with the associated tax included within deferred tax liabilities. It is assessed for impairment at each reporting date and any movement is charged to the statement of comprehensive income.

The estimated useful economic life of acquired in-force business is 20 years.

(ii) Computer software and other specific software developments

Computer software is stated at cost less accumulated amortisation and any recognised impairment loss. The carrying value is reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

Computer software, including cloud customisation costs, is recognised as an intangible asset during development, with amortisation commencing when the software is operational. Amortisation is charged to the statement of comprehensive income to expenses on a straight-line basis over 5 years, being the estimated useful life of the intangible asset.

(o) Property and equipment

Property and equipment comprises both assets which are owned and those which are leased.

(i) Initial and subsequent measurement of owned assets

Owned items of property and equipment are stated at cost less accumulated depreciation and impairment. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Depreciation is charged to expenses within the statement of comprehensive income on a straight-line basis over the estimated useful lives of the property and equipment, which are as follows:

Fixtures, fittings and office equipment:	5 to 15 years
Computer equipment:	3 years

Notes to the consolidated financial statements under International Financial Reporting Standards continued

1. Accounting policies continued

(ii) Initial and subsequent measurement of leased assets

A right-of-use asset is recognised within property and equipment for leased items which are not subject to the short-term or low-value lease exemptions set out in IFRS 16. This comprises the Group's leased property portfolio. The right-of-use asset recognised on the commencement date of the lease is the value of the lease liability (refer to accounting policy (ab)), plus expected dilapidation costs, initial direct costs (that is, incremental costs that would not have been incurred if the lease had not been obtained, such as legal fees) and lease payments made before or at the commencement date of the lease. Following initial recognition, depreciation is charged to expenses within the statement of comprehensive income on a straight-line basis over the lease term.

(iii) Impairment of owned and leased assets

The carrying value of owned and leased assets is reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. Any assets that may have suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

(p) Investment property

Investment properties, which are all held within the unit-linked funds, are properties which are held to earn rental income and/or for capital appreciation. They are stated at fair value. An external, independent valuer, having an appropriate recognised professional qualification and recent experience in the location and category of property being valued, values the portfolio every month.

The fair values are based on open market values, being the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

Any gain or loss arising from a change in fair value is recognised in the statement of comprehensive income within investment income. Rental return from investment property is accounted for as described in accounting policy (d).

(q) Reinsurance assets

Reinsurance assets represent amounts recoverable from reinsurers in respect of non-unit-linked insurance contract liabilities, net of any future reinsurance premiums. See (v) Insurance contract liabilities for further information.

The contract boundary for a reinsurance contract is dependent on the terms and conditions of the reinsurance contract. Such terms have been assessed and considered to be the same as for the underlying contracts.

(r) Other receivables

Other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Most shareholder other receivables are initially recognised at fair value and subsequently held at amortised cost less impairment losses, as the business model for these assets is to hold to collect contractual cash flows, which consist solely of payments of principal and interest. The exception to this is renewal income assets, which are classified as fair value through profit and loss and are initially, and subsequently, recognised at fair value. The value of any impairment recognised is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the original effective interest rate. See accounting policy (af) for information relating to the treatment of impaired amounts.

Other receivables include prepayments, which are recognised where services are paid for in advance of the benefit being received. The prepayment reduces, and an expense is recognised in the statement of comprehensive income, as the service is received.

Commission and advice fees in respect of some insurance and investment business may be paid to Partners in advance of renewal premiums and accelerated by up to 5 years. The unearned element of this accelerated remuneration is recognised as advanced payments to Partners within other receivables. Should the contributions reduce or stop within the initial period, any unearned amount is recovered.

Derecognition

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third-party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risk and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

(s) Financial investments

These financial assets are initially and subsequently recognised at fair value through profit and loss, with all gains and losses recognised within investment income in the statement of comprehensive income. The vast majority of these financial assets are quoted, and so the fair value is based on the value within the bid-ask spread that is most representative of fair value. If the market for a financial asset is not active, the Group establishes fair value by using valuation techniques such as recent arm's-length transactions, reference to similar listed investments, discounted cash flow models or option pricing models.

Notes to the consolidated financial statements under International Financial Reporting Standards continued

1. Accounting policies continued

Subsequent measurement of these financial assets at fair value through profit and loss is required by IFRS 9 for debt instruments for which the objectives of the Group's business model are not met by either holding the instrument to collect contractual cash flows or selling the instruments, or where the contractual terms of the instrument do not give rise to cash flows which are solely payments of principal and interest. Where both the 'business model' and 'solely payments of principal and interest' tests are met, management has made an irrevocable decision to designate the debt instruments at fair value through profit and loss as doing so aligns the measurement of the financial assets with the measurement of their associated unit-linked liabilities.

Management has not made the irrevocable election to present changes in the fair value of equity instruments in other comprehensive income, and so all equity instruments are also designated at fair value through profit and loss.

The Group recognises purchases and sales of investments on trade date. The costs associated with investment transactions are included within expenses in the statement of comprehensive income.

(t) Derivative financial instruments

The Group uses derivative financial instruments within some unit-linked funds, with each contract initially and subsequently recognised at fair value, based on observable market prices. All changes in value are recognised within investment income in the statement of comprehensive income.

(u) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term highly liquid investments.

Cash and cash equivalents held within unit-linked and unit trust funds are classified at fair value through profit and loss, as management has made an irrevocable decision to designate them as such in order to align the measurement of these financial assets with the measurement of their associated unit-linked liabilities. Therefore, these cash and cash equivalents are initially and subsequently recognised at fair value through profit and loss, with gains and losses recognised within investment return in the statement of comprehensive income.

All other cash and cash equivalents are classified at amortised cost, as the business model for these assets is to hold to collect contractual cash flows, which consist solely of payments of principal and interest. They are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less impairment losses.

(v) Insurance contract liabilities

Insurance contract liabilities are determined by applying the default General Measurement Model (GMM) to non-unit-linked insurance business and reinsurance ceded, and the Variable Fee Approach (VFA) to unit-linked insurance business measured under IFRS 17.

The contract boundary is assessed at transition and then reassessed only when there are changes in features or circumstances that alter the commercial substance of the contract or change the products within a portfolio.

Under the GMM (applicable to non-unit-linked insurance business and reinsurance ceded), groups of contracts are recognised and measured as:

- ◆ the Fulfilment Cash Flows, comprising an estimate of future cash flows, adjusted to reflect the time value of money, the financial risks associated with the future cash flows, and a risk adjustment for non-financial risk (RA)
- ◆ the Contractual Service Margin (CSM), comprising the unearned profit within a group of contracts that will be recognised as the Group provides insurance services in the future.

The estimate of future cash flows represents the best estimate of the cost to fulfil cash flows within the contract boundary, incorporating current non-financial assumptions.

The RA represents the compensation that an entity requires for bearing the uncertainty about the amount and timing of cash flows that arise from non-financial risk as the entity fulfils insurance contracts. It is calculated using a cost of capital approach, leveraging the Solvency II view of non-financial risk.

The CSM is determined at contract outset or IFRS 17 transition and subsequently remeasured for non-financial changes in the Fulfilment Cash Flows and the accretion of interest using a discount rate locked in at transition. It is amortised over the period of the contract in line with coverage units based upon the sum assured, which reflect the quantity of insurance services provided. If a group of contracts is expected to be onerous (i.e. loss-making) over the remaining coverage period, a loss is recognised immediately.

Under the VFA (applicable to unit-linked insurance business), the GMM is supplemented by an adaptation for contracts with direct participation features. The Fulfilment Cash Flows for unit-linked insurance business reflect an obligation to pay policyholders an amount equal to the fair value of underlying assets, less the variable fee for future service. The RA reflects the compensation for non-financial risk in relation to this variable fee only. The CSM is subsequently remeasured for changes in the variable fee only, arising from both financial and non-financial risks.

(w) Investment contract benefits

All of the Group's investment contracts are unit-linked. Unit-linked liabilities are measured at fair value by reference to the value of the underlying net asset value of the Group's unitised investment funds, on a bid valuation basis, at the reporting date. An allowance for deductions due to (or from) the Group in respect of policyholder tax on capital gains (and losses) in the life assurance funds is also reflected in the measurement of unit-linked liabilities. Investment contract benefits are recognised when units are first allocated to the policyholder; they are derecognised when units allocated to the policyholder have been cancelled.

The decision by the Group to designate its unit-linked liabilities at fair value through profit and loss reflects the fact that the matching investment portfolio, which underpins the unit-linked liabilities, is recognised at fair value through profit and loss.

(x) Deferred income

The initial margin on financial instruments is deferred and recognised on a straight-line basis over the expected lifetime of the financial instrument, which is between 6 and 14 years.

Notes to the consolidated financial statements under International Financial Reporting Standards continued

1. Accounting policies continued

(y) Net asset value attributable to unit holders

The Group consolidates unit trusts in which it holds more than 30% of the units and exercises control. The third-party interests in these unit trusts are termed the net asset value attributable to unit holders and are presented in the statement of financial position. They are classified at fair value through profit and loss, hence are initially and subsequently measured at fair value. The decision by the Group to designate the net asset value attributable to unit holders at fair value through profit and loss reflects the fact that the underlying investment portfolios are recognised at fair value through profit and loss.

Income attributable to the third-party interests is accounted for within investment return, offset by a corresponding change in investment contract benefits.

(z) Other provisions

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation. Provisions are charged as an expense to the statement of comprehensive income in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties. When payments are eventually made, they are charged to the provision carried in the statement of financial position.

(aa) Borrowings

Borrowings are measured initially at fair value, net of directly attributable transaction costs, and subsequently stated at amortised cost. The difference between the proceeds and the redemption value is recognised in the statement of comprehensive income over the borrowing period on an effective interest rate basis. Borrowings are recognised on drawdown and derecognised on repayment.

(ab) Other payables

Other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Other payables include lease liabilities calculated in accordance with IFRS 16. On the commencement date of the lease the lease liability is measured as the present value of the future lease payments to be made over the lease term. For the Group, future lease payments include those which are fixed and those which vary depending on an index or rate. The future lease payments are discounted at the Group's incremental borrowing rate at the commencement date of the lease, which varies depending on the lease term. The lease term includes the non-cancellable period for which the Group has the right to use the leased asset, plus periods covered by extension options where the option is reasonably certain to be taken. Conversely, the non-cancellable period is reduced if it is reasonably certain that a termination option will be taken.

The incremental borrowing rate is management's judgement as to the rate of interest that the Group would have to pay to borrow, over a similar term and with similar security, the funds necessary to obtain an asset of a similar value to the cost of the right-of-use asset. This has been determined with reference to the rate of interest of existing borrowings held by the Group and market rates adjusted to take into account the security and term associated with the lease.

The Group applied the practical expedient on transition to IFRS 16 on 1 January 2019 of applying a single discount rate to a portfolio of leases with reasonably similar characteristics by grouping leases by asset type and remaining lease term on the date of transition. Similarly, the Group periodically determines standard discount rates to apply for leases entered into since 1 January 2019 by asset type and lease term.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired.

(ac) Employee benefits

(i) Pension obligations

The Group operates a defined contribution personal pension plan for its employees. Contributions to this plan are recognised as an expense in the statement of comprehensive income as incurred. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

(ii) Share-based payments

The Group operates a number of share-based payment plans for employees, Partners and advisers. The fair value of share-based payment awards granted is recognised as an expense spread over the vesting period of the instrument, which accords with the period for which related services are provided, with a corresponding increase in equity in the case of equity-settled plans and the recognition of a liability for cash-settled plans.

The total amount to be expensed is determined by reference to the fair value of the awards, which are measured using standard option pricing models as the fair value of the services provided by employees, Partners and advisers cannot be reliably measured. For equity-settled plans, the fair value is determined at grant date and not subsequently remeasured.

For cash-settled plans, the fair value is remeasured at each reporting date and at the date of settlement, with any changes in fair value recognised in the statement of comprehensive income for the period.

At each reporting date, the Group revises its estimate of the number of awards that are expected to vest and it recognises the impact of the revision of original estimates, if any, in the statement of comprehensive income, such that the amounts recognised for employee, Partner and adviser services are based on the number of awards that actually vest. The charge to the statement of comprehensive income is not revised for any changes in market vesting conditions.

(ad) Share capital

Ordinary shares are classified as equity. Where any Group entity purchases the Company's equity share capital (shares held in trust), the consideration paid is deducted from equity attributable to shareholders, as disclosed in the Shares in trust reserve. Where such shares are subsequently sold, reissued or otherwise disposed of, any consideration received is included in equity attributable to shareholders, net of any directly attributable incremental transaction costs and the related income tax effects.

Notes to the consolidated financial statements under International Financial Reporting Standards continued

1. Accounting policies continued

(ae) Product classification

The Group's products are classified for accounting purposes as either insurance contracts or investment contracts.

(i) Insurance contracts

Insurance contracts are contracts that transfer significant insurance risk. The Group's historic product range includes a variety of term assurance and whole-of-life protection contracts involving significant insurance risk transfer.

(ii) Investment contracts

Contracts that do not transfer significant insurance risk are treated as investment contracts. The majority of the business written by the Group is unit-linked investment business and is classified as investment contracts.

(af) Impairment

(i) Non-financial assets

Assets that are subject to amortisation are reviewed for impairment when circumstances or events indicate there may be uncertainty over their value. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or its value-in-use. Refer to accounting policy (l) for the Group's impairment policy for goodwill.

(ii) Financial assets

Financial assets held at amortised cost are impaired using an expected credit loss model. The model splits financial assets into performing, underperforming and non-performing categories based on changes in credit quality since initial recognition. At initial recognition financial assets are considered to be performing. They become underperforming where there has been a significant increase in credit risk since initial recognition, and non-performing when there is objective evidence of impairment. 12 months of expected credit losses are recognised within expenses in the statement of comprehensive income and netted against the financial asset in the statement of financial position for all performing financial assets, with lifetime expected credit losses recognised for underperforming and non-performing financial assets.

Expected credit losses are based on the historic levels of loss experienced for the relevant financial assets, with due consideration given to forward-looking information.

The most significant category of financial assets held at amortised cost for the Group are business loans to Partners, which are explained in more detail in Note 15. The significant increase in credit risk which triggers the move from performing to underperforming for these assets is when they are more than 30 days past due, in line with the presumption set out in IFRS 9 Financial Instruments, or when the loan facility has expired and is in the process of being renegotiated. Business loans to Partners are classified as non-performing when the loan is to a Partner who has left the St. James's Place Partnership, or when the loan is to a Partner whom management considers to be at significant risk of leaving the Partnership and where an orderly settlement of debt is considered to be in question. The definition of non-performing loans in this context is a critical accounting judgement, about which more information is set out in Note 2.

(ag) Foreign currency translation

The Group's presentation and the Company's functional currency is pounds Sterling. The statement of comprehensive income and statement of cash flows for foreign subsidiaries are translated into the Group's presentation currency using exchange rates prevailing at the date of the transaction. The statement of financial position for foreign subsidiaries is translated at the year-end exchange rate. Exchange rate differences arising from these translations are taken to the statement of comprehensive income.

Foreign currency transactions are translated into pounds Sterling using the exchange rate prevailing at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the reporting date and the gain or losses on translation are recognised in the statement of comprehensive income.

Non-monetary assets and liabilities which are held at historical cost are translated using exchange rates prevailing at the date of the transaction; those held at fair value are translated using exchange rates ruling at the date on which the fair value was determined.

(ah) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision-Maker. The Chief Operating Decision-Maker, responsible for allocating resources and assessing performance of the operating segments, has been identified as the Group Executive Committee.

(ai) Current and non-current disclosure

Assets which are expected to be recovered or settled no more than 12 months after the reporting date are disclosed as current within the Notes to the financial statements. Those expected to be recovered or settled more than 12 months after the reporting date are disclosed as non-current.

Liabilities which are expected or due to be settled no more than 12 months after the reporting date are disclosed as current within the Notes to the financial statements. Those liabilities which are expected or due to be settled more than 12 months after the reporting date are disclosed as non-current.

(aj) Alternative performance measures

Within the financial statements, a number of alternative performance measures (APMs) are disclosed. An APM is a measure of financial performance, financial position or cash flows which is not defined by the relevant financial reporting framework, which for the Group is International Financial Reporting Standards as adopted by the UK Endorsement Board. APMs are used to provide greater insight into the performance of the Group and the way it is managed by the Directors. A definition of each of the APMs is included in the glossary of alternative performance measures section, which explains why it is used and, where applicable, explains how the measure can be reconciled to the IFRS financial statements.

Notes to the consolidated financial statements under International Financial Reporting Standards continued

2. Critical accounting estimates and judgements in applying accounting policies

Estimates

Critical accounting estimates are those which give rise to a significant risk of material adjustment to the balances recognised in the financial statements within the next 12 months. The Group's critical accounting estimates relate to:

- ◆ determining the value of insurance contract liabilities and reinsurance assets
- ◆ determining the fair value of investment property
- ◆ determining the fair value of Level 3 fixed income securities and equities
- ◆ determining the value of the Ongoing Service Evidence provision.

Estimates are also applied in calculating other assets of the financial statements, including determining the value of deferred tax assets, investment contract benefits, the operational readiness prepayment and other provisions.

Determining the value of insurance contract liabilities and reinsurance assets

In accordance with IFRS 17, the Group has used the following assumptions in the calculation of insurance contract liabilities and reinsurance assets:

- ◆ the assumed rate of investment return, which is based on current risk-free swap rates
- ◆ the mortality and morbidity rates, which are based on the results of an investigation of experience during the year
- ◆ the level of expenses, which for the year under review is based on actual expenses in 2025 and expected rates in 2026 and over the long term
- ◆ the lapse assumption, which is set based on an investigation of experience during the year
- ◆ the risk adjustment, which is determined using a cost of capital approach with a 3% charge (2024: 3%). There has been no change during the year.

Further details of the valuation of insurance contract liabilities and reinsurance assets, including sensitivity analysis, are set out in Note 17.

Determining the fair value of investment property

In accordance with IAS 40, the Group initially recognises investment properties at cost, and subsequently remeasures its portfolio to fair value in the statement of financial position. Fair value is determined at least monthly by professional external valuers. It is based on anticipated market values for the properties in accordance with the guidance issued by the Royal Institution of Chartered Surveyors (RICS), being the estimated amount that would be received from a sale of the assets in an orderly transaction between market participants.

The valuation of investment property is inherently subjective as it requires, among other factors, assumptions to be made regarding the ability of existing tenants to meet their rental obligations over the entire life of their leases, the estimation of the expected rental income into the future, the assessment of a property's potential to remain as an attractive technical configuration to existing and prospective tenants in a changing market and a judgement on the attractiveness of a building, its location and the surrounding environment. Wherever appropriate, sustainability and environmental matters are an integral part of the valuation approach. In a valuation context, sustainability encompasses a wide range of physical, social, environmental and economic factors that can affect value. The range of issues includes key environmental risks, such as flooding, energy efficiency and climate, as well as design, configuration, accessibility, legislation, management and fiscal considerations and, additionally, current and historical land use. As such, investment properties are classified as Level 3 in the IFRS 13 fair value hierarchy because they are valued using techniques which are not based on observable inputs.

During the prior year, SJP announced the decision to wind down the Property Unit Trust and remove the Property Life and Pension fund options. The process of determining the fair value of investment property remains unchanged.

Further details of the valuation of investment properties, including sensitivity analysis, are set out in Note 20.

Determining the fair value of Level 3 fixed income securities and equities

In accordance with IFRS 9, the Group elects to classify its portfolio of policyholder fixed income securities at fair value through profit and loss to match the accounting for policyholder liabilities. Its portfolio of equities is required to be held at fair value through profit and loss. As a result, all fixed income securities and equities are held at fair value, with the best evidence of the fair value at initial recognition typically being the transaction price, i.e. the fair value of the consideration given or received.

A number of investments are held in private credit and private equity assets, which are recognised within fixed income securities and within equities, respectively, on the consolidated statement of financial position. The fair value of these assets is determined following a monthly valuation process which uses two different valuation models and includes verification by professional external valuers. The models use suitable market comparatives and an estimate of future cash flows expected to flow from the issuing entity.

The valuations are inherently subjective as they require a number of assumptions to be made, such as determining which entities provide suitable market comparatives and their relevant performance metrics (for example earnings before interest, tax, depreciation and amortisation), determining appropriate discount rates and cash flow forecasts to use in models, the weighting to apply to each valuation methodology, and the point in the range of valuations to select as the fair value. As the inputs to the valuation models are unobservable, the investments in private credit and private equity assets are classified as Level 3 in the IFRS 13 fair value hierarchy.

Further details about the valuation models, including sensitivity analysis, is set out in Note 20.

Notes to the consolidated financial statements under International Financial Reporting Standards continued

2. Critical accounting estimates and judgements in applying accounting policies continued

Determining the value of the Ongoing Service Evidence provision

The Group has committed to review the sub-population of clients that has been charged for ongoing advice services since the start of 2018 but where the evidence of delivery falls below the acceptable standard.

In accordance with IAS 37, the Group has quantified the Ongoing Service Evidence provision as the best estimate of the amount necessary to settle the present obligation, taking into account the associated risks and uncertainties.

The provision is based on an extrapolation of the experience of a representative cohort of clients. The period for the review has been determined by the Group to commence from 2018 following an assessment of the regulatory regime in force during this period and the requirement to retain evidence of delivery for this period of time.

During the year, following the FCA's new industry guidance around ongoing financial advice services, issued in February 2025, the Group revised the redress methodology. The Group have updated the assumptions to reflect experience from the project to date, which includes a larger representative cohort of clients.

Key estimates and assumptions in assessing the estimated value are:

- ◆ extrapolation from a representative cohort – that the assessment, of a representative cohort of client records, can be extrapolated to the wider review population
- ◆ opt-In response rate – the response rate by clients to an invitation to join the review, taking into account internal and industry experience
- ◆ administration costs – that in-house historic experience and wider market experience of similar exercises can be used to estimate the cost to fulfil the exercise.

Further details of the provision, including sensitivity analysis, are set out in Note 18.

Judgements

The primary areas in which the Group has applied judgement are as follows:

Consolidation

Entities are consolidated within the Group financial statements if they are controlled by the Group. Control exists if the Group is exposed to, or has rights to, variable returns from its involvement with the entity and the Group has the ability to affect those returns through its power over the entity. Significant judgement can be involved in determining whether the Group controls an entity, such as in the case of the structured entity set up for the Group's securitisation transaction, SJP Partner Loans No.1 Limited, and for the Group's unit trusts.

A structured entity is one that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity. As a result, factors such as whether a Group entity is able to direct the relevant activities of the entity and the extent to which the Group is exposed to variability of returns are considered. In the case of SJP Partner Loans No.1 Limited, it was determined that the Group does control the entity and hence it is consolidated. This is due to an entity in the Group holding the junior tranche of loan notes, hence being subject to variability of returns, and the same entity being able to direct the relevant activities of the structured entity through its role of servicer to the securitised portfolio.

Unit trusts are consolidated when the Group holds more than 30% of the units in that unit trust. This is the threshold at which the Group is considered to achieve control, having regard to factors such as:

- ◆ the scope of decision-making authority held by St. James's Place Unit Trust Group Limited, the unit trust manager
- ◆ rights held by external parties to remove the unit trust manager
- ◆ the Group's exposure to variable returns through its holdings in the unit trusts and its ability to influence the unit trust manager's remuneration.

Determining non-performing business loans to Partners

Business loans to Partners are considered to be non-performing (Stage 3), in the context of the definition prescribed by IFRS 9, if they are in default. This is defined as a loan to either:

- ◆ a Partner who has left the St. James's Place Partnership; or
- ◆ a Partner whom management considers to be at significant risk of leaving the Partnership and where an orderly settlement of debt is considered to be in question.

Determining the derecognition of business loans to Partners

Business loans to Partners are derecognised, in the context of the definition prescribed by IFRS 9, when:

- ◆ the assets have been sold to a third-party
- ◆ there is an obligation to pay received cash flows in full without material delay to a third-party under a 'pass-through' arrangement
- ◆ the originator has transferred substantially all the risks and rewards of owning the assets.

See Note 15 for further information on the derecognition of business loans to Partners.

Notes to the consolidated financial statements under International Financial Reporting Standards continued

3. Segment reporting

IFRS 8 Operating Segments requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the Board, in order to allocate resources to each segment and assess its performance.

The Group's only reportable segment under IFRS 8 is a 'wealth management' business – providing support to our clients through our network of advisers providing valuable face-to-face financial advice, and financial solutions including (but not limited to) wealth management products manufactured in the Group, such as insurance bonds, pensions, unit trust and ISA investments, and a DFM service.

Separate geographical segmental information is not presented since the Group does not segment its business geographically. Most of its customers are based in the United Kingdom, as is management of the assets. In particular, the operation based in AME is not yet sufficiently material for separate consideration.

Segment revenue

Revenue received from fee and commission income is set out in Note 4, which details the different types of revenue received from our wealth management business.

Segment profit

Two separate measures of profit are monitored by the Board. These are the post-tax Underlying cash result and the pre-tax European Embedded Value (EEV) profit. Further details can be found within the glossary of alternative performance measures section.

Underlying cash result

The measure of cash profit monitored by the Board is the post-tax Underlying cash result. For further information please refer to the glossary of alternative performance measures section.

More detail is provided in section 2.2 of the financial review.

The Cash result should not be confused with the IFRS consolidated statement of cash flows, which is prepared in accordance with IAS 7.

	Year ended 31 December 2025	Year ended 31 December 2024
	£'Million	£'Million
Underlying cash result after tax	462.3	447.2
Ongoing Service Evidence provision	82.1	–
Movement in DAC/DIR/PVIF	35.2	(0.1)
Impact of policyholder tax asymmetry (see Note 4) ¹	(35.4)	(38.9)
Equity-settled share-based payments	(19.2)	(11.2)
Impact of deferred tax	8.0	(9.0)
Other	(1.6)	10.4
IFRS profit after tax	531.4	398.4
Shareholder tax	165.3	137.5
Profit before tax attributable to shareholders' returns	696.7	535.9
Tax attributable to policyholder returns	638.5	513.2
IFRS profit before tax	1,335.2	1,049.1

¹ Further information on policyholder tax asymmetry can also be found in the Glossary.

EEV operating profit

EEV operating profit is monitored by the Board. Further details on the EEV operating profit can be found within the glossary of alternative performance measures section.

	Year ended 31 December 2025	Year ended 31 December 2024
	£'Million	£'Million
EEV operating profit before tax after exceptional items	1,829.8	1,045.0
Investment return variance	709.4	533.7
Economic assumption changes	37.4	23.5
EEV profit before tax	2,576.6	1,602.2
Adjustments to IFRS basis:		
Deduct: amortisation of purchased value of in-force business	(3.2)	(3.2)
Movement of balance sheet life value of in-force business (net of tax)	(383.8)	(354.5)
Movement of balance sheet unit trust and DFM value of in-force business (net of tax)	(438.2)	(345.4)
Movement of balance sheet other value of in-force business (net of tax)	(583.5)	(291.4)
Tax on movement in value of in-force business	(471.2)	(71.8)
Profit before tax attributable to shareholders' returns	696.7	535.9
Tax attributable to policyholder returns	638.5	513.2
IFRS profit before tax	1,335.2	1,049.1

The movement in life, unit trust and DFM, and other value of in-force business is the difference between the opening and closing discounted value of the profits that will emerge from the in-force book over time, after adjusting for DAC and DIR impacts which are already included under IFRS.

Notes to the consolidated financial statements under International Financial Reporting Standards continued

3. Segment reporting continued

Segment assets

Funds under management (FUM)

FUM, as reported in section 1 of the financial review, is the measure of segment assets which is monitored on a monthly basis by the Board.

	31 December 2025	31 December 2024
	£'Million	£'Million
Investment bond	44,120.0	39,180.0
Pension	119,940.0	101,980.0
UT/ISA and DFM	55,950.0	49,050.0
Total FUM	220,010.0	190,210.0
Exclude client and third-party holdings in non-consolidated unit trusts and DFM	(4,038.9)	(4,183.3)
Other	3,693.7	3,923.7
Gross assets held to cover unit liabilities	219,664.8	189,950.4
IFRS intangible assets	326.5	335.1
Shareholder gross assets	4,886.2	4,589.6
Total assets	224,877.5	194,875.1

Other represents liabilities included within the underlying unit trusts. The unit trust liabilities form a reconciling item between total FUM, which is reported net of these liabilities, and total assets, which exclude these liabilities.

More detail on IFRS intangible assets and shareholder gross assets is provided on page 211.

4. Fee and commission income

	Year ended 31 December 2025	Year ended 31 December 2024
	£'Million	£'Million
Advice charges (post RDR)	1,396.0	1,089.2
Third-party fee and commission income	142.0	131.3
Wealth management fees	1,149.7	1,234.1
Investment management fees	276.6	74.5
Fund tax deductions	638.5	513.2
Policyholder tax asymmetry	(35.4)	(38.9)
Discretionary fund management fees	22.6	23.4
Fee and commission income before DIR amortisation	3,590.0	3,026.8
Amortisation of DIR	176.4	137.1
Total fee and commission income	3,766.4	3,163.9

Advice charges are received from clients for the provision of initial and ongoing advice in relation to a post-Retail Distribution Review (RDR) investment into a St. James's Place or third-party product.

Third-party fee and commission income is received from the product provider where an investment has been made into a third-party product.

Wealth management fees represent charges levied on manufactured business.

Investment management fees are received from clients for the provision of investment management. Broadly, investment management fees are matched by investment management expenses.

Fund tax deductions represent amounts credited to, or deducted from, the life insurance business to match policyholder tax credits or charges. Market conditions will impact the level of fund tax deductions. This may lead to significant year-on-year movements when markets are volatile.

Life insurance tax incorporates a policyholder tax element, and the financial statements of a life insurance group need to reflect the liability to HMRC, with the corresponding deductions incorporated into policy charges ('Fund tax deductions' in the table on the left). The tax liability to HMRC is assessed using IAS 12 Income Taxes, which does not allow discounting, whereas the policy charges are designed to ensure fair outcomes between clients and so reflect a wide range of possible outcomes. This gives rise to different assessments of the current value of future cash flows and hence an asymmetry in the IFRS consolidated statement of financial position between the deferred tax position and the offsetting client balance. The net tax asymmetry balance reflects a temporary position, and in the absence of market volatility we expect it will unwind as future cash flows become less uncertain and are ultimately realised.

External market conditions drive the movement in the policyholder tax asymmetry balances. Net market gains in the year to 31 December 2025 have resulted in a negative policyholder tax asymmetry.

Discretionary fund management fees are received from clients for the provision of DFM services.

Where an investment has been made in a St. James's Place product, the initial product charge is deferred and recognised as a deferred income liability. This liability is extinguished, and income recognised, over the expected life of the investment. The income is the amortisation of DIR in the table on the left.

Notes to the consolidated financial statements under International Financial Reporting Standards continued

5. Expenses

The following items are included within the expenses disclosed in the statement of comprehensive income:

	Year ended 31 December 2025	Year ended 31 December 2024
	£'Million	£'Million
Payments to Partners	1,347.6	1,134.8
Fees payable to the Company's auditors and its associates:		
For the audit of the Company and consolidated financial statements	0.5	0.5
For other services:		
– Audit of the Company's subsidiaries (excluding unit trusts)	0.9	0.8
– Audit of the Company's unit trusts	0.9	0.8
– Audit-related assurance services	0.8	0.7
– Other assurance services	0.2	0.2
Total fees payable to the Company's auditors and its associates	3.3	3.0
Employee costs:		
Wages and salaries	267.1	255.5
Social security costs	37.8	29.2
Other pension costs	21.8	21.7
Cost of employee share awards and options	20.2	11.3
Total employee costs	346.9	317.7
Average monthly number of persons employed by the Group during the year	3,102	3,206

Included within fees payable to the Company's auditors and its associates for audit-related assurance services is £0.2 million (2024: £0.2 million) for non-audit services as defined by the Group's policy on auditor independence.

The above employee costs information includes Directors' remuneration. Full details of the Directors' remuneration, share options, pension entitlements and interests in shares are disclosed in the Directors' remuneration report, and further information is also provided below.

All pension costs related to defined contribution schemes and cash supplements in lieu of contributions to defined contribution pension schemes. At 31 December 2025, the number of Directors to whom retirement benefits are accruing, including those receiving a cash supplement in lieu of contributions to defined contribution pension schemes, is two (2024: two), with the total cost being £0.2 million (2024: £0.1 million).

The number of Directors who exercised options over shares in the Company during the year is nil (2024: nil). The number of Directors in respect of whose qualifying services shares were receivable under long-term incentive schemes is two (2024: three), and the total amount receivable by the Directors under long-term incentive schemes is £0.3 million (2024: £0.4 million). The aggregate gains made by Directors on the exercise of share options and the receipt of deferred bonus plan shares during the year was £nil (2024: £nil).

6. Investment return and movement in investment contract benefits

The majority of the business written by the Group is unit-linked investment business, and so investment contract benefits are measured by reference to the underlying net asset value of the Group's unitised investment funds. As a result, investment return on the unitised investment funds and the movement in investment contract benefits are linked.

Investment return

	Year ended 31 December 2025	Year ended 31 December 2024
	£'Million	£'Million
<i>Attributable to unit-linked investment contract benefits:</i>		
Rental income	37.9	60.8
Loss on revaluation of investment properties	(7.4)	(3.3)
Net investment return on financial instruments classified at fair value through profit and loss	20,024.1	15,594.6
	20,054.6	15,652.1
Income attributable to third-party holdings in unit trusts	6,230.9	7,036.4
Investment return on net assets held to cover unit liabilities	26,285.5	22,688.5
Net investment return on financial instruments classified at fair value through profit and loss	86.4	95.6
Net investment return on financial instruments held at amortised cost	(0.1)	1.2
Investment return on shareholder assets	86.3	96.8
Total investment return	26,371.8	22,785.3

Included in the net investment return on financial instruments classified as fair value through profit and loss, within investment return on net assets held to cover unit liabilities, is dividend income of £2,112.3 million (2024: £1,576.7 million).

Notes to the consolidated financial statements under International Financial Reporting Standards continued

6. Investment return and movement in investment contract benefits

continued

Movement in investment contract benefits

	2025	2024
	£'Million	£'Million
Balance at 1 January	141,038.8	123,149.8
Deposits	16,858.3	14,451.6
Withdrawals	(12,752.0)	(10,778.2)
Movement in unit-linked investment contract benefits	20,054.6	15,652.1
Fees and other adjustments	(1,471.0)	(1,436.5)
Balance at 31 December	163,728.7	141,038.8
Current	7,826.1	6,762.1
Non-current	155,902.6	134,276.7
	163,728.7	141,038.8
Movement in unit liabilities		
Unit-linked investment contract benefits	20,054.6	15,652.1
Third-party unit trust holdings	6,230.9	7,036.4
Movement in investment contract benefits in the consolidated statement of comprehensive income	26,285.5	22,688.5

See accounting policy (ai) for further information on the current and non-current disclosure.

7. Insurance revenue

	Year ended 31 December 2025	Year ended 31 December 2024
	£'Million	£'Million
<i>Amounts relating to changes in liabilities for remaining coverage</i>		
– Expected incurred claims and other insurance service expenses	22.2	23.2
– Change in risk adjustment for non-financial risk for risk expired	0.5	0.6
– CSM recognised for services provided	1.5	1.4
Total insurance revenue	24.2	25.2

8. Insurance service expenses

	Year ended 31 December 2025	Year ended 31 December 2024
	£'Million	£'Million
<i>Amounts relating to changes in liabilities for remaining coverage</i>		
– Incurred claims and other insurance service expenses	(22.6)	(21.8)
Total insurance services expenses	(22.6)	(21.8)

9. Finance income and finance costs

The following items are included within other finance income disclosed in the statement of comprehensive income:

	Year ended 31 December 2025	Year ended 31 December 2024
	£'Million	£'Million
Interest received on cash and cash equivalents	18.0	15.5
Interest received on business loans to Partners	46.0	43.0
Finance income	64.0	58.5
Interest paid on external borrowings	(24.0)	(33.0)
Interest paid on lease liabilities	(2.8)	(3.2)
Other interest paid	(2.1)	(0.2)
Finance costs	(28.9)	(36.4)

Finance income represents the interest received on shareholder cash and cash equivalents and business loans to Partners. See Note 15 for further information on business loans to Partners.

Finance costs represent the cost of interest charges on the Group's external borrowings and the interest charge on the Group's lease liabilities.

Notes to the consolidated financial statements under International Financial Reporting Standards continued

10. Income and deferred taxes

Tax for the year

	Year ended 31 December 2025	Year ended 31 December 2024
	£'Million	£'Million
Current tax		
UK corporation tax		
– Current year charge	513.4	330.7
– Adjustment in respect of prior year	2.2	1.9
Overseas taxes		
– Current year charge	12.2	17.0
– Adjustment in respect of prior year	0.1	(0.3)
	527.9	349.3
Deferred tax		
Unrealised capital gains in unit-linked funds	285.5	261.6
Unrelieved expenses		
– Utilisation in the year	7.1	8.9
DAC, DIR and PVIF	(1.6)	(5.3)
Share-based payments	(13.3)	(5.3)
Renewal income assets	(3.1)	(3.9)
Fixed asset timing differences	–	0.5
UK trading losses	–	40.8
Other items	3.4	3.8
Transitional adjustment	(1.1)	3.4
Adjustment in respect of prior year	(1.0)	(3.1)
	275.9	301.4
Total tax charge for the year	803.8	650.7
Attributable to:		
– Policyholders	638.5	513.2
– Shareholders	165.3	137.5
	803.8	650.7

The adjustment in respect of prior year of £2.3 million charge in current tax on the left represents a £3.4 million charge in respect of policyholder tax (2024: £2.4 million charge) and a credit of £1.1 million in respect of shareholder tax (2024: £0.8 million credit). The adjustment in respect of prior year of £1.0 million credit in deferred tax on the left represents £nil in respect of policyholder tax (2024: £0.1 million credit) and a credit of £1.0 million in respect of shareholder tax (2024: £3.0 million credit).

In arriving at the profit before tax attributable to shareholders' returns, it is necessary to estimate the distribution of the total tax charge/(credit) between that payable in respect of policyholders and that payable by shareholders. Shareholder tax is estimated by making an assessment of the effective rate of tax that is applicable to the shareholders on the profits attributable to shareholders. This is calculated by applying the appropriate effective corporate tax rates to the shareholder profits. The remainder of the tax charge/(credit) represents tax on policyholders' investment returns. This calculation method is consistent with the legislation relating to the calculation of tax on shareholder profits.

Notes to the consolidated financial statements under International Financial Reporting Standards continued

10. Income and deferred taxes continued

Reconciliation of tax charge to expected tax

	Year ended 31 December 2025		Year ended 31 December 2024	
	£'Million		£'Million	
Profit before tax	1,335.2		1,049.1	
Tax attributable to policyholders' returns	(638.5)		(513.2)	
Profit before tax attributable to shareholders' returns	696.7		535.9	
Shareholder tax charge at corporate tax rate of 25% (2024: 25%)	174.2	25%	134.0	25%
Adjustments:				
Lower rates of corporation tax in overseas subsidiaries	(3.2)	(0.5%)	(1.2)	(0.2%)
Expected shareholder tax	171.0	24.5%	132.8	24.8%
Effects of:				
Non-taxable income	(0.4)		(0.4)	
Adjustment in respect of prior year				
– Current tax	(1.1)		(0.8)	
– Deferred tax	(1.0)		(3.1)	
Differences in accounting and tax bases in relation to employee share schemes	(12.2)		(3.1)	
Disallowable expenses	5.9		6.1	
Change in accounting base – Hong Kong	–		4.2	
Provision for future liabilities	–		(0.6)	
Tax losses not recognised	0.5		2.4	
Other	2.6		–	
	(5.7)	(0.8%)	4.7	0.9%
Shareholder tax charge	165.3	23.7%	137.5	25.7%
Policyholder tax charge	638.5		513.2	
Total tax charge for the year	803.8		650.7	

Tax calculated on profit before tax at 25.0% (2024: 25.0%) would amount to a charge of £333.8 million (2024: £262.3 million charge). The difference of £470.0 million (2024: £388.4 million) between this number and the total tax charge of £803.8 million (2024: £650.7 million charge) is made up of the reconciling items above which total a credit of £8.9 million (2024: £3.5 million charge) and the effect of the apportionment methodology on tax applicable to policyholder returns of £478.9 million (2024: £384.9 million).

Tax paid in the year

	Year ended 31 December 2025	Year ended 31 December 2024
	£'Million	£'Million
Current tax charge for the year	527.9	349.3
Payments to be made in future years in respect of current year	(26.2)	(22.9)
Payments made in current year in respect of prior years	22.5	0.6
Other	0.3	(0.9)
Tax paid	524.5	326.1
Tax paid can be analysed as:		
– Taxes paid in UK	404.3	252.4
– Taxes paid in overseas jurisdictions	5.4	5.9
– Withholding taxes suffered on investment income received	114.8	67.8
Total	524.5	326.1

Notes to the consolidated financial statements under International Financial Reporting Standards continued

10. Income and deferred taxes continued

Deferred tax balances

Deferred tax assets

	Credit/(charge) to the statement of comprehensive income					Expected utilisation period	
	As at 1 January 2025	Utilised and created in year	Total credit/(charge)	Impact of acquisitions	Reanalysis from deferred tax liabilities	As at 31 December 2025	As at 31 December 2025
	£'Million	£'Million	£'Million	£'Million	£'Million	£'Million	
Deferred acquisition costs (DAC)	0.9	0.5	0.5	–	(17.3)	(15.9)	14 years
Deferred income (DIR)	1.7	(3.6)	(3.6)	–	29.2	27.3	14 years
Fixed asset temporary differences	–	0.6	0.6	–	0.3	0.9	6 years
Renewal income assets	–	3.1	3.1	(3.9)	(17.3)	(18.1)	20 years
Share-based payments	–	13.2	13.2	0.4	10.1	23.7	3 years
Other temporary differences	0.1	(2.9)	(2.9)	–	(4.9)	(7.7)	–
Total	2.7	10.9	10.9	(3.5)	0.1	10.2	

	(Charge)/credit to the statement of comprehensive income					Expected utilisation period	
	As at 1 January 2024	Utilised and created in year	Total (charge)/credit	Impact of acquisitions	Reanalysis to deferred tax liabilities	As at 31 December 2024	As at 31 December 2024
	£'Million	£'Million	£'Million	£'Million	£'Million	£'Million	
Deferred acquisition costs (DAC)	(18.6)	0.1	0.1	–	19.4	0.9	14 years
Deferred income (DIR)	35.1	(0.1)	(0.1)	–	(33.3)	1.7	14 years
Fixed asset temporary differences	1.3	–	–	–	(1.3)	–	6 years
Renewal income assets	(19.9)	–	–	–	19.9	–	20 years
Share-based payments	4.8	–	–	–	(4.8)	–	3 years
UK trading losses	36.1	(36.1)	(36.1)	–	–	–	–
Other temporary differences	(2.3)	–	–	–	2.4	0.1	–
Total	36.5	(36.1)	(36.1)	–	2.3	2.7	

Notes to the consolidated financial statements under International Financial Reporting Standards continued

10. Income and deferred taxes continued

Deferred tax liabilities

	Charge/(credit) to the statement of comprehensive income					Expected utilisation period	
	As at 1 January 2025	Utilised and created in year	Total charge/(credit)	Impact of acquisitions	Reanalysis to deferred tax assets	As at 31 December 2025	As at 31 December 2025
	£'Million	£'Million	£'Million	£'Million	£'Million	£'Million	
Deferred acquisition costs (DAC)	24.1	(3.8)	(3.8)	–	(17.3)	3.0	14 years
Deferred income (DIR)	(30.1)	(0.1)	(0.1)	–	29.2	(1.0)	14 years
Purchased value of in-force business (PVIF)	1.2	(0.8)	(0.8)	–	–	0.4	1 year
Unrealised capital gains on life insurance (BLAGAB) assets backing unit liabilities	684.9	285.5	285.5	–	–	970.4	6 years
Unrelieved expenses on life insurance business	(17.3)	7.1	7.1	–	0.1	(10.1)	3 years
Fixed asset temporary differences	(0.4)	–	–	–	0.4	–	6 years
Renewal income assets	17.4	(0.1)	(0.1)	0.1	(17.3)	0.1	20 years
Share based payments	(10.1)	–	–	–	10.1	–	3 years
Transitional adjustment	5.0	(1.1)	(1.1)	(0.4)	(0.3)	3.2	3 years
Other temporary differences	4.7	0.1	0.1	0.2	(4.8)	0.2	
Total	679.4	286.8	286.8	(0.1)	0.1	966.2	

	Charge/(credit) to the statement of comprehensive income					Expected utilisation period	
	As at 1 January 2024	Utilised and created in year	Total charge/(credit)	Impact of acquisitions	Reanalysis from deferred tax assets	As at 31 December 2024	As at 31 December 2024
	£'Million	£'Million	£'Million	£'Million	£'Million	£'Million	
Deferred acquisition costs (DAC)	12.3	(7.6)	(7.6)	–	19.4	24.1	14 years
Deferred income (DIR)	–	3.2	3.2	–	(33.3)	(30.1)	14 years
Purchased value of in-force business (PVIF)	2.0	(0.8)	(0.8)	–	–	1.2	2 years
Unrealised capital gains on life insurance (BLAGAB) assets backing unit liabilities	423.4	261.5	261.5	–	–	684.9	6 years
Unrelieved expenses on life insurance business	(26.2)	8.9	8.9	–	–	(17.3)	4 years
Fixed asset temporary differences	–	0.9	0.9	–	(1.3)	(0.4)	6 years
Renewal income assets	–	(2.5)	(2.5)	–	19.9	17.4	20 years
Share based payments	–	(5.3)	(5.3)	–	(4.8)	(10.1)	3 years
Transitional adjustment	–	3.4	3.4	–	1.6	5.0	4 years
Other temporary differences	0.2	3.6	3.6	0.1	0.8	4.7	
Total	411.7	265.3	265.3	0.1	2.3	679.4	

Notes to the consolidated financial statements under International Financial Reporting Standards continued

10. Income and deferred taxes continued

Appropriate investment income, gains or profits are expected to arise against which the tax assets can be utilised. Whilst the actual rates of utilisation will depend on business growth and external factors, particularly investment market conditions, they have been tested for sensitivity to experience and are resilient to a range of reasonably foreseeable scenarios.

At the reporting date there were unrecognised deferred tax assets of £20.9 million (2024: £19.4 million) in respect of £127.7 million (2024: £116.7 million) of losses in companies where appropriate profits are not considered probable in the forecast period. These losses primarily relate to the Group's Asia-based businesses and can be carried forward indefinitely.

Future tax changes

In the UK Autumn Budget 2025, the government announced an increase to the rate of income tax in relation to savings income from 20% to 22% for the savings basic rate band, with effect from 1 April 2027. This change has yet to be substantively enacted and as a result no remeasurement of deferred tax balances have taken place at 2025 year end. There remains some uncertainty regarding the application of this change specifically in respect of life policies so we continue to monitor developments. The potential impact, at 31 December 2025 of a remeasurement in deferred tax would be a £71.3m policyholder tax charge as a result of an increase to the deferred tax liabilities.

Global minimum tax – Pillar two

The SJP Group is subject to the Global minimum tax rules introduced by the Organisation for Economic Co-operation and Development (OECD) in 2024 and adopted into local legislation of various territories in which the Group operates, including the UK and Ireland. The group is subject to a domestic top-up tax in relation to its operations in Ireland, where the statutory corporate tax rate is 12.5%. This increases the effective tax rate for the SJP profits arising in Ireland to 15% and an adjustment of £0.3 million additional Irish tax has been posted in this respect (year to 31 December 2024: £0.1m charge). A Pillar Two adjustment is not required in any other location in which SJP operates. The Company has applied the exception afforded by the International Tax Reform – Pillar Two Model Rules (Amendments to IAS 12), and as such does not recognise and disclose deferred tax impacts of any future top-up tax.

11. Goodwill, intangible assets, deferred acquisition costs (DAC) and deferred income (DIR)

	Goodwill	Purchased value of in-force business	Computer software and other specific software developments	DAC	DIR
	£'Million	£'Million	£'Million	£'Million	£'Million
Cost					
At 1 January 2024	36.6	73.4	65.6	945.8	(1,636.3)
Additions	–	–	5.1	45.2	(115.1)
Disposals	–	–	–	(182.0)	153.0
At 31 December 2024	36.6	73.4	70.7	809.0	(1,598.4)
Additions	–	–	–	50.7	(128.5)
Disposals	–	–	–	(191.0)	165.4
At 31 December 2025	36.6	73.4	70.7	668.7	(1,561.5)
Accumulated amortisation and impairment					
At 1 January 2024	3.0	65.4	37.6	641.4	(1,144.8)
Charge for the year	10.3	3.2	22.4	63.4	(137.1)
Eliminated on disposal	–	–	–	(182.0)	153.0
At 31 December 2024	13.3	68.6	60.0	522.8	(1,128.9)
Charge for the year	4.8	3.2	4.2	52.8	(176.4)
Eliminated on disposal	–	–	–	(191.0)	165.4
At 31 December 2025	18.1	71.8	64.2	384.6	(1,139.9)
Carrying value					
At 1 January 2024	33.6	8.0	28.0	304.4	(491.5)
At 31 December 2024	23.3	4.8	10.7	286.2	(469.5)
At 31 December 2025	18.5	1.6	6.5	284.1	(421.6)
Current	–	1.6	3.5	42.1	(150.5)
Non-current	18.5	–	3.0	242.0	(271.1)
Outstanding amortisation period					
At 31 December 2024	N/A	1 year	5 years	14 years	6 to 14 years
At 31 December 2025	N/A	1 year	5 years	14 years	6 to 14 years

Notes to the consolidated financial statements under International Financial Reporting Standards continued

11. Goodwill, intangible assets, deferred acquisition costs (DAC) and deferred income (DIR) continued

Goodwill

Goodwill is reviewed at least annually for impairment, or when circumstances or events indicate there may be uncertainty over its value. The recoverable amount has been based on value-in-use calculations using pre-tax cash flows. Details of the assumptions made in these calculations are provided below:

Key assumptions based on experience:	Value of new business and expenses
Projection period:	Five years extrapolated into perpetuity/ten years
Pre-tax discount rate based on a risk-free rate plus a risk margin:	7.8% to 10.8% (2024: 7.8% to 10.8%)

It is considered that no reasonably possible levels of change in the key assumptions would result in a material impairment of the goodwill.

Purchased value of in-force business/DAC/computer software

Amortisation is charged to expenses in the statement of comprehensive income. Amortisation profiles are reassessed annually.

DIR

Amortisation is credited within fee and commission income in the statement of comprehensive income. Amortisation profiles are reassessed annually.

12. Property and equipment, including leased assets

	Fixtures, fittings and office equipment	Computer equipment	Leased assets: properties	Total
	£'Million	£'Million	£'Million	£'Million
Cost				
At 1 January 2024	63.9	10.0	180.9	254.8
Additions	2.8	0.8	4.8	8.4
Disposals	(2.3)	–	(12.4)	(14.7)
At 31 December 2024	64.4	10.8	173.3	248.5
Additions	0.7	0.4	9.0	10.1
Disposals	(3.3)	–	(9.2)	(12.5)
At 31 December 2025	61.8	11.2	173.1	246.1
Accumulated depreciation				
At 1 January 2024	31.8	7.5	62.4	101.7
Charge for the year	6.4	1.6	15.4	23.4
Eliminated on disposal	(2.2)	–	(8.4)	(10.6)
At 31 December 2024	36.0	9.1	69.4	114.5
Charge for the year	5.3	1.0	14.5	20.8
Eliminated on disposal	(2.6)	–	(8.9)	(11.5)
At 31 December 2025	38.7	10.1	75.0	123.8
Net book value				
At 1 January 2024	32.1	2.5	118.5	153.1
At 31 December 2024	28.4	1.7	103.9	134.0
At 31 December 2025	23.1	1.1	98.1	122.3
Depreciation period (estimated useful life)				
At 31 December 2024	5 to 15 years	3 years	1 to 17 years	
At 31 December 2025	5 to 15 years	3 years	1 to 15 years	

Notes to the consolidated financial statements under International Financial Reporting Standards continued

13. Leases

This note provides information on leases where the Group is a lessee. For information on leases where the Group is a lessor, refer to Note 14.

The Group's leasing activities and how these are accounted for

The Group leases a portfolio of office properties, equipment and vehicles. The exemptions available under IFRS 16 for low-value or short-term leases have been applied to all leased equipment and vehicles, and so the leased assets and lease liabilities on the consolidated statement of financial position, and the depreciation charge for leased assets and interest expense on lease liabilities in the consolidated statement of comprehensive income, relate to the Group's portfolio of office properties only.

Leases are negotiated on an individual basis and hence contain a variety of different terms and conditions. They contain covenants and restrictions but generally these are standard and to be expected in a modern, commercial lease created under open-market terms. Typical covenants include paying the annual rent, insurance premiums, service charge, rates and VAT and keeping the property in good repair and condition throughout the lease. Typical restrictions include permitting office use only and not transferring or assigning the lease to a third-party without the lessor's consent. There are no residual value guarantees.

The Group is exposed to variability in lease payments, as a number of leases include rent reviews during the lease term which are linked to an index or to market rates. In accordance with IFRS 16, these variable lease payments are initially measured based on the index or rate at the commencement date of the lease. Estimates of future rent changes are not made; these changes are taken into account in the lease liabilities and leased assets only when the lease payments change and so the variability is resolved. There are no variable lease payments which are not linked to an index or to market rates.

The Group has not entered into any sale and leaseback transactions.

Details regarding the accounting policies applied to leases are set out in Note 1: refer to policies (c)(ii) Lease expenses, (o) Property and equipment and (ab) Other payables.

Amounts recognised in the consolidated statement of financial position

The following amounts are recognised in the consolidated statement of financial position.

	31 December 2025	31 December 2024
	£'Million	£'Million
Within the property and equipment balance – refer to Note 12		
Leased assets: properties	98.1	103.9
Within the other payables balance – refer to Note 16		
Lease liabilities: properties	100.8	107.2

A movement schedule for leased assets, setting out additions during the year and depreciation charged, is presented in Note 12. A movement schedule for lease liabilities is presented on the right.

Amounts recognised in the consolidated statement of comprehensive income

The following amounts relating to leases are recognised within expenses in the consolidated statement of comprehensive income.

	Year ended 31 December 2025	Year ended 31 December 2024
	£'Million	£'Million
Depreciation charge for leased assets: properties	14.5	15.4
Interest expense on lease liabilities: properties	2.8	3.2
Lease expense relating to short-term leases	0.2	0.3
Lease expense relating to low-value assets	2.7	2.3
Total lease expense for the year	20.2	21.2
Total cash outflow for leases during the year	16.8	17.2

Reconciliation of lease liabilities: properties

The following movement schedule reconciles the opening and closing lease liabilities relating to properties in the consolidated statement of financial position.

	2025	2024
	£'Million	£'Million
Balance at 1 January	107.2	120.5
Additions	7.7	4.4
Disposals	(0.1)	(3.7)
Interest charged	2.8	3.2
Lease payments made	(16.8)	(17.2)
Balance at 31 December	100.8	107.2

The principal lease payments disclosed in the table below link to the principal lease payments set out in the consolidated statement of cash flows as follows:

	Year ended 31 December 2025	Year ended 31 December 2024
	£'Million	£'Million
Interest payments	2.8	3.2
Principal lease payments	14.0	14.0
Lease payments made	16.8	17.2

Notes to the consolidated financial statements under International Financial Reporting Standards continued

14. Financial investments, investment property and cash and cash equivalents

Financial investments

	31 December 2025	31 December 2024
	£'Million	£'Million
Equities	147,807.5	130,549.0
Fixed income securities	31,564.1	26,118.5
Investments in Collective Investment Schemes	32,701.9	25,652.7
Total financial investments	212,073.5	182,320.2

Net assets held to cover unit liabilities

Included within the statement of financial position are the following assets and liabilities making up the net assets held to cover unit liabilities. The assets held to cover unit liabilities are set out in Adjustment 1 of the IFRS to Solvency II Net Assets Balance Sheet reconciliation on page 211.

	31 December 2025	31 December 2024
	£'Million	£'Million
Assets		
Investment property	370.3	892.3
Equities	147,807.5	130,549.0
Fixed income securities	31,553.8	26,109.9
Investment in Collective Investment Schemes	30,298.2	23,458.4
Cash and cash equivalents	5,854.9	5,311.3
Other receivables	871.4	816.7
Derivative financial assets	2,908.7	2,812.8
Total assets	219,664.8	189,950.4
Liabilities		
Other payables	1,029.2	692.7
Derivative financial liabilities	2,412.1	3,052.1
Total liabilities	3,441.3	3,744.8
Net assets held to cover linked liabilities	216,223.5	186,205.6
Investment contract benefits	163,728.7	141,038.8
Net asset value attributable to unit holders	51,982.8	44,699.5
Unit-linked insurance contract liabilities	512.0	467.3
Net unit-linked liabilities	216,223.5	186,205.6

Net assets held to cover linked liabilities, and third-party holdings in unit trusts, are considered to have a maturity of up to one year since the corresponding unit liabilities are repayable and transferable on demand. See accounting policy (ai) for further information on current and non-current disclosure.

Investment property

	2025	2024
	£'Million	£'Million
Balance at 1 January	892.3	1,110.3
Capitalised expenditure on existing properties	14.4	15.8
Disposals	(529.0)	(230.5)
Changes in fair value	(7.4)	(3.3)
Balance at 31 December	370.3	892.3

The Group is the lessor for a portfolio of properties which meet the definition of investment property. The portfolio is held within unit-linked funds, leased out under operating leases, and is considered current. However, since investment properties are not traded in an organised public market they are relatively illiquid compared with many other asset classes. There are no restrictions on the realisability of the Group's individual properties, or on the remittance of income or disposal proceeds.

The Group follows various strategies to minimise the risks associated with any rights the Group retains in the investment properties. These strategies include:

- ♦ actively reviewing and monitoring the condition of the properties and undertaking appropriate repairs, capital works projects and investments
- ♦ engaging professional legal advisers in drafting prudent lease terms governing the use of the properties and engaging specialist asset managers to oversee adherence to these terms on an ongoing basis
- ♦ actively reviewing and monitoring lessee financial covenant positions
- ♦ maintaining appropriate and prudent insurance for the properties
- ♦ senior management regularly reviewing the investment property portfolio to oversee diversification and performance, and to maximise value and occupancy rates.

Investment property is valued at least monthly by external chartered surveyors in accordance with the guidance issued by the Royal Institution of Chartered Surveyors. The investment property valuation has been prepared using the 'market approach' valuation technique: that is, using prices and other relevant information generated by market transactions involving identical or comparable (i.e. similar) assets.

The historical cost of investment properties held at 31 December 2025 is £547.5 million (2024: £987.4 million). This represents the price paid for investment properties, prior to any subsequent revaluation.

Notes to the consolidated financial statements under International Financial Reporting Standards continued

14. Financial investments, investment property and cash and cash equivalents continued

The rental income and direct operating expenses recognised in the consolidated statement of comprehensive income in respect of investment properties are set out below. All expenses relate to property generating rental income.

	Year ended 31 December 2025	Year ended 31 December 2024
	£'Million	£'Million
Rental income	37.9	60.8
Direct operating expenses	11.0	9.5

At the year-end contractual obligations to purchase, construct or develop investment property amounted to £nil (2024: £6.4 million).

Contractual obligations to dispose of investment property amounted to £nil (2024: £28.0 million).

A maturity analysis of undiscounted contractual rental income to be received on an annual basis for the next five years, and the total to be received thereafter, is set out below.

	31 December 2025	31 December 2024
	£'Million	£'Million
Undiscounted contractual rental income to be received in:		
Year 1	20.2	45.7
Year 2	18.3	42.6
Year 3	16.7	38.3
Year 4	15.3	33.8
Year 5	13.0	29.9
Year 6 onwards	132.7	156.2
Total undiscounted contractual rental income to be received	216.2	346.5

Cash and cash equivalents

	31 December 2025	31 December 2024
	£'Million	£'Million
Cash and cash equivalents not held to cover unit liabilities	329.6	352.6
Balances held to cover unit liabilities	5,854.9	5,311.3
Total cash and cash equivalents	6,184.5	5,663.9

All cash and cash equivalents are considered current.

15. Other receivables

	31 December 2025	31 December 2024
	£'Million	£'Million
Receivables in relation to unit liabilities excluding policyholder interests	715.3	656.4
Other receivables in relation to life and unit trust business	90.4	55.9
Operational readiness prepayment	228.1	256.3
Advanced payments to Partners	124.3	137.4
Other prepayments and accrued income	34.8	37.8
Business loans to Partners	639.9	557.3
Renewal income assets	119.8	121.0
Miscellaneous	34.7	45.3
Total other receivables on the Solvency II Net Assets Balance Sheet	1,987.3	1,867.4
Policyholder interests in other receivables (see Note 14)	871.4	816.7
Other	2.9	3.3
Total other receivables	2,861.6	2,687.4
Current	1,913.0	1,781.3
Non-current	948.6	906.1
	2,861.6	2,687.4

All items within other receivables meet the definition of financial assets with the exception of prepayments and advanced payments to Partners. The fair value of those financial assets held at amortised cost is not materially different from amortised cost.

Receivables in relation to unit liabilities relate to outstanding market trade settlements (sales) in the life unit-linked funds and the consolidated unit trusts. Other receivables in relation to insurance and unit trust business primarily relate to outstanding policy-related settlement timings. Both of these categories of receivables are short-term.

The operational readiness prepayment consists of directly invoiced operational readiness costs advanced and relates to the Bluedoor administration platform which has been developed by our key outsourced back-office administration provider. Management has assessed the recoverability of this prepayment against the expected cost saving benefit of lower future tariff costs arising from the platform. It is believed that no reasonably possible change in the assumptions applied within this assessment, notably levels of future business, the anticipated future service tariffs and the discount rate, would have an impact on the carrying value of the asset.

Renewal income assets represent the present value of future cash flows associated with business combinations or books of business acquired by the Group.

Notes to the consolidated financial statements under International Financial Reporting Standards continued

15. Other receivables continued

Business loans to Partners

	31 December 2025	31 December 2024
	£'Million	£'Million
Business loans to Partners directly funded by the Group	370.1	386.6
Securitised business loans to Partners	269.8	170.7
Total business loans to Partners	639.9	557.3

Business loans to Partners are interest-bearing (linked to Bank of England base rate plus a margin), repayable in line with the terms of the loan contract and secured against the future income streams of the respective Partners.

Reconciliation of the business loans to Partners' opening and closing gross loan balances

	Stage 1: performing	Stage 2: under- performing	Stage 3: non- performing	Total
	£'Million	£'Million	£'Million	£'Million
Gross balance at 1 January 2025	484.2	48.5	33.1	565.8
Business loans to Partners classification changes:				
– Transfer to underperforming	(10.8)	10.8	–	–
– Transfer to non-performing	(7.1)	(0.3)	7.4	–
– Transfer to performing	19.5	(19.0)	(0.5)	–
New lending activity during the year	175.7	1.9	1.5	179.1
Interest charged during the year	40.5	2.7	2.8	46.0
Repayment activity during the year	(132.4)	(5.9)	(3.5)	(141.8)
Gross balance at 31 December 2025	569.6	38.7	40.8	649.1

	Stage 1: performing	Stage 2: under- performing	Stage 3: non- performing	Total
	£'Million	£'Million	£'Million	£'Million
Gross balance at 1 January 2024	359.7	44.6	8.5	412.8
Business loans to Partners classification changes:				
– Transfer to underperforming	(19.0)	19.0	–	–
– Transfer to non-performing	(21.0)	(2.5)	23.5	–
– Transfer to performing	16.5	(16.4)	(0.1)	–
New lending activity during the year	215.0	7.8	2.6	225.4
Interest charged during the year	37.4	3.6	2.0	43.0
Repayment activity during the year	(104.4)	(7.6)	(3.4)	(115.4)
Gross balance at 31 December 2024	484.2	48.5	33.1	565.8

Business loans to Partners: provision

The expected loss impairment model for business loans to Partners is based on the levels of loss experienced in the portfolio, with due consideration given to forward-looking information. For those business loans to Partners sold to a third-party in 2022, full credit risk was transferred.

The provision held against business loans to Partners as at 31 December 2025 was £9.2 million (2024: £8.5 million). During the year, £1.7 million of the provision was released (2024: £1.1 million), £nil was utilised (2024: £3.1 million) and new provisions and adjustments to existing provisions increased the total by £2.4 million (2024: £7.9 million).

There is no provision held against any other receivables held at amortised cost.

Business loans to Partners as recognised on the statement of financial position

	31 December 2025	31 December 2024
	£'Million	£'Million
Gross business loans to Partners	649.1	565.8
Provision	(9.2)	(8.5)
Net business loans to Partners	639.9	557.3

Renewal income assets

Movement in renewal income assets

	2025	2024
	£'Million	£'Million
Balance at 1 January	121.0	138.3
Additions	16.2	4.8
Disposals	(0.3)	(0.7)
Revaluation	(17.1)	(21.4)
Balance at 31 December	119.8	121.0

The key assumptions used for the assessment of the fair value of the renewal income are as follows:

	31 December 2025	31 December 2024
Lapse rate – SJP Partner renewal income ¹	5.0% to 15.0%	5.0% to 15.0%
Lapse rate – non-SJP renewal income ¹	10.4% to 25.0%	6.5% to 25.0%
Discount rate	17.3%	15.8%

¹ Future income streams are projected making use of retention assumptions derived from the Group's experience of the business or, where insufficient data exists, from external industry experience. These assumptions are reviewed on an annual basis.

These assumptions have been used for the analysis of each business combination classified within renewal income.

Notes to the consolidated financial statements under International Financial Reporting Standards continued

16. Other payables

	31 December 2025	31 December 2024
	£'Million	£'Million
Payables in relation to unit liabilities excluding policyholder interests	179.6	216.7
Other payables in relation to life and unit trust business	602.5	590.4
Accrual for ongoing advice fees	267.6	168.9
Other accruals	210.0	138.5
Contract payment	59.9	72.2
Lease liabilities: properties (see Note 13)	100.8	107.2
Other payables in relation to Partner payments	91.5	88.9
Miscellaneous	99.0	62.6
Total other payables on the Solvency II Net Assets Balance Sheet	1,610.9	1,445.4
Policyholder interests in other payables (see Note 14)	1,029.2	692.7
Other (see adjustment 2 on page 211)	15.2	6.2
Total other payables	2,655.3	2,144.3
Current	2,517.0	1,992.5
Non-current	138.3	151.8
	2,655.3	2,144.3

Payables in relation to unit liabilities relate to outstanding market trade settlements (purchases) in the life unit-linked funds and the consolidated unit trusts. Other payables in relation to insurance and unit trust business primarily relate to outstanding policy-related settlement timings. Both of these categories of payables are short-term.

The contract payment of £59.9 million (2024: £72.2 million) represents payments made by a third-party service provider to the Group as part of a service agreement, which are non-interest-bearing and repayable over the life of the service agreement. The contract payment received prior to 2020 is repayable on a straight-line basis over the original 12-year term, with repayments commencing on 1 January 2017. The contract payment received in 2020 is repayable on a straight-line basis over 13 years and 4 months, with repayments commencing on 1 September 2020.

The lease liabilities: properties line item represents the present value of future cash flows associated with the Group's portfolio of property leases.

The fair value of financial instruments held at amortised cost within other payables is not materially different from amortised cost.

Policyholder interests in other payables are short-term in nature and can vary significantly from period to period due to prevailing market conditions and underlying trading activity.

17. Insurance contract liabilities and reinsurance assets

Risk

Insurance risk arises from inherent uncertainties as to the occurrence, amount and timing of insurance liabilities. The Group assumes insurance risk by issuing insurance contracts under which the Group agrees to compensate the client (or other beneficiary) if a specified future event (the insured event) occurs. The Group insures mortality and morbidity risks but has no longevity risk as we have never written any annuity business. The Group has a low appetite for insurance risk, only actively pursuing it where financially beneficial, or in support of strategic objectives.

Risk	Description	Management
Underwriting	Failure to price appropriately for a risk, or the impact of anti-selection.	The Group ceased writing new protection business in April 2011 and the remaining UK insurance risk is substantially covered by quota share reinsurance with a low level of retention. Experience is monitored regularly and for most business the premium or deduction rates can be reviewed.
Epidemic/disaster	An unusually large number of claims arising from a single incident or event.	Protection is provided through reinsurance. The Group has fully reinsured the UK insurance risk.
Expense	Administration costs exceed expense allowance.	Administration is outsourced and a tariff of costs is agreed. The contract is monitored regularly to rationalise costs incurred. Internal overhead expenses are monitored and closely managed.

Notes to the consolidated financial statements under International Financial Reporting Standards continued

17. Insurance contract liabilities and reinsurance assets continued

Insurance contract liabilities

Reconciliation of the liability for remaining coverage and the liability for incurred claims

	2025				2024			
	Liability for remaining coverage		Liability for incurred claims	Total	Liability for remaining coverage			Total
	Excluding loss component	Loss component			Excluding loss component	Loss component	Liability for incurred claims	
	£'Million	£'Million	£'Million	£'Million	£'Million	£'Million	£'Million	£'Million
Balance at 1 January	504.3	–	14.3	518.6	477.8	–	18.2	496.0
Insurance revenue	(24.2)	–	–	(24.2)	(25.2)	–	–	(25.2)
Insurance service expenses	–	–	22.6	22.6	–	–	21.8	21.8
Finance income from insurance contracts recognised in profit or loss	(0.9)	–	–	(0.9)	(2.1)	–	–	(2.1)
Total changes in the statement of comprehensive income	(25.1)	–	22.6	(2.5)	(27.3)	–	21.8	(5.5)
Investment components excluded from insurance revenue and insurance service expenses	41.4	–	30.4	71.8	25.0	–	46.0	71.0
Premiums received	27.2	–	–	27.2	28.8	–	–	28.8
Claims and other insurance service expenses paid	–	–	(48.9)	(48.9)	–	–	(71.7)	(71.7)
Total cash flows	27.2	–	(48.9)	(21.7)	28.8	–	(71.7)	(42.9)
Balance at 31 December	547.8	–	18.4	566.2	504.3	–	14.3	518.6
Current				90.5				77.8
Non-current				475.7				440.8
				566.2				518.6

Notes to the consolidated financial statements under International Financial Reporting Standards continued

17. Insurance contract liabilities and reinsurance assets continued

Reconciliation of the measurement components

	2025				2024			
	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	CSM	Total	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	CSM	Total
	£'Million	£'Million	£'Million	£'Million	£'Million	£'Million	£'Million	£'Million
Balance at 1 January	488.8	4.6	10.9	504.3	463.0	6.0	8.8	477.8
Insurance revenue	(26.3)	(0.4)	2.5	(24.2)	(26.1)	(1.1)	2.0	(25.2)
Finance income from insurance contracts recognised in profit or loss	(0.9)	–	–	(0.9)	(1.9)	(0.3)	0.1	(2.1)
Total changes in the statement of comprehensive income	(27.2)	(0.4)	2.5	(25.1)	(28.0)	(1.4)	2.1	(27.3)
Investment components excluded from insurance revenue and insurance service expenses	41.4	–	–	41.4	25.0	–	–	25.0
Premiums received	27.2	–	–	27.2	28.8	–	–	28.8
Total cash flows	27.2	–	–	27.2	28.8	–	–	28.8
Balance at 31 December	530.2	4.2	13.4	547.8	488.8	4.6	10.9	504.3
Less than 1 year			0.6				0.6	
In 2 to 5 years			2.0				1.8	
>5 years			10.8				8.5	
Expected recognition of the CSM			13.4				10.9	

The analysis above shows the expected recognition of the CSM remaining at the end of the reporting year.

Notes to the consolidated financial statements under International Financial Reporting Standards continued

17. Insurance contract liabilities and reinsurance assets continued

Reinsurance assets

Reconciliation of the remaining coverage and incurred claims components

	2025			2024		
	Remaining coverage component	Recoverable for claims reinsured	Total	Remaining coverage component	Recoverable for claims reinsured	Total
	£'Million	£'Million	£'Million	£'Million	£'Million	£'Million
Balance at 1 January	4.1	10.8	14.9	6.3	6.7	13.0
Net reinsurance expense	(18.4)	18.0	(0.4)	(22.6)	19.5	(3.1)
Finance (expenses)/income from reinsurance contracts recognised in profit or loss	(0.8)	–	(0.8)	0.5	–	0.5
Total changes in the statement of comprehensive income	(19.2)	18.0	(1.2)	(22.1)	19.5	(2.6)
Premiums paid	18.0	–	18.0	19.9	–	19.9
Reinsurance recapture	–	–	–	–	–	–
Amounts received from reinsurers relating to incurred claims	–	(20.0)	(20.0)	–	(15.4)	(15.4)
Total cash flows	18.0	(20.0)	(2.0)	19.9	(15.4)	4.5
Balance at 31 December	2.9	8.8	11.7	4.1	10.8	14.9
Current			8.1			10.2
Non-current			3.6			4.7
			11.7			14.9

Notes to the consolidated financial statements under International Financial Reporting Standards continued

17. Insurance contract liabilities and reinsurance assets continued

Reconciliation of the measurement components

	2025				2024			
	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	CSM	Total	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	CSM	Total
	£'Million	£'Million	£'Million	£'Million	£'Million	£'Million	£'Million	£'Million
Balance at 1 January	(1.8)	0.7	5.2	4.1	–	1.1	5.2	6.3
Net reinsurance expense	(18.0)	(0.2)	(0.2)	(18.4)	(22.3)	(0.3)	–	(22.6)
Finance (expenses)/income from reinsurance contracts recognised in profit or loss	(0.9)	0.1	–	(0.8)	0.6	(0.1)	–	0.5
Total changes in the statement of comprehensive income	(18.9)	(0.1)	(0.2)	(19.2)	(21.7)	(0.4)	–	(22.1)
Premiums paid	18.0	–	–	18.0	19.9	–	–	19.9
Total cash flows	18.0	–	–	18.0	19.9	–	–	19.9
Balance at 31 December	(2.7)	0.6	5.0	2.9	(1.8)	0.7	5.2	4.1
Less than 1 year			0.1				0.1	
In 2 to 5 years			0.6				0.6	
>5 years			4.3				4.5	
Expected recognition of the CSM			5.0				5.2	

All reinsurance contracts are measured using the fair value approach.

The analysis above shows the expected recognition of the CSM remaining at the end of the reporting year.

Notes to the consolidated financial statements under International Financial Reporting Standards continued

17. Insurance contract liabilities and reinsurance assets continued

Assumptions used in the calculation of insurance contract liabilities and reinsurance assets

The principal assumptions used in the calculation of insurance contract liabilities and reinsurance assets are:

Assumption	Description											
Interest rate	The valuation interest rate is calculated by reference to the long-term risk-free swap rate at the balance sheet date. The specific rates used are between 3.4% and 4.5% depending on the tax regime (2024: 3.4% and 4.5%).											
Mortality	Mortality is based on Group experience and is set at 65% of the TM/F92 tables with an additional loading for smokers.											
Morbidity – critical illness	Morbidity is based on Group experience. There has been no change during 2025. Sample annual rates per £ for a male non-smoker are:											
	<table border="1"> <thead> <tr> <th>Age</th> <th>Rate</th> </tr> </thead> <tbody> <tr> <td>25</td> <td>0.063%</td> </tr> <tr> <td>35</td> <td>0.111%</td> </tr> <tr> <td>45</td> <td>0.266%</td> </tr> </tbody> </table>	Age	Rate	25	0.063%	35	0.111%	45	0.266%			
Age	Rate											
25	0.063%											
35	0.111%											
45	0.266%											
Morbidity – permanent health insurance	Morbidity is based on Group experience. There has been no change during 2025. Sample annual rates per £ income benefit for a male non-smoker are:											
	<table border="1"> <thead> <tr> <th>Age</th> <th>Rate</th> </tr> </thead> <tbody> <tr> <td>25</td> <td>0.228%</td> </tr> <tr> <td>35</td> <td>0.603%</td> </tr> <tr> <td>45</td> <td>1.308%</td> </tr> </tbody> </table>	Age	Rate	25	0.228%	35	0.603%	45	1.308%			
Age	Rate											
25	0.228%											
35	0.603%											
45	1.308%											
Expenses	Contract liabilities are calculated allowing for the actual costs of administration of the business.											
	<table border="1"> <thead> <tr> <th rowspan="2">Product</th> <th colspan="2">Annual cost</th> </tr> <tr> <th>31 December 2025</th> <th>31 December 2024</th> </tr> </thead> <tbody> <tr> <td>Onshore protection business</td> <td>£37.02</td> <td>£35.69</td> </tr> <tr> <td>Offshore protection business</td> <td>£73.32</td> <td>£71.76</td> </tr> </tbody> </table>	Product	Annual cost		31 December 2025	31 December 2024	Onshore protection business	£37.02	£35.69	Offshore protection business	£73.32	£71.76
Product	Annual cost											
	31 December 2025	31 December 2024										
Onshore protection business	£37.02	£35.69										
Offshore protection business	£73.32	£71.76										
Persistency	Allowance is made for a best-estimate level of lapses within the calculation of the liabilities. There has been no change in rates during 2025. Sample annual lapse rates are:											
	<table border="1"> <thead> <tr> <th rowspan="2">Product</th> <th>Lapse</th> </tr> <tr> <th>All durations</th> </tr> </thead> <tbody> <tr> <td>Onshore protection business</td> <td>9%</td> </tr> <tr> <td>Offshore whole of life</td> <td>8%</td> </tr> <tr> <td>Offshore critical illness</td> <td>13%</td> </tr> </tbody> </table>	Product	Lapse	All durations	Onshore protection business	9%	Offshore whole of life	8%	Offshore critical illness	13%		
Product	Lapse											
	All durations											
Onshore protection business	9%											
Offshore whole of life	8%											
Offshore critical illness	13%											
Risk adjustment	The risk adjustment is determined using a cost of capital approach with a 3% charge. There has been no change during 2025.											

Sensitivity analysis

The table below sets out the sensitivity of the profit on insurance business and net assets to changes in key assumptions. The levels of sensitivity tested are consistent with those proposed in the EEV principles and reflect reasonable possible levels of change in the assumptions. The analysis reflects the change in the variable/assumption shown while all other variables/assumptions are left unchanged. In practice variables/assumptions may change at the same time, as some may be correlated (for example, an increase in interest rates may also result in an increase in expenses if the increase reflects higher inflation). It should also be noted that in some instances sensitivities are non-linear. The sensitivity percentage has been applied in proportion to the assumption: for example, application of a 10% sensitivity to a withdrawal assumption of 8% will increase it to 8.8%.

Sensitivity analysis	Change in assumption	Change in profit before tax 2025	Change in profit before tax 2024	Change in net assets 2025	Change in net assets 2024
	Percentage	£'Million	£'Million	£'Million	£'Million
Interest rates	(1%)	(5.2)	(5.5)	(4.0)	(4.2)
Mortality/morbidity	10%	(1.7)	(0.9)	(1.3)	(0.6)

A change in withdrawal rates and expense assumptions will have no material impact on insurance profit or net assets.

18. Other provisions and contingent liabilities

	Complaints provision	Ongoing Service Evidence provision	Lease provision	Clawback provision	Total provisions
	£'Million	£'Million	£'Million	£'Million	£'Million
At 1 January 2024	56.1	426.0	14.9	3.1	500.1
Additional provisions	21.8	–	0.3	0.3	22.4
Utilised during the year	(24.9)	(18.5)	(0.1)	–	(43.5)
Impact of discounting	–	17.6	–	–	17.6
Release of provision	(35.3)	–	(1.0)	–	(36.3)
At 31 December 2024	17.7	425.1	14.1	3.4	460.3
Additional provisions	45.4	–	1.2	0.6	47.2
Utilised during the year	(38.9)	(52.5)	(0.5)	–	(91.9)
Impact of discounting	–	9.2	–	–	9.2
Release of provision	(16.4)	(109.5)	(0.5)	–	(126.4)
At 31 December 2025	7.8	272.3	14.3	4.0	298.4

Other provisions

Complaints provision

The provision represents the best estimate of the complaint redress, based on complaints identified, an assessment of the proportion redressed, and an estimated cost of redress based on historic experience. A reasonably possible change of 10% in the key assumption, being the proportion requiring redress, would result in an increase/decrease of circa £0.6 million to the total complaints provision.

Notes to the consolidated financial statements under International Financial Reporting Standards continued

18. Other provisions and contingent liabilities continued

It is estimated that significantly all the provision will be utilised over a one year period from the reporting date.

Ongoing Service Evidence provision

The Group has committed to review the sub-population of clients that have been charged for ongoing servicing since the start of 2018 but where the evidence of delivery falls below the acceptable standard.

The provision represents the best estimate of the redress exercise, and includes refund of charges, together with interest, plus the administration costs associated with completing this work. The provision is based on an extrapolation of the experience of a representative cohort of clients. See Note 2 for further information. The provision that has been recognised includes an estimated refund of charges, together with interest at FOS rates, plus the administration costs associated with completing this work. Allowance is also made for discounting over the expected duration of the exercise.

The release of £109.5 million during the year reflects the impacts of a) the Group's revised redress methodology implemented during the first half of the year, which better aligns to new industry guidance from the FCA and b) the Group's experience gained from the project across the year.

IAS 37 and IAS 1 requires the Group to set out sensitivities. In compliance with these requirements, the following table sets out the potential change to the provision balance at 31 December 2025 if the key assumptions were to vary as described:

Sensitivity analysis	Change in assumption Percentage	Change in profit/(loss) before tax	
		31 December 2025 £'Million	31 December 2024 £'Million
Extrapolation from a representative cohort	+2%	(18.6)	(22.0)
– Variation in proportion of client population subject to the review	-2%	18.6	22.0
Extrapolation from a representative cohort	+10%	(25.7)	(31.0)
– Variation in the level of charges, subject to refund	-10%	25.7	31.0
Opt-In response rate	+10%	(10.3)	(17.0)
– Variation in response rate	-10%	10.3	17.0
Administration costs	+10%	(2.0)	(12.0)
– Change in estimation of the cost to fulfil the exercise (cost per claim)	-10%	2.0	12.0

It is estimated that significantly all the provision will be utilised within one year from the reporting date.

Lease provision

The lease provision represents the value of expected future costs of reinstating leased property to its original condition at the end of the lease term. The estimate is based on the square footage of leased properties and typical costs per square foot of restoring similar buildings to their original state. The Group expects £2.1 million (2024: £1.3 million) of the provision to be utilised within one year. The majority of the provision relates to leased property with a maturity date of greater than five years.

Clawback provision

The clawback provision represents amounts due to third parties less amounts recovered from Partners. The provision is based on estimates of the indemnity commission that may be repaid. The Group expects to utilise the provision on a straight-line basis over four years.

With the exception of the Ongoing Service Evidence provision, it is considered that no reasonably possible level of changes in estimates would have a material impact on the value of the best estimate of the provisions.

Contingent liabilities

Complaints and disputes

The Group is committed to achieving good client outcomes but does, in the normal course of business receive complaints and claims. The Group also engages with relevant regulators and other government authorities such as HMRC on specific matters. Also, and as described in the strategic report, the FCA continues to reinforce the need for firms to embed the Consumer Duty regulation and there remains a risk that we fail to provide quality suitable advice to clients, or that we fail to evidence the provision of good quality service and advice, which could result in regulatory sanction and/or a need to refund or compensate clients. These issues, as they arise, can be significant and where appropriate, provisions for any potential redress, legal and administration costs, and related tax implications, have been established in accordance with IAS 37.

Guarantees

During the normal course of business, the Group may from time to time provide guarantees to Partners, clients or other third parties. However, based upon the information currently available to them, the Directors do not believe there are any guarantees which would have a material adverse effect on the Group's financial position, and so the fair value of any guarantees has been assessed as £nil (2024: £nil).

For further information, see the list of principal risks and uncertainties in the risk and control management section of the strategic report.

Notes to the consolidated financial statements under International Financial Reporting Standards continued

19. Borrowings and financial commitments

Borrowings

Borrowings are a liability arising from financing activities. The Group has two different types of borrowings:

- ◆ senior unsecured corporate borrowings which are used to manage working capital, bridge intra-Group cash flows and fund investment in the business
- ◆ securitisation loan notes which are secured only on a legally segregated pool of the Group's business loans to Partners, and hence are non-recourse to the Group's other assets. Further information about business loans to Partners is provided in Note 15.

Senior unsecured corporate borrowings

	31 December 2025	31 December 2024
	£'Million	£'Million
Corporate borrowings: bank loans	–	250.0
Corporate borrowings: loan notes	125.6	138.3
Senior unsecured corporate borrowings	125.6	388.3

The primary senior unsecured corporate borrowings are:

- ◆ an undrawn revolving credit facility (RCF) of £345.0 million which is repayable at maturity in 2028 with variable interest rates. At 31 December 2025 the undrawn credit available under this facility was £345.0 million (2024: £345.0 million).
- ◆ a Note Purchase Agreement for £25.6 million. The notes are repayable in two equal instalments before maturity in 2027, with variable interest rates.
- ◆ a Note Purchase Agreement for £100.0 million. The notes are repayable at maturity in 2031, with variable interest rates.

During the year the fully drawn £250.0 million bridging loan was repaid in full and the facility closed.

The combined drawn carrying value of the senior unsecured corporate borrowings as at 31 December 2025 is £125.6 million (2024: £388.3 million). The Group is required to comply with financial covenants that are linked to (i) balance sheet leverage, (ii) total FUM, (iii) a minimum level of net assets; and (iv) our Solvency II ratio at the end of each annual and interim reporting period. The Group has complied with these covenants throughout the reporting period. There are no indications that the Group would have difficulties complying with the covenants when they will be next tested at 30 June 2026.

Total borrowings

	31 December 2025	31 December 2024
	£'Million	£'Million
Senior unsecured corporate borrowings	125.6	388.3
Senior tranche of non-recourse securitisation loan notes	215.9	128.5
Total borrowings	341.5	516.8
Current	55.5	41.3
Non-current	286.0	475.5
	341.5	516.8

The senior tranche of securitisation loan notes are repayable over the expected life of the securitisation (estimated to be five years) with a variable interest rate. They are held by third-party investors and secured on a legally segregated portfolio of business loans to Partners, and on the other net assets of the securitisation entity SJP Partner Loans No.1 Limited. Holders of the securitisation loan notes have no recourse to the assets held by any other entity within the Group. For further information on business loans to Partners, including the sale of securitised business loans to Partners during the year, refer to Note 15.

In addition to the senior tranche of securitisation loan notes, a junior tranche has been issued to another entity within the Group. The junior notes were eliminated on consolidation in the preparation of the Group financial statements and so do not form part of Group borrowings.

	31 December 2025	31 December 2024
	£'Million	£'Million
Junior tranche of non-recourse securitisation loan notes	63.7	48.2
Senior tranche of non-recourse securitisation loan notes	215.9	128.5
Total non-recourse securitisation loan notes	279.6	176.7
Backed by		
Securitised business loans to Partners (see Note 15)	269.8	170.7
Other net assets of SJP Partner Loans No.1 Limited	9.8	6.0
Total net assets held by SJP Partner Loans No.1 Limited	279.6	176.7

Notes to the consolidated financial statements under International Financial Reporting Standards continued

19. Borrowings and financial commitments continued

Movement in borrowings

Borrowings are liabilities arising from financing activities. The cash and non-cash movements in borrowings over the year are set out below, with the cash movements also set out in the consolidated statement of cash flows.

	2025			2024		
	Senior unsecured corporate borrowings	Senior tranche of securitisation loan notes	Total borrowings	Senior unsecured corporate borrowings	Senior tranche of securitisation loan notes	Total borrowings
	£'Million	£'Million	£'Million	£'Million	£'Million	£'Million
Balance at 1 January	388.3	128.5	516.8	201.1	50.3	251.4
Additional borrowing during the year	–	135.7	135.7	360.0	113.8	473.8
Repayment of borrowings during the year	(262.7)	(49.0)	(311.7)	(172.8)	(35.3)	(208.1)
Costs on additional borrowings during the year	–	(0.1)	(0.1)	(0.7)	(1.0)	(1.7)
Unwind of borrowing costs (non-cash movement)	0.4	0.8	1.2	0.9	0.7	1.6
Reclassification of prepaid loan facility expense to prepayments	(0.4)	–	(0.4)	(0.2)	–	(0.2)
Balance at 31 December	125.6	215.9	341.5	388.3	128.5	516.8

The fair value of the outstanding borrowings is not materially different from amortised cost. Interest expense on borrowings is recognised within Finance costs in the consolidated statement of comprehensive income.

Financial commitments

Guarantees

The Group guarantees loans provided by third parties to Partners. In the event of default on any individual Partner loan, the Group guarantees to repay the full amount of the loan, with the exception of Metro Bank. For this third-party the Group guarantees to cover losses up to 50% of the value to the total loans drawn. These loans are secured against the future income streams of the Partner. The value of the loans guaranteed is as follows:

	Loans guaranteed		Facility	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	£'Million	£'Million	£'Million	£'Million
Bank of Scotland	8.0	12.3	16.0	16.0
Investec	24.1	26.5	50.0	50.0
Metro Bank	6.7	10.6	20.0	35.0
NatWest	23.8	27.5	75.0	75.0
Santander	165.3	171.4	210.6	206.6
Total loans	227.9	248.3	371.6	382.6

The fair value of these guarantees has been assessed as £nil (2024: £nil).

20. Financial risk

Risk management objectives and risk policies

The Group's financial risk can usefully be considered by looking at two categories of assets:

- ◆ Assets backing unit liabilities (see Note 14)
- ◆ Shareholder assets.

In general, the policyholder bears the financial risk arising on assets backing the unitised business, and risk arising on shareholder assets is minimised through investment in liquid assets with a strong credit rating.

Exposure to the following risks for the two categories of assets is analysed separately in the following sections, in line with the requirements of IFRS 7:

- ◆ Credit risk
- ◆ Market risk
- ◆ Liquidity risk
- ◆ Currency risk

Credit risk is the risk of loss due to a debtor's non-payment of a loan or other line of credit. Credit risk also arises from holdings of cash and cash equivalents, deposits and formal loans with banks and financial institutions. The Group has adopted a risk-averse approach to such risk and has a stated policy of not actively pursuing or accepting credit risk except when necessary to support other objectives.

Notes to the consolidated financial statements under International Financial Reporting Standards continued

20. Financial risk continued

Risk	Description	Management
Shareholders' assets	Loss of assets or reduction in value.	Shareholder funds are predominantly invested in AAA-rated unitised money market funds, which are classified as investments in Collective Investment Schemes (CIS), and deposits with approved banks, but may be invested in sovereign fixed interest securities such as UK gilts where regulatory constraints on other assets apply. Maximum counterparty limits are set for each company within the Group and aggregate limits are also set at a Group level.
Reinsurance	Failure of counterparty, or counterparty unable to meet liabilities.	Credit ratings of potential reinsurers must meet or exceed AA-. Consideration is also given to size, risk concentrations/exposures and ownership in the selection of reinsurers. The Group also seeks to diversify its reinsurance credit risk through the use of a spread of reinsurers.
Business loans to Partners	Inability of Partners to repay loans or advances from the Group.	Loans and advances are managed in line with the Group's Secured Lending policy. Loans are secured on the future renewal income stream expected from a Partner's portfolio, and loan advances vary in relation to the projected future income of the relevant Partner. Outstanding balances are regularly reviewed and assessed on a conservative basis. Support is provided to help Partners manage their businesses appropriately. Expected credit losses are recognised as provisions against the loans.

Liquidity risk is the risk that the Group, although solvent, either does not have available sufficient financial resources to enable it to meet its obligations as they fall due, or can secure such resources only at excessive cost. The Group is averse to liquidity risk and seeks to minimise this risk by not actively pursuing it except where necessary to support other objectives.

Risk	Description	Management
Cash or expense requirement	A significant cash or expense requirement needs to be met at short notice.	The majority of free assets are invested in cash or cash equivalents and the cash position and forecast are monitored on a monthly basis. The Group also maintains a margin of free assets in excess of the minimum required solvency capital within its regulated entities. Further, the Group has established committed borrowing facilities (see Note 19) intended to further mitigate liquidity risk.

Market risk is the impact a fall in the value of equity or other asset markets may have on the business. The Group adopts a risk-averse approach to market risk, with a stated Solvency policy of not actively pursuing or accepting market risk except where necessary to support other objectives. However, the Group accepts the risk that a fall in equity or other asset markets will reduce the level of annual management charge income derived from policyholder assets and the consequent risk of lower future profits.

The table below summarises the main market risks that the business is exposed to and the methods by which the Group seeks to mitigate them.

Risk	Description	Management
Client liabilities	As a result of a reduction in equity values, the Group may be unable to meet client liabilities.	This risk is substantially mitigated by the Group's strategic focus on unitised business, by not providing guarantees to clients on policy values and by the matching of assets and liabilities.
Retention	Loss of future profit on investment contracts due to more clients than anticipated withdrawing their funds, particularly as a result of poor investment performance.	Retention of investment contracts is closely monitored and unexpected experience variances are investigated. Retention has remained consistently strong throughout 2025 despite the volatile market conditions experienced.
New business	Poor performance in the financial markets in absolute terms, and relative to inflation, leads to existing and future clients rejecting investment in longer-term assets.	The benefit to clients of longer-term equity investment as part of a diversified portfolio of assets is fundamental to our philosophy. Advice becomes even more important when market values fall, and greater attention is required to support and give confidence to existing and future clients in such circumstances. In addition, as controls against poor performance the Group monitors asset allocations across portfolios to ensure they are working as expected to meet long-term goals, and monitors funds against their objectives to ensure an appropriate level of investment risk. Where necessary, fund managers are changed.

The Group is not subject to any significant direct currency risk, since all material shareholder financial assets and financial liabilities are denominated in pounds Sterling. However, since future profits are dependent on charges based on funds under management (FUM), changes in FUM as a result of currency movements will impact future profits.

Notes to the consolidated financial statements under International Financial Reporting Standards continued

20. Financial risk continued

Shareholder assets

Categories of financial assets and financial liabilities

The categories and carrying values of the shareholder financial assets and financial liabilities held in the Group's statement of financial position are summarised in the table below. The impact of climate change does not have a material impact on the fair values of the assets summarised below.

	2025					2024				
	Financial assets at fair value through profit and loss	Financial liabilities at fair value through profit and loss	Financial assets measured at amortised cost	Financial liabilities measured at amortised cost	Total	Financial assets at fair value through profit and loss	Financial liabilities at fair value through profit and loss	Financial assets measured at amortised cost	Financial liabilities measured at amortised cost	Total
	£'Million	£'Million	£'Million	£'Million	£'Million	£'Million	£'Million	£'Million	£'Million	£'Million
Financial assets										
Fixed income securities	10.3	–	–	–	10.3	8.6	–	–	–	8.6
Investment in Collective Investment Schemes ¹	2,403.7	–	–	–	2,403.7	2,194.3	–	–	–	2,194.3
Other receivables ²										
– Business loans to Partners	–	–	639.9	–	639.9	–	–	557.3	–	557.3
– Renewal income assets	119.8	–	–	–	119.8	121.0	–	–	–	121.0
– Other	–	–	843.3	–	843.3	–	–	760.9	–	760.9
<i>Total other receivables</i>	119.8	–	1,483.2	–	1,603.0	121.0	–	1,318.2	–	1,439.2
Cash and cash equivalents	–	–	329.6	–	329.6	–	–	352.6	–	352.6
Total financial assets	2,533.8	–	1,812.8	–	4,346.6	2,323.9	–	1,670.8	–	3,994.7
Financial liabilities										
Borrowings	–	–	–	341.5	341.5	–	–	–	516.8	516.8
Other payables										
– Lease liabilities: properties	–	–	–	100.8	100.8	–	–	–	107.2	107.2
– Contingent consideration	–	8.1	–	–	8.1	–	5.3	–	–	5.3
– Other	–	–	–	1,517.2	1,517.2	–	–	–	1,339.1	1,339.1
<i>Total other payables</i>	–	8.1	–	1,618.0	1,626.1	–	5.3	–	1,446.3	1,451.6
Total financial liabilities	–	8.1	–	1,959.5	1,967.6	–	5.3	–	1,963.1	1,968.4

1 All assets included as shareholder investment in Collective Investment Schemes are holdings of high-quality, highly liquid money market funds, containing assets which are cash and cash equivalents.

2 Other receivables exclude prepayments and advanced payments to Partners, which are not considered financial assets.

Notes to the consolidated financial statements under International Financial Reporting Standards continued

20. Financial risk continued

Income, expense, gains and losses arising from financial assets and financial liabilities

The income, expense, gains and losses arising from shareholder financial assets and financial liabilities are summarised in the table below:

	2025				2024			
	Financial assets at fair value through profit and loss	Financial assets measured at amortised cost	Financial liabilities measured at amortised cost	Total	Financial assets at fair value through profit and loss	Financial assets measured at amortised cost	Financial liabilities measured at amortised cost	Total
	£'Million	£'Million	£'Million	£'Million	£'Million	£'Million	£'Million	£'Million
Financial assets								
Fixed income securities	1.3	–	–	1.3	1.1	–	–	1.1
Investment in Collective Investment Schemes	96.6	–	–	96.6	108.7	–	–	108.7
Other receivables								
– Business loans to Partners	–	43.5	–	43.5	–	36.2	–	36.2
– Renewal income assets	(17.2)	–	–	(17.2)	(21.4)	–	–	(21.4)
<i>Total other receivables</i>	(17.2)	43.5	–	26.3	(21.4)	36.2	–	14.8
Cash and cash equivalents	–	18.0	–	18.0	–	15.5	–	15.5
Total financial assets	80.7	61.5	–	142.2	88.4	51.7	–	140.1
Financial liabilities								
Borrowings	–	–	(24.0)	(24.0)	–	–	(33.0)	(33.0)
Other payables								
– Lease liabilities: properties	–	–	(2.8)	(2.8)	–	–	(3.2)	(3.2)
– Other	–	–	(2.1)	(2.1)	–	–	(0.2)	(0.2)
<i>Total other payables</i>	–	–	(4.9)	(4.9)	–	–	(3.4)	(3.4)
Total financial liabilities	–	–	(28.9)	(28.9)	–	–	(36.4)	(36.4)

Losses on renewal income assets have been recognised within the investment return line in the statement of comprehensive income.

Notes to the consolidated financial statements under International Financial Reporting Standards continued

20. Financial risk continued

Fair value estimation

Financial assets and liabilities which are held at fair value in the financial statements are required to have disclosed their fair value measurements by level from the following fair value measurement hierarchy:

- ♦ quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1)
- ♦ inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2)
- ♦ inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The following table presents the Group's shareholder assets and liabilities measured at fair value.

	Level 1	Level 2	Level 3	Total balance
	£'Million	£'Million	£'Million	£'Million
2025				
Financial assets				
Fixed income securities	10.3	–	–	10.3
Investment in Collective Investment Schemes ¹	2,403.7	–	–	2,403.7
Renewal income assets	–	–	119.8	119.8
Total financial assets	2,414.0	–	119.8	2,533.8
Financial liabilities				
Contingent consideration	–	–	8.1	8.1
Total financial liabilities	–	–	8.1	8.1

	Level 1	Level 2	Level 3	Total balance
	£'Million	£'Million	£'Million	£'Million
2024				
Financial assets				
Fixed income securities	8.6	–	–	8.6
Investment in Collective Investment Schemes ¹	2,194.3	–	–	2,194.3
Renewal income assets	–	–	121.0	121.0
Total financial assets	2,202.9	–	121.0	2,323.9
Financial liabilities				
Contingent consideration	–	–	5.3	5.3
Total financial liabilities	–	–	5.3	5.3

¹ All assets included as shareholder investment in Collective Investment Schemes are holdings of high-quality, highly liquid unitised money market funds, containing assets which are cash and cash equivalents.

The fair value of financial instruments traded in active markets is based on quoted bid prices at the reporting date. These instruments are included in Level 1.

Level 2 financial assets and liabilities are valued using observable prices for identical current arm's-length transactions.

The renewal income assets are classified as Level 3 and are valued using a discounted cash flow technique and the assumptions outlined in Note 15. The effect of applying reasonably possible alternative assumptions of a movement of 200bps on the discount rate and a 10% movement in the lapse rate would result in an unfavourable change in valuation of £10.8 million (2024: £10.0 million) and a favourable change in valuation of £13.1 million (2024: £12.0 million), respectively.

The contingent consideration liability is classified as Level 3 and is valued based on the terms set out in the various sale and purchase agreements. Given the nature of the valuation basis the effect of applying reasonably possible alternative assumptions would result in an unfavourable change of £nil (2024: £nil) and favourable change of £8.1 million (2024: £5.3 million).

There were no transfers between Level 1 and Level 2 during the year, nor into or out of Level 3.

The following tables present the changes in Level 3 financial assets and liabilities at fair value through the profit and loss:

Financial assets

	2025	2024
	£'Million	£'Million
Renewal income assets		
Balance at 1 January	121.0	138.3
Additions during the year	16.2	4.8
Disposals during the year	(0.3)	(0.7)
Unrealised losses recognised in the statement of comprehensive income	(17.1)	(21.4)
Balance at 31 December	119.8	121.0

Unrealised losses on renewal income assets are recognised within investment return in the consolidated statement of comprehensive income.

Financial liabilities

	2025	2024
	£'Million	£'Million
Contingent consideration		
Balance at 1 January	5.3	3.2
Additions during the year	8.2	3.4
Payments made during the year	(4.8)	(1.3)
Released during the year	(0.6)	–
Balance at 31 December	8.1	5.3

Notes to the consolidated financial statements under International Financial Reporting Standards continued

20. Financial risk continued

Credit risk

The following table sets out the maximum credit risk exposure and ratings of shareholder financial and other assets which are susceptible to credit risk:

	2025						2024					
	AAA	AA	A	BB	Unrated	Total	AAA	AA	A	BB	Unrated	Total
	£'Million	£'Million	£'Million	£'Million	£'Million	£'Million	£'Million	£'Million	£'Million	£'Million	£'Million	£'Million
Fixed income securities	–	10.3	–	–	–	10.3	–	8.6	–	–	–	8.6
Investment in Collective Investment Schemes ¹	2,403.7	–	–	–	–	2,403.7	2,194.3	–	–	–	–	2,194.3
Other receivables	–	8.8	–	–	1,594.2	1,603.0	–	10.8	–	–	1,428.4	1,439.2
Cash and cash equivalents	–	157.6	172.0	–	–	329.6	–	187.9	164.7	–	–	352.6
Total	2,403.7	176.7	172.0	–	1,594.2	4,346.6	2,194.3	207.3	164.7	–	1,428.4	3,994.7

¹ Investment of shareholder assets in Collective Investment Schemes refers to investment in unitised money market funds, containing assets which are cash and cash equivalents.

Other receivables includes £639.9 million (2024: £557.3 million) of business loans to Partners, which are interest-bearing (linked to Bank of England base rate plus a margin), repayable in line with the terms of the loan contract and secured against the future renewal income streams of the respective Partners.

Impairment of these loans is determined using the expected loss model set out in IFRS 9. Expected credit losses are based on the historic levels of loss experienced on business loans to Partners, with due consideration given to forward-looking information. A range of factors, including the nature or type of the loan and the security held, are taken into account in calculating the provision.

The loan balance is presented net of a £9.2 million provision (2024: £8.5 million); see Note 15. The movement in the impairment provision will reflect utilisation of the existing provision during the year, but the overall cost of business loans to Partners (including new provisions) recognised within administration expenses in the statement of comprehensive income during the year was a charge of £0.7 million (2024: £6.8 million).

Notes to the consolidated financial statements under International Financial Reporting Standards continued

20. Financial risk continued

Contractual maturity and liquidity analysis

The following table sets out the contractual maturity analysis of the Group's financial assets and financial liabilities. All financial liabilities are undiscounted:

	2025				2024			
	Up to 1 year	1 to 5 years	Over 5 years	Total	Up to 1 year	1 to 5 years	Over 5 years	Total
	£'Million	£'Million	£'Million	£'Million	£'Million	£'Million	£'Million	£'Million
Financial assets								
Fixed income securities	10.3	–	–	10.3	8.6	–	–	8.6
Investment in Collective Investment Schemes	2,403.7	–	–	2,403.7	2,194.3	–	–	2,194.3
Other receivables								
– Business loans to Partners	79.6	293.3	267.0	639.9	88.1	247.8	221.4	557.3
– Renewal income	22.6	51.3	45.9	119.8	23.1	52.2	45.7	121.0
– Other	843.3	–	–	843.3	760.9	–	–	760.9
<i>Total other receivables</i>	945.5	344.6	312.9	1,603.0	872.1	300.0	267.1	1,439.2
Cash and cash equivalents	329.6	–	–	329.6	352.6	–	–	352.6
Total financial assets	3,689.1	344.6	312.9	4,346.6	3,427.6	300.0	267.1	3,994.7
Financial liabilities								
Borrowings	76.2	167.9	174.1	418.2	58.4	389.7	141.8	589.9
Other payables								
– Lease liabilities: properties	18.4	60.2	65.9	144.5	14.6	60.6	74.1	149.3
– Contingent consideration	0.2	7.9	–	8.1	2.3	3.0	–	5.3
– Other	1,471.8	38.0	13.5	1,523.3	1,281.7	48.0	18.0	1,347.7
<i>Total other payables</i>	1,490.4	106.1	79.4	1,675.9	1,298.6	111.6	92.1	1,502.3
Total financial liabilities	1,566.6	274.0	253.5	2,094.1	1,357.0	501.3	233.9	2,092.2

Sensitivity analysis to market risks

Financial assets and liabilities held outside unitised funds primarily consist of fixed interest securities, units in money market funds, cash and cash equivalents, and other accounting assets and liabilities. The fixed interest securities are short-term and are held as an alternative to cash. Similarly, cash held in unitised money market funds and at bank is valued at par and is unaffected by movements in interest rates. Other assets and liabilities are similarly unaffected by market movements.

As a result of these combined factors, the Group's financial assets and liabilities held outside unitised funds are not materially subject to market risk, and movements at the reporting date in interest rates and equity values have an immaterial impact on the Group's profit after tax and equity. However, future profits from annual management charges may be affected by movements in interest rates and equity values.

Notes to the consolidated financial statements under International Financial Reporting Standards continued

20. Financial risk continued

Unit liabilities and associated assets

Categories of financial assets and financial liabilities

Assets held to cover unit liabilities are summarised in Note 14, and all are held at fair value through profit or loss. Equities, investments in unit trusts which sit within investment in Collective Investment Schemes, and derivative financial assets are required to be held at fair value through profit or loss by IFRS 9, as they are equity instruments or derivatives. All other assets held to cover unit liabilities are elected to be held at fair value through profit or loss to match the fair value through profit or loss classification which is required for unit liabilities. They are designated as such upon initial recognition.

Income, expense, gains and losses arising from financial assets, investment properties and financial liabilities

The income, expense, gains and losses arising from financial assets, investment properties and financial liabilities are summarised in the table below:

	31 December 2025	31 December 2024
	£'Million	£'Million
Financial assets and investment properties		
Investment properties	19.5	48.0
Other assets backing unit liabilities	20,024.1	15,594.6
Total financial assets and investment properties	20,043.6	15,642.6
Financial liabilities¹		
Unit liabilities	(20,054.6)	(15,652.1)
Total financial liabilities	(20,054.6)	(15,652.1)

¹ None of the change in the fair value of financial liabilities at fair value through profit or loss is attributable to changes in their credit risk.

The investment properties figure of £30.5 million for the year ended 31 December 2025 (2024: £48.0 million) includes direct operating expenses of £11.0 million (2024: £9.5 million).

Gains/(losses) have been recognised within the investment return line in the statement of comprehensive income.

Fair value estimation

Financial assets and liabilities which are held at fair value in the financial statements are required to have disclosed their fair value measurements, split by level in the fair value measurement hierarchy. The following table presents the Group's unit liabilities and associated assets measured at fair value:

	Level 1	Level 2	Level 3	Total balance
	£'Million	£'Million	£'Million	£'Million
31 December 2025				
Financial assets and investment properties				
Investment property	–	–	370.3	370.3
Equities	147,423.5	–	384.0	147,807.5
Fixed income securities	7,741.1	23,772.7	40.0	31,553.8
Investment in Collective Investment Schemes	30,284.5	–	13.7	30,298.2
Derivative financial assets	–	2,908.7	–	2,908.7
Cash and cash equivalents	5,854.9	–	–	5,854.9
Total financial assets and investment properties	191,304.0	26,681.4	808.0	218,793.4
Financial liabilities				
Investment contract benefits	–	163,728.7	–	163,728.7
Derivative financial liabilities	–	2,412.1	–	2,412.1
Net asset value attributable to unit holders	51,982.8	–	–	51,982.8
Total financial liabilities	51,982.8	166,140.8	–	218,123.6
31 December 2024				
Financial assets and investment properties				
Investment property	–	–	892.3	892.3
Equities	129,554.8	–	994.2	130,549.0
Fixed income securities	6,938.3	19,059.7	111.9	26,109.9
Investment in Collective Investment Schemes	23,447.1	–	11.3	23,458.4
Derivative financial assets	–	2,812.8	–	2,812.8
Cash and cash equivalents	5,311.3	–	–	5,311.3
Total financial assets and investment properties	165,251.5	21,872.5	2,009.7	189,133.7
Financial liabilities				
Investment contract benefits	–	141,038.8	–	141,038.8
Derivative financial liabilities	–	3,052.1	–	3,052.1
Net asset value attributable to unit holders	44,699.5	–	–	44,699.5
Total financial liabilities	44,699.5	144,090.9	–	188,790.4

Notes to the consolidated financial statements under International Financial Reporting Standards continued

20. Financial risk continued

In respect of the derivative financial liabilities, £7.5 million of collateral had been posted as at 31 December 2025 (2024: £158.8 million), comprising cash and treasury bills, in accordance with the terms and conditions of the derivative contracts.

The fair value of financial instruments traded in active markets is based on quoted bid prices at the reporting date. These instruments are included in Level 1.

The Group closely monitors the valuation of assets in markets that have become less liquid. Determining whether a market is active requires the exercise of judgement and is determined based upon the facts and circumstances of the market for the instrument being measured. Where it is determined that there is no active market, fair value is established using a valuation technique. The techniques applied incorporate relevant information available and reflect appropriate adjustments for credit and liquidity risks. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity-specific estimates. The relative weightings given to differing sources of information and the determination of non-observable inputs to valuation models can require the exercise of significant judgement.

If all significant inputs required to fair-value an instrument are observable, the instrument is included in Level 2. If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

Note that all of the resulting fair value estimates are included in Level 2, except for certain equities, fixed income securities, investments in Collective Investment Schemes and investment properties as detailed below.

Specific valuation techniques used to value Level 2 financial assets and liabilities include the use of observable prices for identical current arm's-length transactions, specifically:

- ♦ the fair value of fixed income securities is determined by inputs including interest rates and market-observable yield curves of similar instruments in the market
- ♦ the fair value of unit-linked liabilities is assessed by reference to the underlying net asset value of the Group's unithold investment funds, determined on a bid value basis, at the reporting date
- ♦ the Group's derivative financial instruments are valued using valuation techniques commonly used by market participants. These consist of discounted cash flow and option pricing models, which typically incorporate observable market data, principally interest rates, basis spreads, foreign exchange rates, equity prices and counterparty credit.

Specific valuation techniques used to value Level 3 financial assets and liabilities include:

- ♦ the use of unobservable inputs, such as expected rental values and equivalent yields
- ♦ other techniques, such as discounted cash flow and historic lapse rates, which are used to determine fair value for the remaining financial instruments.

There were no transfers between Level 1 and Level 2 during the year.

Transfers into and out of Level 3 portfolios

The Group's policy is to recognise transfers into and out of levels as of the end of each reporting period except for material transfers which are recognised as of the date of the event or change in circumstances that caused the transfer. Transfers out of Level 3 portfolios arise when inputs that could have a significant impact on the instrument's valuation become market-observable; conversely, transfers into the portfolios arise when consistent sources of data cease to be available.

Transfers in of certain investments in Collective Investment Schemes occur when asset valuations can no longer be obtained from an observable market price; e.g. where they have become illiquid, in liquidation, suspended, etc. The converse is true if an observable market price becomes available.

The following table presents the changes in Level 3 financial assets and liabilities at fair value through profit and loss:

	Investment property	Fixed income securities	Equities	Collective Investment Schemes
	£'Million	£'Million	£'Million	£'Million
2025				
Balance at 1 January 2025	892.3	111.9	994.2	11.3
Transfer into Level 3	–	5.4	–	2.8
Additions during the year	14.4	31.9	29.7	–
Disposals during the year	(529.0)	(101.8)	(557.4)	(0.2)
Losses recognised in the income statement	(7.4)	(7.4)	(82.5)	(0.2)
Balance at 31 December 2025	370.3	40.0	384.0	13.7
Realised gains/(losses)	21.1	(8.6)	146.4	–
Unrealised (losses)/gains	(28.5)	1.2	(228.9)	(0.2)
Losses recognised in the income statement	(7.4)	(7.4)	(82.5)	(0.2)
	Investment property	Fixed income securities	Equities	Collective Investment Schemes
	£'Million	£'Million	£'Million	£'Million
2024				
Balance at 1 January 2024	1,110.3	346.5	1,627.0	7.4
Transfer into Level 3	–	4.8	–	4.0
Additions during the year	15.8	33.9	62.7	–
Disposals during the year	(230.5)	(270.2)	(724.4)	(0.5)
(Losses)/gains recognised in the income statement	(3.3)	(3.1)	28.9	0.4
Balance at 31 December 2024	892.3	111.9	994.2	11.3
Realised (losses)/gains	(95.3)	(2.0)	177.6	–
Unrealised gains/(losses)	92.0	(1.1)	(148.7)	0.4
(Losses)/gains recognised in the income statement	(3.3)	(3.1)	28.9	0.4

Unrealised and realised (losses)/gains for all Level 3 assets are recognised within investment return in the statement of comprehensive income.

Notes to the consolidated financial statements under International Financial Reporting Standards continued

20. Financial risk continued

Level 3 valuations

Investment property

At 31 December 2025 the Group held £370.3 million (2024: £892.3 million) of investment property, all of which is classified as Level 3 in the fair value hierarchy. It is initially measured at cost including related acquisition costs and subsequently valued at least monthly by professional external valuers at the properties' respective fair values at each reporting date. The fair values derived are based on anticipated market values for the properties in accordance with guidance issued by the Royal Institution of Chartered Surveyors, being the estimated amount that would be received from a sale of the assets in an orderly transaction between market participants. The valuation of investment property is inherently subjective as it requires, among other factors, assumptions to be made regarding the ability of existing tenants to meet their rental obligations over the entire life of their leases; the estimation of the expected rental income into the future; the assessment of a property's potential to remain as an attractive technical configuration to existing and prospective tenants in a changing market; and a judgement on the attractiveness of a building, its location and the surrounding environment.

31 December 2025	Investment property classification			
	Office	Industrial	Retail and leisure	All
Gross ERV (per sq ft)¹				
Range	£28.43-£63.50	£12.00-£24.00	£1.86-£80.00	£1.86-£80.00
Weighted average	£41.25	£16.46	£19.15	£19.34
True equivalent yield				
Range	7.0%-9.5%	5.0%-10.0%	4.5%-32.5%	4.5%-32.5%
Weighted average	8.2%	5.5%	8.0%	7.4%

31 December 2024	Investment property classification			
	Office	Industrial	Retail and leisure	All
Gross ERV (per sq ft)¹				
Range	£31.00 to £120.00	£5.50 to £24.00	£1.86 to £80.00	£1.86 to £120.00
Weighted average	£49.70	£14.46	£13.96	£17.70
True equivalent yield				
Range	4.7% to 10.5%	4.6% to 7.0%	5.7% to 9.1%	4.7% to 10.5%
Weighted average	6.8%	5.6%	7.3%	6.3%

¹ Equivalent rental value (per square foot).

Fixed income securities and equities

At 31 December 2025 the Group held £40.0 million (2024: £111.9 million) in private credit investments, and £384.0 million (2024: £994.2 million) in private market investments through the St. James's Place Diversified Assets (FAIF) Unit Trust. These are recognised within fixed income securities and equities, respectively, in the consolidated statement of financial position. They are measured at fair value, with the best evidence of the fair value at initial recognition being the transaction price, i.e. the fair value of the consideration given or received. Following initial recognition, a monthly valuation process occurs which includes verification by suitably qualified professional external valuers, who are members of various industry bodies including the British Private Equity and Venture Capital Association.

The fair values of the private credit investments are principally determined using two valuation methods:

1. The shadow rating method, which assigns a shadow credit rating to the debt-issuing entity and determines an expected yield with reference to observable yields for comparable companies with a public credit rating in the loan market.
2. The weighted average cost of capital (WACC) method, which determines the debt-issuing entity's WACC with reference to observable market comparatives.

The expected yield and WACC are used as the discount rates to calculate the present value of the expected future cash flows under the shadow rating and WACC methods respectively, which is taken to be the fair value.

The fair values of the private market investments are principally determined using two valuation methods:

1. A market approach with reference to suitable market comparatives.
2. An income approach using discounted cash flow analysis which assesses the fair value of each asset based on its expected future cash flows.

The output of each method for both the private credit and private market investments is a range of values, from which the mid-point is selected to be the fair value in the majority of cases. The mid-point will not be selected if further information is known about an investment which cannot be factored into the valuation method used. A weighting is assigned to the values determined following each method to determine the final valuation.

The valuations are inherently subjective as they require a number of assumptions to be made, such as determining which entities provide suitable market comparatives and their relevant performance metrics (for example earnings before interest, tax, depreciation and amortisation), determining appropriate discount rates and cash flow forecasts to use in models, the weighting to apply to each valuation methodology, and the point in the range of valuations to select as the fair value.

Sensitivity of Level 3 valuations

Investment in Collective Investment Schemes

The valuations of certain investments in Collective Investment Schemes are based on the latest observable price available. Whilst such valuations are sensitive to estimates, it is believed that changing the price applied to a reasonably possible alternative would not change the fair value significantly.

Investment property

As set out on the left of this page, investment property is initially measured at cost including related acquisition costs and subsequently valued at least monthly by professional external valuers at the properties' respective fair values at each reporting date. The following table sets out the effect of applying reasonably possible alternative assumptions, being a 10% movement in estimated rental value and a 50bps movement in relative yield, to the valuation of the investment properties. Any change in the value of investment property is matched by an associated movement in the policyholder liability, and therefore would not impact the shareholder net assets.

Notes to the consolidated financial statements under International Financial Reporting Standards continued

20. Financial risk continued

	Investment property significant unobservable inputs	Effect of reasonably possible alternative assumptions		
		Carrying value	Favourable changes	Unfavourable changes
		£'Million	£'Million	£'Million
31 December 2025	Expected rental value/relative yield	370.3	412.4	303.2
31 December 2024	Expected rental value/relative yield	892.3	1,064.5	747.0

Fixed income securities and equities

As set out on the previous page, the fair values of the Level 3 fixed income securities and equities are selected from the valuation range determined through the monthly valuation process. The following table sets out the effect of valuing each of the assets at the high and low point of the range. As with investment property, any change in the value of these fixed income securities or equities is matched by an associated movement in the policyholder liability, and therefore would not impact on the shareholder net assets.

		Effect of reasonably possible alternative assumptions		
		Carrying value	Favourable changes	Unfavourable changes
		£'Million	£'Million	£'Million
31 December 2025	Fixed income securities	40.0	42.7	37.2
	Equities	384.0	434.7	333.6
31 December 2024	Fixed income securities	111.9	115.6	108.1
	Equities	994.2	1,128.1	911.7

Credit risk

Credit risk relating to unit liabilities is borne by the unit holders.

Contractual maturity and liquidity analysis

Unit liabilities (and the associated assets) are deemed to have a maturity of up to one year since they are repayable and transferable on demand. In practice the contractual maturities of the assets may be longer than one year, but the majority of assets held within the unit-linked and unit trust funds are highly liquid and the Group also actively monitors fund liquidity.

Sensitivity analysis to market risks

The majority of the Group's business is unitised and the direct associated market risk is therefore borne by unit holders. For completeness, we note that there is an indirect risk associated with market performance as future shareholder income is dependent upon markets; however, the direct risk has been mitigated through the Group's approach to matching assets and liabilities.

21. Cash generated from operations

	Note	Year ended 31 December 2025	Year ended 31 December 2024
		£'Million	£'Million
Cash flows from operating activities			
Profit before tax for the year		1,335.2	1,049.1
Adjustments for:			
Amortisation of purchased value of in-force business	11	3.2	3.2
Amortisation of computer software	11	4.2	22.4
Depreciation	12	20.8	23.4
Impairment of goodwill	11	4.8	10.3
Loss on disposal of property and equipment, including leased assets	12	1.0	4.1
Share-based payment charge	24	20.2	11.2
Interest income		(224.5)	(236.6)
Interest expense	9	28.9	36.4
Decrease in provisions	18	(161.9)	(39.8)
Exchange rate losses/(gains)		3.0	(0.2)
		(300.3)	(165.6)
Changes in operating assets and liabilities			
Decrease in deferred acquisition costs	11	2.1	18.2
Decrease in investment property		522.0	218.0
Increase in other investments		(29,849.2)	(23,738.7)
Increase in investments in associates		(0.3)	(3.5)
Decrease/(increase) in reinsurance assets		3.2	(1.9)
(Increase)/decrease in other receivables		(170.2)	310.3
Increase in insurance contract liabilities		47.6	22.6
Increase in financial liabilities (excluding borrowings)		22,049.9	17,868.1
Decrease in deferred income	11	(47.9)	(22.0)
Increase/(decrease) in other payables		520.7	(246.1)
Increase in net assets attributable to unit holders		7,283.3	4,163.0
		361.2	(1,412.0)
Cash generated from/(used in) operations		1,396.1	(528.5)

Notes to the consolidated financial statements under International Financial Reporting Standards continued

22. Capital management and allocation

The Group's capital management policy, set by the Board, is to maintain a strong capital base in order to:

- ◆ protect clients' interests
- ◆ meet regulatory requirements
- ◆ protect creditors' interests
- ◆ create shareholder value through support for business development.

The policy requires that each subsidiary manages its own capital, in particular to maintain regulatory solvency, in the context of a Group capital plan. Any capital in excess of planned requirements is returned to the Group's Parent Company, St. James's Place plc, normally by way of dividends. The Group capital position is monitored by the Audit Committee on behalf of the St. James's Place plc Board.

Regulatory capital

The Group's capital management policy, for each subsidiary, is to hold the management capital coverage assessment (previously known as the management solvency buffer) which is the higher of:

- ◆ the capital required by any relevant supervisory body, uplifted by a specified margin to absorb changes
- ◆ the capital required based on the Company's internal assessment.

For our insurance companies, we hold capital based on our own internal assessment, recognising the regulatory requirement. For other regulated companies we generally hold capital based on the regulatory requirement uplifted by a specified margin.

The following entities are subject to regulatory supervision and have to maintain a minimum level of regulatory capital:

Entity	Regulatory body and jurisdiction
Perennial Financial Management Limited	FCA: Personal Investment Firm
Policy Services Limited	FCA: Personal Investment Firm
St. James's Place Investment Management Limited (formerly Rowan Dartington & Co. Limited)	FCA: Investment Firm
St. James's Place (Hong Kong) Limited	Securities and Futures Commission (Hong Kong): Insurance Authority (Hong Kong)
St. James's Place (Middle East) Limited	Dubai Financial Services Authority
St. James's Place International (Hong Kong) Limited	Insurance Authority (Hong Kong)
St. James's Place International plc	Central Bank of Ireland: Life Insurance Business
St. James's Place Investment Administration Limited	FCA: Investment Firm
St. James's Place Partnership Services Limited	FCA: Consumer Credit Firm
St. James's Place (Singapore) Private Limited	Monetary Authority of Singapore: Member of the Association of Financial Advisers
St. James's Place UK plc	PRA and FCA: Long-term insurance business
St. James's Place Unit Trust Group Limited	FCA: UCITS Management Company
St. James's Place Wealth Management plc	FCA: Personal Investment Firm

Notes to the consolidated financial statements under International Financial Reporting Standards continued

22. Capital management and allocation continued

In addition, the St. James's Place Group is regulated as an insurance group under Solvency II, with the PRA as the lead regulator. More information about the capital position of the Group under Solvency II regulations is set out in the separate Solvency and Financial Condition Report document. The overall capital position for the Group at 31 December 2025, assessed on the standard formula basis, is presented in the following table:

	31 December 2025	31 December 2024
	£'Million	£'Million
IFRS total assets	224,877.5	194,875.1
Less Solvency II valuation adjustments and unit-linked liabilities	(223,266.4)	(193,434.5)
Solvency II net assets	1,611.1	1,440.6
Solvency II value of in-force (VIF)	3,463.1	2,992.4
Risk margin	(441.9)	(373.0)
Own funds (A)	4,632.3	4,060.0
Standard formula SCR (B)	(2,508.9)	(2,104.1)
Solvency II free assets	2,123.4	1,955.9
Solvency II ratio (A/B)	185%	193%

The solvency ratio after payment of the proposed Group final dividend is 182% at 31 December 2025 (31 December 2024: 190%).

An overall internal capital assessment is required for insurance groups. This is known as an ORSA (Own Risk and Solvency Assessment) and is described in more detail in the ORSA section within the risk and control management section.

The regulatory capital requirements of companies within the Group, and the associated solvency of the Group, are assessed and monitored by the Finance Oversight Group with oversight by the Audit Committee on behalf of the Group Board. Ultimate responsibility for individual companies' regulatory capital lies with the relevant subsidiary boards.

All regulated entities exceeded the minimum solvency requirements at the reporting date and during the year. The required minimum regulatory capital, and analysis of the assets that qualify as regulatory capital, is outlined in the databook on our website sjp.co.uk/full-year-results-2025-databook, which demonstrates that the Group has met its internal capital objectives. The Group and its individually regulated operations have complied with all externally and internally imposed capital requirements throughout the year.

See section 3 of the financial review for further information on capital and liquidity.

23. Share capital, earnings per share and shareholder returns

Share capital

	Number of ordinary shares	Called-up share capital £'Million
At 1 January 2024	548,604,794	82.3
– Shares repurchased in buy-back programmes	(4,590,083)	(0.7)
At 31 December 2024	544,014,711	81.6
– Issue of shares	136,975	–
– Shares repurchased in buy-back programmes	(17,039,551)	(2.5)
At 31 December 2025	527,112,135	79.1

Ordinary shares have a par value of 15 pence per share (2024: 15 pence per share) and are fully paid.

Included in the called-up share capital are 8,686,829 (2024: 4,876,364) shares held in the Shares in trust reserve with a nominal value of £1.3 million (2024: £0.7 million). The shares are held by the SJP Employee Benefit Trust and the St. James's Place 2010 Share Incentive Plan Trust to satisfy certain share-based payment schemes. The Trustees of the SJP Employee Benefit Trust retain the right to dividends on the shares held by the Trust but have chosen to waive their entitlement to the dividends on 5,766,265 shares at 31 December 2025 and 2,135,521 shares at 31 December 2024. The trustees of St. James's Place Share Incentive Plan Trust retain the right to dividends on forfeited shares held by the Trust but have chosen to waive their entitlement to the dividend on 1,028 shares at 31 December 2025 (2024: 1,034).

Share capital increases are included within the issue of shares line.

During the year, the Company repurchased and cancelled 17,039,551 shares (2024: 4,590,083) for a total consideration of £188.1 million (2024: £32.9 million) and incurred transaction costs of £1.1 million (2024: £0.2 million). The cancelled shares, which had a nominal value of £2.5 million (2024: £0.7 million), have been reflected as a decrease in share capital with a corresponding increase in the capital redemption reserve as required by the Companies Act 2006.

The number of shares reserved for issue under options and contracts for sale of shares, including terms and conditions, is included within Note 24.

Notes to the consolidated financial statements under International Financial Reporting Standards continued

23. Share capital, earnings per share and shareholder returns

continued

Earnings per share

	Year ended 31 December 2025	Year ended 31 December 2024
	£'Million	£'Million
Earnings		
Profit after tax attributable to equity shareholders (for both basic and diluted EPS)	531.1	398.4
	Million	Million
Weighted average number of shares		
Weighted average number of ordinary shares in issue (for basic EPS)	531.5	545.4
Adjustments for outstanding share options	6.3	3.6
Weighted average number of ordinary shares (for diluted EPS)	537.8	549.0
	Pence	Pence
Earnings per share (EPS)		
Basic earnings per share	99.9	73.0
Diluted earnings per share	98.8	72.6

Dividends

The following dividends have been paid by the Group:

	Year ended 31 December 2025	Year ended 31 December 2024	Year ended 31 December 2025	Year ended 31 December 2024
	Pence per share	Pence per share	£'Million	£'Million
Final dividend in respect of 2023	–	8.00	–	43.8
Interim dividend in respect of 2024	–	6.00	–	32.8
Final dividend in respect of 2024	12.00	–	64.4	–
Interim dividend in respect of 2025	6.00	–	31.9	–
Total dividends	18.00	14.00	96.3	76.6

In respect of 2025 the Directors have recommended a 2025 final dividend of 12.00 pence per share. This amounts to £63.3 million based on the number of shares in issue on 31 December 2025 and will, subject to shareholder approval at the Annual General Meeting, be paid on 8 May 2026 to those shareholders on the register as at 27 March 2026.

In addition, under the authority granted by shareholders at the 2025 Annual General Meeting, the Directors have resolved to undertake:

- ◆ a final share buy-back programme in respect to 2025, committing to purchase shares up to a maximum value of £103.9 million.
- ◆ an additional share buy-back programme to return capital to shareholders following a release of the Ongoing Service Evidence provision, committing to purchase shares up to a maximum value of £18.7 million.

These share buy-backs will commence in March 2026.

Notes to the consolidated financial statements under International Financial Reporting Standards continued

24. Share-based payments

During the year ended 31 December 2025, the Group operated a number of different equity-settled and cash-settled share-based payment arrangements, which are aggregated as follows:

Share option schemes

- ◆ **Save As You Earn (SAYE) Plan** – this is an equity-settled scheme that is available to all employees where individuals may contribute up to £500 per month over the three-year vesting period to purchase shares at a price not less than 80% of the market price at the date of the invitation to participate. A total of 441,555 (2024: 3,204,991) SAYE options were granted on 30 September 2025 (2024: two grants made on 22 March 2024 and 25 September 2024). There are no other vesting conditions.
- ◆ **Associate Partner Plan** – this is an equity-settled scheme that was launched during 2017 whereby Partners and advisers are entitled to purchase a set number of shares in the future at the market price at the date of the invitation if they meet the required business volumes over the following three years. No grants were made in 2025 (2024: nil).
- ◆ **Executive Performance Share Plan** – the Group Remuneration Committee may make awards of performance options to the Executive Directors and other senior managers. Two thirds of options awarded to Executive Directors are subject to an earnings growth condition(s) of the Group and one third of options awarded to Executive Directors are subject to a comparative total shareholder return condition, both measured over a three-year performance period. Further information regarding the vesting conditions of the earnings-growth-dependent and total-shareholder-return-dependent portions of the award is given in the Report of the Group Remuneration Committee. Awards made to senior managers are typically subject to the same performance conditions as the awards to Executive Directors. Alternatively, awards made to senior managers may be subject to personal performance conditions. This is predominantly an equity-settled scheme. A total of 1,697,851 (2024: 3,394,380) options were granted under the Performance Share Plan across four grants made on 25 March 2025, 12 May 2025, 14 April 2025 and 11 August 2025 (2024: two grants made on 25 March 2024 and 27 November 2024).
- ◆ **Buyout Awards** – under these plans recently recruited Executive Directors or members of the Group Executive Committee have been awarded conditional and performance-related shares. The vesting of conditional awards is subject to employment related conditions. Performance awards include both Group and external performance conditions. The Group performance targets are outlined in the details of the Executive Performance Share Plan above and in the Report of the Group Remuneration Committee. The external performance conditions are the original performance conditions relating to forfeited awards which had an outstanding performance period of less than two years at the time of award. The plans are predominantly equity-settled. 138,293 (2024: 241,181) awards were granted under the Buyout award plans on 12 May 2025 (2024: 10 December 2024).

Share awards

- ◆ **Share Incentive Plan (SIP)** – this is an equity-settled scheme, available to all employees, where individuals may invest up to an annual limit of £1,800 of pre-tax salary in St. James's Place plc shares, to which the Group will add a further 10%. The vesting period is three years; however, if the shares are held for five years they may be sold free of income tax or capital gains tax. There are no other vesting conditions. A total of 8,478 (2024: 19,385) shares were granted under the SIP on 25 March 2025 (2024: 25 March 2024).
- ◆ **Executive Deferred Bonus Plan (DBP)** – under these plans the deferred element of the annual bonus is used to purchase shares at market value in the Company. The shares are held in trust over the three-year vesting period and may be subject to further non-market-based performance conditions. The plans are predominantly equity-settled. A total of 887,787 (2024: 1,079,020) shares were granted under the Deferred Bonus Plan on 25 March 2025 (2024: 25 March 2024).
- ◆ **Restricted Share Plan** – under this plan employees are awarded performance-related shares with the vesting condition being linked to Group funds under management. The plan is predominantly equity-settled. A total of 4,608 (2024: 576,010) awards were granted under the Restricted Share Plan on 25 March 2025 (2024: 25 March 2024).

Share options and awards outstanding under the various share-based payment schemes set out above at 31 December 2025 amount to 15.7 million shares (2024: 17.6 million). Of these, 2.6 million (2024: 2.8 million) are under option to Partners and advisers of the St. James's Place Partnership, 9.8 million (2024: 11.6 million) are under option to Executive Directors and senior management (including 1.2 million (2024: 1.1 million) under option to Directors as disclosed in the Directors' remuneration report) and 3.3 million (2024: 3.2 million) are under option through the SAYE and SIP schemes. These are exercisable on a range of future dates.

Notes to the consolidated financial statements under International Financial Reporting Standards continued

24. Share-based payments continued

Financial assumptions underlying the calculation of fair value

The fair value expense has been based on the fair value of the instruments granted, as calculated using appropriate derivative pricing models. The table below shows the weighted average assumptions and models used to calculate the grant-date fair value of each award:

Valuation model	SAYE Plan ³	Share Incentive Plan	Executive Deferred Bonus	Executive Performance Share Plan ^{3,4}	Restricted Share Plan	Buyout Awards – Conditional	Buyout Awards – Performance ^{4,5}
	Black-Scholes	Black-Scholes	Black-Scholes	Monte Carlo	Monte Carlo	Black-Scholes	Monte Carlo
Awards in 2025							
Fair value (pence)	506.0	1,030.0	1,030.0	660.2/901.3	978.5	1,064.0	N/A
Share price (pence)	1,270.0	1,030.0	1,030.0	1,030.0	1,030.0	1,064.0	N/A
Exercise price (pence)	971.0	–	–	–	–	–	–
Expected volatility (% per annum) ¹	39.9	N/A	N/A	39.5	N/A	N/A	N/A
Expected dividends (% per annum) ²	1.4	–	–	1.7	1.7	–	N/A
Risk-free interest rate (% per annum)	4.0	N/A	N/A	4.3	N/A	N/A	N/A
Expected life (years)	3.5	3	3	3	3	1–3.5	N/A
Volatility of competitors (% per annum)	N/A	N/A	N/A	20–70	N/A	N/A	N/A
Correlation with competitors (%)	N/A	N/A	N/A	28	N/A	N/A	N/A

Valuation model	SAYE Plan ³	Share Incentive Plan	Executive Deferred Bonus	Executive Performance Share Plan ^{3,4}	Restricted Share Plan	Buyout Awards – Conditional	Buyout Awards – Performance
	Black-Scholes	Black-Scholes	Black-Scholes	Monte Carlo	Monte Carlo	Black-Scholes	Monte Carlo
Awards in 2024							
Fair value (pence)	114.2/266.4	470.0	470.0	105.3/418.8	403.3	864.0	194.0/770.0
Share price (pence)	458.6/725.0	470.0	470.0	470.0	470.0	864.0	864.0
Exercise price (pence)	405.0/578.0	–	–	–	–	–	–
Expected volatility (% per annum) ¹	36.9/39.9	N/A	N/A	36.9	N/A	N/A	36.9
Expected dividends (% per annum) ²	5.2/1.9	–	–	5.1	5.1	–	5.1
Risk-free interest rate (% per annum)	3.91/3.74	N/A	N/A	4	N/A	N/A	4.0
Expected life (years)	3.5	3	3	3	3	1–6	3–6
Volatility of competitors (% per annum)	N/A	N/A	N/A	20–69	N/A	N/A	20–69
Correlation with competitors (%)	N/A	N/A	N/A	32	N/A	N/A	32

1 Expected volatility is based on an analysis of the Company's historical share price volatility over a period which is commensurate with the expected term of the options or the awards.

2 For schemes where dividends are payable on the shares during the vesting period, the dividend yield assumption in the Black-Scholes option pricing model is set at zero.

3 The awards made under the Executive Performance Share Plan are dependent upon earnings growth in the Company (two-thirds of the award) and a total shareholder return of a comparator group of companies (one-third of the award). This results in having two fair values for each of the awards made in the table above: the first being in relation to the comparator total shareholder return, which is a market-based performance condition and so valued using a Monte Carlo simulation; and the second relating to the Company's earnings growth, which is a non-market-based performance condition and so valued using the Black-Scholes model.

4 The awards made under the Executive Performance Share Plan and Buyout Awards – Performance, to recently recruited Executive Directors or members of the Group Executive Committee (GEC), are subject to a two-year holding period once the award has vested. This results in discounted fair values for the Executive Director and GEC population of 660.2/901.3 (2024: 105.3/418.8) to reflect the reduced marketability of the awards.

5 The awards made under Buyout Awards – Performance are significantly dependent upon earnings growth in the Company (two-thirds of the award) and a total shareholder return of a comparator group of companies (one-third of the award). This results in having two fair values for each of the awards made in the table above, the first being in relation to the comparator total shareholder return which is a market-based performance condition and so valued using a Monte Carlo simulation, and the second relating to the Company's earnings growth, which is a non-market-based performance condition and so valued using the Black-Scholes model.

Notes to the consolidated financial statements under International Financial Reporting Standards continued

24. Share-based payments continued

Share option schemes

	Year ended 31 December 2025	Year ended 31 December 2025	Year ended 31 December 2024	Year ended 31 December 2024
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
SAYE Plan				
Outstanding at start of year	3,184,995	£4.43	862,956	£10.26
Granted	441,555	£9.71	3,204,991	£4.20
Forfeited	(285,079)	£5.45	(882,952)	£9.32
Exercised	(61,756)	£5.76	–	–
Outstanding at end of year	3,279,715	£5.02	3,184,995	£4.43
Exercisable at end of year	664	£11.11	8,829	£12.81
Associate Partner Plan				
Outstanding at start of year	2,834,683	£10.91	2,842,183	£10.91
Granted	–	–	–	–
Forfeited	(85,750)	£10.88	(7,500)	£10.83
Exercised	(107,100)	£10.94	–	–
Outstanding at end of year	2,641,833	£10.91	2,834,683	£10.91
Exercisable at end of year	2,641,833	£10.91	2,834,683	£10.91

The average share price during the year was 1,158.2 pence (2024: 639.4 pence).

The SAYE Plan options outstanding at 31 December 2025 had exercise prices of 1,111 pence (664 options), 988 pence (52,357 options), 405 pence (2,553,282 options), 578 pence (236,250 options) and 971 pence (437,162 options), and a weighted average remaining contractual life of 1.6 years.

The options outstanding under the Associate Partner Plan at 31 December 2025 had an exercise price of 1,083 pence (2,226,858 options) and 1,135 pence (414,975 options), and a weighted average remaining contractual life of nil years.

All share options under the below schemes have exercise prices of nil.

	Year ended 31 December 2025	Year ended 31 December 2024
	Number of shares	Number of shares
Executive Performance Share Plan		
Outstanding at start of year	8,284,244	6,660,214
Granted	1,697,851	3,394,380
Forfeited	(2,870,551)	(1,405,649)
Exercised	(914,873)	(364,701)
Outstanding at end of year	6,196,671	8,284,244
Exercisable at end of year	311,858	2,230,261
Buyout Awards – conditional		
Outstanding at start of year	149,372	–
Granted	138,293	149,372
Forfeited	–	–
Exercised	(19,091)	–
Outstanding at end of year	268,574	149,372
Exercisable at end of year	–	–
Buyout Awards – performance		
Outstanding at start of year	91,809	–
Granted	–	91,809
Forfeited	(6,486)	–
Exercised	–	–
Outstanding at end of year	85,323	91,809
Exercisable at end of year	–	–

Notes to the consolidated financial statements under International Financial Reporting Standards continued

24. Share-based payments continued

Share awards

All share awards under the below schemes have exercise prices of nil.

	Year ended 31 December 2025	Year ended 31 December 2024
	Number of shares	Number of shares
Share Incentive Plan		
Outstanding at start of year	53,024	38,707
Granted	8,478	19,385
Forfeited	(1,259)	–
Exercised	(19,945)	(5,068)
Outstanding at end of year	40,298	53,024
Exercisable at end of year	8,044	–
Executive Deferred Bonus Plan		
Outstanding at start of year	2,113,350	1,091,624
Granted	887,787	1,079,020
Forfeited	(520,305)	(57,294)
Exercised	–	–
Outstanding at end of year	2,480,832	2,113,350
Exercisable at end of year	–	–
Restricted Share Plan		
Outstanding at start of year	921,023	417,973
Granted	4,608	576,010
Forfeited	(199,154)	(72,960)
Exercised	–	–
Outstanding at end of year	726,477	921,023
Exercisable at end of year	–	–

Early exercise assumptions

An allowance has been made for the impact of early exercise once options have vested in the SAYE Plan, where all option holders are assumed to exercise half-way through the six-month exercise window.

Allowance for performance conditions

The Executive Performance Share Plan includes a market-based performance condition based on the Company's total shareholder return relative to an index of comparator companies. The impact of this performance condition has been modelled using Monte Carlo simulation techniques, which involve running many thousands of simulations of future share price movements for both the Company and the comparator index. For the purpose of these simulations it is assumed that the share price of the Company and the comparator index are 28% (2024: 32%) correlated and that the comparator index has volatilities ranging between 20% per annum and 70% per annum (2024: 20% per annum and 69% per annum).

The performance condition is based on the Company's performance relative to the comparator index over a three-year period commencing on 1 January each year. The fair-value calculations for the awards that were made in 2025 therefore include an allowance for the actual performance of the Company's share price relative to the index over the period between 1 January 2025 and the various award dates.

Charge to the consolidated statement of comprehensive income

The table below sets out the charge to the consolidated statement of comprehensive income in respect of the share-based payment awards:

	Year ended 31 December 2025	Year ended 31 December 2024
	£'Million	£'Million
Equity-settled share-based payment expense	19.2	11.2
Cash-settled share-based payment expense	1.0	0.2
Total share-based payment expense	20.2	11.4

Liabilities recognised in the statement of financial position

The liabilities recognised in the statement of financial position in respect of the cash-settled share-based payment awards, and National Insurance obligations arising from share-based payment awards, are as follows. These liabilities are included within other payables on the face of the statement of financial position.

	31 December 2025	31 December 2024
	£'Million	£'Million
Liability for cash-settled share-based payments	2.2	1.5
Liability for employer National Insurance contributions on cash-settled and equity-settled share-based payments	9.9	4.8

Notes to the consolidated financial statements under International Financial Reporting Standards continued

25. Interests in unconsolidated entities

Unconsolidated structured entities

The Group operates investment vehicles, such as unit trusts. Clients are able to invest in these directly, but also indirectly through products offered by St. James's Place UK plc and St. James's Place International plc. As a result, the Group's insurance companies can be significant investors in the unit trusts. Note 2 sets out the judgements inherent in determining when the Group controls, and therefore consolidates, the relevant investment vehicles.

The majority of the risk from a change in the value of the Group's investment in unconsolidated unit trusts is matched by a change in unit holder liabilities. The maximum exposure to loss, prior to considering unit holder liabilities, is equal to the carrying value of the investment. This is recognised within investments in Collective Investment Schemes.

The following unit trust is not consolidated within the Group financial statements; however, the Group does act as the fund manager of this unit trust.

	Percentage of ownership interest		Principal place of business	Nature of relationship	Measurement method	Net asset value as at 31 December	
	2025	2024				2025	2024
	%	%				£'Million	£'Million
St. James's Place Property Unit Trust	2.21	1.47	United Kingdom	Manager of unit trust	Fair value through profit or loss	165.7	586.8

As at 31 December 2025 the value of the Group's interests in St. James's Place Property Unit Trust was £3.7 million (2024: £8.6 million).

26. Interests in other entities

Principal subsidiaries

Investment Holding Companies	St. James's Place Wealth Management Group Limited ¹ St. James's Place DFM Holdings Limited ¹
Life Assurance	St. James's Place UK plc St. James's Place International plc (incorporated in Ireland) ² St. James's Place Unit Trust Group Limited
Unit Trust Management Unit Trust Administration and ISA Management	St. James's Place Investment Administration Limited
Distribution	St. James's Place Wealth Management plc
Management Services	St. James's Place Management Services Limited ³
Treasury Company	St. James's Place Partnership Services Limited
Adviser Acquisitions	St. James's Place Acquisition Services Limited
AME Distribution	St. James's Place International Distribution Limited St. James's Place Investment Management Limited (formerly Rowan Dartington & Co. Limited)

¹ Directly held by St. James's Place plc.

² The Company also operates a branch in Singapore.

³ The Company also operates a branch in the Republic of Ireland.

Ongoing solvency requirements within the life assurance, unit trust and financial services companies of the Group restrict their ability to distribute all their distributable reserves.

Notes to the consolidated financial statements under International Financial Reporting Standards continued

26. Interests in other entities continued

Included below is a full list of the entities within the St. James's Place plc Group at 31 December 2025:

Entity	Company number	Registered office	Country of incorporation	Principal activity	Audit exemption
Cabot Portfolio Nominees Limited	03636010	2610 The Quadrant, Aztec West, Almondsbury, Bristol, England, BS32 4AQ	England and Wales	Nominee company	Yes
Capstone Financial (HK) Limited	1256431	8F Kailey Tower, 16 Stanley Street Central, Hong Kong	Hong Kong	Financial advice	No
CGA Financial & Investment Services Limited	02666180	*	England and Wales	Financial advice	Yes
Dartington Portfolio Nominees Limited	01489542	2610 The Quadrant, Aztec West, Almondsbury, Bristol, England, BS32 4AQ	England and Wales	Nominee company	Yes
Edwards Wealth Ltd	09229694	*	England and Wales	Financial advice	Yes
Fortura Financial Partners Limited	14320641	*	England and Wales	Financial advice	Yes
Future Proof Limited	07608319	*	England and Wales	Financial advice	Yes
Ian Cockbain Wealth Management Limited	04639701	*	England and Wales	Financial advice	Yes
Lewington Wealth Management Limited	04290504	*	England and Wales	Financial advice	Yes
Linden House Financial Services Limited	02990295	*	England and Wales	Financial advice	Yes
Ludian Financial Planning Limited	16709363	*	England and Wales	Financial advice	No
M.H.S. (Holdings) Limited	00559995	*	England and Wales	Non-trading	Yes
Perennial Financial Management Limited	04609753	*	England and Wales	Financial advice	Yes
Policy Services Limited	SC230167	Oracle Campus, Blackness Road, Linlithgow, West Lothian, EH49 7BF, United Kingdom	Scotland	Financial advice	No
Reflect Financial Limited	04373946	*	England and Wales	Financial advice	Yes
St. James's Place Investment Management Limited (formerly Rowan Dartington & Co. Limited)	02752304	*	England and Wales	Stockbroker and investment manager	No
Rowan Dartington Holdings Limited	07470226	*	England and Wales	Holding company	Yes
SJP Legacy Holdings Ltd	SC492906	Oracle Campus, Blackness Road, Linlithgow, West Lothian, EH49 7BF, United Kingdom	Scotland	Holding company	Yes
SJP Partner Loans No. 1 Limited	11390901	10th Floor, 5 Churchill Place, London, E14 5HU, United Kingdom	England and Wales	Securitisation	No
St. James's Place (Hong Kong) Limited	275275	1st Floor, Henley Building, 5 Queen's Road Central, Hong Kong	Hong Kong	Overseas distribution	No
St. James's Place (Middle East) Limited	6826	Gate District Precinct Building 03, Unit Precinct 3-7th Floor-Units 706, 707 & 708 Level 7, Dubai International Financial Centre, United Arab Emirates, PO Box 507256	United Arab Emirates	Overseas distribution	No
St. James's Place (PCP) Limited	02706684	*	England and Wales	Transaction and servicing of SJP income streams	Yes
St. James's Place (Singapore) Private Limited	200406398R	1 Raffles Place, #15-61 One Raffles Place, 048616, Singapore	Singapore	Financial advice	No

Notes to the consolidated financial statements under International Financial Reporting Standards continued

26. Interests in other entities continued

Entity	Company number	Registered office	Country of incorporation	Principal activity	Audit exemption
St. James's Place Acquisition Services Limited	07730835	*	England and Wales	Adviser acquisitions	Yes
St. James's Place Corporate Secretary Limited	09131866	*	England and Wales	Corporate secretary	Yes
St. James's Place DFM Holdings Limited	09687687	*	England and Wales	Holding company	Yes
St. James's Place International (Hong Kong) Limited	64458142	1st Floor, Henley Building, 5 Queen's Road Central, Hong Kong	Hong Kong	Life assurance	No
St. James's Place International Distribution Limited	08798683	*	England and Wales	Holding company	Yes
St. James's Place International plc	185345	Fleming Court, Flemings Place, Dublin 4, Ireland	Ireland	Life assurance	No
St. James's Place Investment Administration Limited	08764231	*	England and Wales	Unit trust administration and ISA manager	No
St. James's Place Management Services Limited	02661044	*	England and Wales	Management services	No
St. James's Place Nominees Limited	08764214	*	England and Wales	Nominee company	Yes
St. James's Place Partnership Services Limited	08201211	*	England and Wales	Treasury company	No
St. James's Place UK plc	02628062	*	England and Wales	Life assurance	No
St. James's Place Unit Trust Group Limited	00947644	*	England and Wales	Unit trust management	No
St. James's Place Wealth Management (Shanghai) Limited	1511517	1st Floor, Henley Building, 5 Queen's Road Central, Hong Kong	Hong Kong	Overseas distribution	No
St. James's Place Wealth Management Group Limited	02627518	*	England and Wales	Holding company	No
St. James's Place Wealth Management International Pte. Ltd	201323453N	1 Raffles Place, #15-61 One Raffles Place, 048616, Singapore	Singapore	Holding company	No
St. James's Place Wealth Management plc	04113955	*	England and Wales	UK distribution	No
Technical Connection Limited	03178474	*	England and Wales	Tax and advisory services	Yes
Tring Financial Management Limited	05487108	*	England and Wales	Policy administration	Yes
Virtue Money Limited	SC346827	Oracle Campus, Blackness Road, Linlithgow, West Lothian, EH49 7BF, United Kingdom	Scotland	Holding company	Yes

* Indicates that the registered office is St. James's Place House, 1 Tetbury Road, Cirencester, Gloucestershire, England, GL7 1FP.

Notes to the consolidated financial statements under International Financial Reporting Standards continued

26. Interests in other entities continued

The Group incorporated Ludian Financial Planning Limited (16709363) on 10 September 2025, with its first accounts to be made up to 31 December 2026.

On 18 February 2026 Capstone Financial (HK) Limited (1256431) was dissolved.

Where indicated in the table, subsidiaries of St. James's Place plc have taken advantage, or are expected to take advantage, of the exemption from statutory audit granted by section 479A of the Companies Act 2006. In accordance with section 479C, St. James's Place plc has guaranteed all the outstanding liabilities as at 31 December 2025 of these companies.

All Group companies have an accounting reference date of 31 December. The tax residency of each subsidiary is the same as the country of incorporation.

100% of the equity share capital is held for the subsidiaries listed in the preceding table, with the exception of:

- ◆ SJP Partner Loans No. 1 Limited (11390901), where 100% of the equity share capital is held by a third-party entity outside the Group. Note that all assets and liabilities of SJP Partner Loans No.1 Limited are restricted and ring-fenced from the other assets and liabilities of the Group.
- ◆ Lewington Wealth Management Limited (04290504) where 25% of the equity share capital is held by a third-party entity outside the Group.

Following an assessment of control in accordance with IFRS 10 it was determined that SJP Partner Loans No. 1 Limited and Lewington Wealth Management Limited are controlled by the Group and thus consolidated.

In addition, the Group financial statements consolidate the following unit trusts, all of which are registered in England and Wales. The registered address of the unit trust manager, St. James's Place Unit Trust Group Limited, is St. James's Place House, 1 Tetbury Road, Cirencester, Gloucestershire, GL7 1FP, United Kingdom.

St. James's Place Adventurous Growth Unit Trust
 St. James's Place Adventurous International Growth Unit Trust
 St. James's Place Asia Pacific Unit Trust
 St. James's Place Balance InRetirement Unit Trust
 St. James's Place Balanced Growth Unit Trust
 St. James's Place Balanced International Growth Unit Trust
 St. James's Place Balanced Managed Unit Trust
 St. James's Place Conservative Growth Unit Trust
 St. James's Place Conservative International Growth Unit Trust
 St. James's Place Continental European Unit Trust
 St. James's Place Corporate Bond Unit Trust
 St. James's Place Diversified Assets (FAIF) Unit Trust
 St. James's Place Diversified Bond Unit Trust
 St. James's Place Emerging Markets Equity Unit Trust
 St. James's Place Global Absolute Return Unit Trust

St. James's Place Global Emerging Markets Unit Trust
 St. James's Place Global Equity Unit Trust
 St. James's Place Global Government Bond Unit Trust
 St. James's Place Global Government Inflation Linked Bond Unit Trust
 St. James's Place Global Growth Unit Trust
 St. James's Place Global High Yield Bond Unit Trust
 St. James's Place Global Quality Unit Trust
 St. James's Place Global Smaller Companies Unit Trust
 St. James's Place Global Unit Trust
 St. James's Place Global Value Unit Trust
 St. James's Place Greater European Progressive Unit Trust
 St. James's Place Growth InRetirement Unit Trust
 St. James's Place International Equity Unit Trust
 St. James's Place Investment Grade Corporate Bond Unit Trust
 St. James's Place Japan Unit Trust
 St. James's Place Managed Growth Unit Trust
 St. James's Place Money Market Unit Trust
 St. James's Place North American Unit Trust
 St. James's Place Polaris 1 Unit Trust
 St. James's Place Polaris 2 Unit Trust
 St. James's Place Polaris 3 Unit Trust
 St. James's Place Polaris 4 Unit Trust
 St. James's Place Polaris Multi-Index 1 Unit Trust
 St. James's Place Polaris Multi-Index 2 Unit Trust
 St. James's Place Polaris Multi-Index 3 Unit Trust
 St. James's Place Polaris Multi-Index 4 Unit Trust
 St. James's Place Prudence InRetirement Unit Trust
 St. James's Place Strategic Income Unit Trust
 St. James's Place Strategic Managed Unit Trust
 St. James's Place Sustainable & Responsible Equity Unit Trust
 St. James's Place UK Equity Income Unit Trust
 St. James's Place UK Unit Trust
 St. James's Place Worldwide Income Unit Trust

Individually immaterial associates

The Group also has interests in individually immaterial associates that are accounted for using the equity method.

	31 December 2025	31 December 2024
	£'Million	£'Million
Aggregate carrying value of individually immaterial associates	24.0	21.9
Aggregate amounts of the Group's share of total comprehensive income	0.5	0.3

Notes to the consolidated financial statements under International Financial Reporting Standards continued

27. Related-party transactions

Transactions with associates and non-wholly-owned subsidiaries

Associates

Outstanding at the year-end were business loans of £11.0 million (2024: £11.9 million) to associates of the Group. During the year £nil (2024: £8.9 million) was advanced and £1.8 million (2024: £4.3 million) was repaid. Business loans to associates are interest-bearing (linked to the Bank of England base rate plus a margin) and repayable in line with the terms of the loan contract. Interest of £0.9 million was received during 2025 (2024: £0.6 million).

In addition, commission, advice fees and other payments of £12.3 million were paid (2024: £10.0 million paid), under normal commercial terms, to associates of the Group. The outstanding amount at 31 December 2025 was £1.0 million payable (2024: £0.7 million payable).

Non-wholly owned subsidiaries

Commission, advice fees and other payments of £4.6 million were paid (2024: £4.3 million paid), under normal commercial terms, to non-wholly-owned Group companies. The outstanding amount at 31 December 2025 was £0.4 million payable (2024: £0.5 million payable).

Transactions with key management personnel

Key management personnel have been defined as the Board of Directors and members of the Group Executive Committee. The remuneration paid to the Board of Directors of St. James's Place plc is set out in the Directors' remuneration report, in addition to the disclosure in this note.

The Directors' remuneration report also sets out transactions with the Directors under the Group's share-based payment schemes, together with details of the Directors' interests in the share capital of the Company.

Compensation of key management personnel is as follows:

	Year ended 31 December 2025	Year ended 31 December 2024
	£'Million	£'Million
Short-term employee benefits	12.9	10.2
Post-employment benefits	0.5	0.6
Share-based payments	6.3	(0.7)
Total	19.7	10.1

The total value of Group FUM held by related parties of the Group as at 31 December 2025 was £17.7 million (2024: £25.2 million). The total value of St. James's Place plc dividends paid to related parties of the Group during the year was £0.1 million (2024: £0.2 million).

Commission, advice fees and other payments of £nil (2024: £1.3 million) were paid, under normal commercial terms, to St. James's Place advisers who were related parties by virtue of being connected persons with key management personnel. The outstanding amount payable at 31 December 2025 was £nil (2024: £0.1 million).

Parent Company financial statements

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Parent Company statement of financial position

Registered number: 03183415.

	Note	As at	As at
		31 December 2025	31 December 2024
		£'Million	£'Million
Investment in subsidiaries	3	2,211.0	2,102.4
Current assets			
Amounts owed by Group undertakings	7	728.2	274.8
Corporation tax assets		–	0.1
Other receivables		0.1	0.1
Cash and cash equivalents		0.9	–
Current liabilities			
Corporation tax liabilities		(4.8)	–
Other payables		(0.4)	–
Net current assets		724.0	275.0
Amounts due to Group undertakings	7	(213.9)	(201.3)
Net assets		2,721.1	2,176.1
Equity			
Share capital	4	79.1	81.6
Share premium		235.4	233.9
Capital redemption reserve	4	3.2	0.7
Share option reserve		309.9	290.7
Miscellaneous reserves		0.1	0.1
Retained earnings		2,093.4	1,569.1
Total shareholders' funds		2,721.1	2,176.1

In publishing the Parent Company financial statements, the Company has taken advantage of the exemption in section 408 of the Companies Act 2006 not to present its individual income statement and related notes that form part of these Parent Company financial statements. The Company is not required to present a statement of comprehensive income. The Company's profit after tax for the financial year was £809.8 million (2024: £559.6 million) which can be seen in the statement of changes in equity.

The Parent Company financial statements on pages 194 to 199 were approved by the Board of Directors on 24 February 2026 and signed on its behalf by:

Mark FitzPatrick
Chief Executive Officer

The Notes and information on pages 196 to 199 form part of these Parent Company financial statements.

Parent Company statement of changes in equity

		Share capital	Share premium	Capital redemption reserve	Share option reserve	Miscellaneous reserves	Retained earnings	Total shareholders' funds
	Note	£'Million	£'Million	£'Million	£'Million	£'Million	£'Million	£'Million
At 1 January 2024		82.3	233.9	–	279.5	0.1	1,119.2	1,715.0
Profit and total comprehensive income for the year		–	–	–	–	–	559.6	559.6
Dividends	6	–	–	–	–	–	(76.6)	(76.6)
Shares repurchased in buy-back programmes	4	(0.7)	–	0.7	–	–	(33.1)	(33.1)
Cost of share options expensed in subsidiaries		–	–	–	11.2	–	–	11.2
At 31 December 2024		81.6	233.9	0.7	290.7	0.1	1,569.1	2,176.1
Profit and total comprehensive income for the year		–	–	–	–	–	809.8	809.8
Dividends	6	–	–	–	–	–	(96.3)	(96.3)
Issue of share capital	4	–	1.5	–	–	–	–	1.5
Shares repurchased in buy-back programmes	4	(2.5)	–	2.5	–	–	(189.2)	(189.2)
Cost of share options expensed in subsidiaries		–	–	–	19.2	–	–	19.2
At 31 December 2025		79.1	235.4	3.2	309.9	0.1	2,093.4	2,721.1

The Notes and information on pages 196 to 199 form part of these Parent Company financial statements.

Notes to the Parent Company financial statements

1. Accounting policies

Basis of preparation

St. James's Place plc (the Company) is a public company limited by shares which is incorporated and registered in England and Wales, domiciled in the United Kingdom and whose shares are publicly traded. The Company offers a range of insurance, investment and other wealth management services through its subsidiaries, which are incorporated in the UK, Ireland, Middle East and Asia.

The financial statements have been prepared under the historical cost convention, on a going concern basis and in accordance with Financial Reporting Standard 101 (FRS 101) Reduced Disclosure Framework and the Companies Act 2006 as applicable to companies using FRS 101.

The preparation of these financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies. No significant accounting judgements have been made.

Adoption of new and amended accounting standards

As at 31 December 2025, there were no relevant new and amended standards, which the Company adopted as of 1 January 2025.

FRS 101 – reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- ◆ the requirements of paragraphs 45(b) and 46 to 52 of IFRS 2 Share-based Payment
- ◆ the requirements of IFRS 7 Financial Instruments: Disclosures
- ◆ the requirements of paragraphs 91 to 99 of IFRS 13 Fair Value Measurement
- ◆ the requirement in paragraph 38 of IAS 1 Presentation of Financial Statements to present comparative information in respect of paragraph 79(a)(iv) of IAS 1
- ◆ the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- ◆ the requirements of paragraphs 1 to 44E, 44H(b)(ii) and 45 to 65 of IAS 7 Statement of Cash Flows
- ◆ the requirements of paragraphs 44F, 44G, 44H(a), 44H(b)(i), 44H(b)(iii) and 44H(c) of IAS 7 Statement of Cash Flows, provided that equivalent disclosures are included in the consolidated financial statements of the Group, in which the entity is consolidated.
- ◆ the requirements of paragraphs 6B, 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- ◆ the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- ◆ the requirements in IAS 24 Related Party Disclosures to disclose related-party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member
- ◆ the requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d) to 134(f) and 135(c) to 135(e) of IAS 36 Impairment of Assets, provided that equivalent disclosures are included in the consolidated financial statements of the Group, in which the entity is consolidated.

Going concern

The Company is a non-trading investment holding company which has positive net assets. Going concern has been evaluated by the Directors of the Company. As part of this the Directors have reviewed and take comfort from the Group's assessment of going concern as set out in Note 1 to the consolidated financial statements. The Board believes the Company will continue to be in business, with neither the intention nor the necessity of liquidation, ceasing trading or seeking protection from creditors pursuant to laws or regulations, for a period of at least 12 months from the date of approval of the company financial statements. As a result, the Company continues to adopt the going concern basis in preparing these financial statements.

Significant accounting policies

The following principal accounting policies have been applied consistently to all the years presented.

(a) Investment return

Investment return comprises dividends from subsidiaries. Interim dividends are accounted for when received. Final dividends are accounted for when the dividend has been declared and approved by the subsidiary.

(b) Taxation

Taxation is based on profits and income for the year as determined in accordance with the relevant tax legislation, together with adjustments to provisions for prior years.

(c) Investment in subsidiaries

Investments in subsidiaries are carried at cost stated after any impairment losses, plus the cost of equity-settled share awards granted by the Company of its own shares.

(d) Financial instruments

The Company recognises financial instruments when it becomes a party to the contractual arrangements of the instrument. Financial instruments are de-recognised when they are discharged or when the contractual terms expire. The Company's accounting policies in respect of financial instruments transactions are explained below:

Financial assets

The Company classifies its financial assets at amortised cost.

At amortised cost

Financial assets held at amortised cost are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. The most significant category of financial assets held at amortised cost for the Company is amounts owed by Group undertakings. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Financial assets held at amortised cost are impaired using an expected credit loss model. Expected credit losses are based on the historic levels of loss experienced for the relevant financial assets, with due consideration given to forward looking information.

Notes to the Parent Company financial statements continued

1. Accounting policies continued

Financial liabilities

The Company classifies all of its financial liabilities at amortised cost.

At amortised cost

Financial liabilities at amortised cost are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest-bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expensed over the period to repayment is at a constant rate on the balance of the liability carried into the statement of financial position.

2. Income from shares in Group undertakings

Dividend income received during the year was £900.0 million (2024: £560.0 million).

3. Investment in subsidiaries

	Investment in subsidiaries
	£'Million
Cost or valuation	
At 1 January 2024	1,576.2
Additions	526.2
At 31 December 2024	2,102.4
Additions	213.1
At 31 December 2025	2,315.5
Impairment	
At 1 January 2024	–
Charge for the year	–
At 31 December 2024	–
Charge for the year	104.5
At 31 December 2025	104.5
Carrying value	
At 31 December 2024	2,102.4
At 31 December 2025	2,211.0

During the year the Group completed a reorganisation of the Group structure, resulting in the Company now directly holding nine subsidiaries, seven of which were previously indirectly held through a subsidiary company, St. James's Place Wealth Management Group Limited (SJPWMG).

In lieu of FRS 101 providing specific guidance on the accounting of the reorganisation of a Group structure, the Company has considered the most recent pronouncements of other relevant standard-setting bodies. The Company considers the principles set out within FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' to be the most relevant to the Company and applied the merger accounting method to the relevant transactions. In line with the principles of merger accounting, the reorganisation transactions had nil impact to the statement of comprehensive income.

The carrying value of the investment in subsidiaries is reviewed at least annually for impairment, or when circumstances or events indicate there may be uncertainty over its value. The investments are supported by the value in use of the subsidiaries. The key assumptions used are the value of in-force business together with a discount rate of 7.8% (2024: 7.8%).

It is considered that any reasonably possible levels of change in the key assumptions would not result in an impairment.

4. Share capital

	Number of ordinary shares	Called-up share capital
		£'Million
At 1 January 2024	548,604,794	82.3
– Shares repurchased in buy-back programmes	(4,590,083)	(0.7)
At 31 December 2024	544,014,711	81.6
– Issue of shares	136,975	–
– Shares repurchased in buy-back programmes	(17,039,551)	(2.5)
At 31 December 2025	527,112,135	79.1

Notes to the Parent Company financial statements continued

4. Share capital continued

Ordinary shares have a par value of 15 pence per share (2024: 15 pence per share) and are fully paid. The Company received consideration of £1.5 million (2024: £nil) for the shares issued during the year, including those issued to satisfy the exercise of options.

During the year, the Company repurchased and cancelled 17,039,551 shares (2024: 4,590,083) for a total consideration of £188.1 million (2024: £32.9 million) and incurred transaction costs of £1.1 million (2024: £0.2 million). The cancelled shares, which had a nominal value of £2.5 million (2024: £0.7 million), have been reflected as a decrease in share capital and a corresponding increase in the capital redemption reserve as required by the Companies Act 2006.

5. Auditors' remuneration

The total audit fee in respect of the Group is set out in Note 5 to the consolidated financial statements. The audit fee charged to the Company for the year ended 31 December 2025 is £34,649 (2024: £33,316), which is borne by another entity within the Group.

6. Dividends

The following dividends have been paid by the Company:

	Year ended 31 December 2025	Year ended 31 December 2024	Year ended 31 December 2025	Year ended 31 December 2024
	Pence per share	Pence per share	£'Million	£'Million
Final dividend in respect of 2023		8.00		43.8
Interim dividend in respect of 2024		6.00		32.8
Final dividend in respect of 2024	12.00	–	64.4	–
Interim dividend in respect of 2025	6.00	–	31.9	–
Total dividends	18.00	14.00	96.3	76.6

In respect of 2025 the Directors have recommended a 2025 final dividend of 12.00 pence per share. This amounts to £63.3 million based on the number of shares in issue on 31 December 2025 and will, subject to shareholder approval at the Annual General Meeting, be paid on 8 May 2026 to those shareholders on the register as at 27 March 2026.

In addition, under the authority granted by shareholders at the 2025 Annual General Meeting, the Directors have resolved to undertake:

- ♦ a final share buy-back programme in respect to 2025, committing to purchase shares up to a maximum value of £103.9 million.
- ♦ an additional share buy-back programme to return capital to shareholders following a release of the Ongoing Service Evidence provision, committing to purchase shares up to a maximum value of £18.7 million.

These share buy-backs will commence in March 2026.

7. Related-party transactions and balances

At the year-end the following related-party balances existed, in addition to the investments in subsidiaries which are set out in Note 3.

	31 December 2025	31 December 2024
	£'Million	£'Million
Amounts owed by Group undertakings		
St. James's Place Partnership Services Limited	728.2	274.8
Total	728.2	274.8

The amounts owed by Group undertakings are loans granted by the Company which are unsecured and repayable on demand. The loans incur interest at an agreed rate above the Bank of England's base rate, as stated in the loan agreements.

Amounts owed by Group undertakings continue to be classified as performing; see accounting policy (d).

	31 December 2025	31 December 2024
	£'Million	£'Million
Amounts due to Group undertakings		
St. James's Place UK plc	(213.9)	(201.3)
Total	(213.9)	(201.3)

Amounts due to Group undertakings are unsecured with a variable interest rate and repayable after ten years.

During the year, the Company received £900.0 million (2024: £560.0 million) of dividends from subsidiary undertakings. The total value of St. James's Place funds under management (FUM) held by related parties of the Company as at 31 December 2025 was £17.7 million (2024: £25.2 million). The total value of dividends paid to related parties of the Company during the year was £0.1 million (2024: £0.2 million).

The following wholly-owned subsidiaries of St. James's Place plc have taken advantage, or are expected to take advantage, of the exemption from statutory audit granted by section 479A of the Companies Act 2006.

Notes to the Parent Company financial statements continued

7. Related-party transactions and balances continued

In accordance with section 479C, St. James's Place plc has therefore guaranteed all the outstanding liabilities as at 31 December 2025 of:

Cabot Portfolio Nominees Limited	03636010
CGA Financial & Investment Services Limited	02666180
Dartington Portfolio Nominees Limited	01489542
Edwards Wealth Ltd	09229694
Fortura Financial Partners Limited	14320641
Future Proof Limited	07608319
Ian Cockbain Wealth Management Limited	04639701
Lewington Wealth Management Limited	04290504
Linden House Financial Services Limited	02990295
M.H.S. (Holdings) Limited	00559995
Perennial Financial Management Limited	04609753
Reflect Financial Limited	04373946
Rowan Dartington Holdings Limited	07470226
SJP Legacy Holdings Ltd	SC492906
St. James's Place (PCP) Limited	02706684
St. James's Place Acquisition Services Limited	07730835
St. James's Place Corporate Secretary Limited	09131866
St. James's Place DFM Holdings Limited	09687687
St. James's Place International Distribution Limited	08798683
St. James's Place Nominees Limited	08764214
Technical Connection Limited	03178474
Tring Financial Management Limited	05487108
Virtue Money Limited	SC346827

8. Directors' emoluments

The Directors' responsibilities relate primarily to the trading companies of the Group and accordingly their costs are charged to those companies and none are met by the Parent Company. Disclosure of the Directors' emoluments is made within the Directors' remuneration report.

9. Company information

In the opinion of the Directors there is not considered to be any ultimate controlling party. Copies of the consolidated financial statements of St. James's Place plc may be obtained from the Company Secretary, St. James's Place plc, St. James's Place House, 1 Tetbury Road, Cirencester, Gloucestershire GL7 1FP, United Kingdom.



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39%

of parents expect they will have to bear the financial costs of any childcare for potential grandchildren

→ Find out more about the value of financial advice on page 09

→ Find out more in our Real Life Advice Report sjp.co.uk/real-life-advice

Real advice that gave Maggie the confidence to handle her family's wealth

When Maggie was widowed tragically young, she found herself making decisions that would impact the financial security of the whole family. Maggie's SJP Partner, Lee, helped her protect her wealth and gave her the confidence to spend, as well as save and invest.

→ Watch and read Maggie's and other stories sjp.co.uk/client-stories

Shareholder information

Analysis of shareholder holdings as of 31 December 2025

Analysis by number of shares	Holders	Percentage	Shares held	Percentage
1–999	1,787	49.26%	610,922	0.12%
1,000–9,999	1,244	34.29%	3,610,349	0.68%
10,000–99,999	309	8.52%	10,813,648	2.05%
100,000 and above	288	7.93%	512,077,216	97.15%
	3,628	100.00%	527,112,135	100.00%

2026 financial calendar

Ex-dividend date for 2025 final dividend	26 March 2026
Record date for 2025 final dividend	27 March 2026
Announcement of first-quarter new business	29 April 2026
Annual General Meeting	30 April 2026
Payment date for 2025 final dividend	8 May 2026
Announcement of half-year results and second-quarter new business	29 July 2026
Ex-dividend date for 2026 interim dividend	6 August 2026
Record date for 2026 interim dividend	7 August 2026
Payment date for 2026 interim dividend	18 September 2026
Announcement of third-quarter new business	29 October 2026

The above dates are subject to change and further information on the 2026 financial calendar can be found on the shareholders section of the Company's website, at sjp.co.uk/financial-calendar.

Dividend Reinvestment Plan

If you would prefer to receive new shares instead of cash dividends, please complete a Dividend Reinvestment Plan (DRIP) form, which is available from our Registrars, Computershare Investor Services PLC. Their contact details are overleaf.

Dividend mandate

Shareholders can arrange to have their dividends paid directly into their bank or building society account by completing a bank mandate form. The advantages to using this service are: the payment is more secure than sending a cheque through the post; it avoids the inconvenience of paying in a cheque; and it reduces the risk of lost, stolen or out-of-date cheques. A mandate form can be obtained from Computershare or you will find one on the reverse of your last dividend confirmation.

Share dealing

A postal and web-based dealing service has been established with the Registrars, Computershare Investor Services PLC, which provides shareholders with a simple way of buying and selling St. James's Place plc shares on the London Stock Exchange. Further information about share dealing services can be obtained by logging on to: www-uk.computershare.com/Investor/#ShareDealingInfo.

Electronic communications

If you would like to have access to shareholder communications such as the Annual Report and Accounts and the Notice of Annual General Meeting through the internet rather than receiving them by post, please register at www.investorcentre.co.uk/ecomms.

How to contact us and our advisers

How to contact us

Registered office

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1 Tetbury Road
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Tel: 01285 640302

sjp.co.uk

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Chief Executive Officer

Mark FitzPatrick
Email: ceooffice@sjp.co.uk

Chief Financial Officer

Caroline Waddington
Email: cfooffice@sjp.co.uk

Company Secretary

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Registrar and transfer office

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www.investorcentre.co.uk/contactus

Independent auditors

PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors
2 Glass Wharf
Bristol
BS2 0FR

Brokers

Citigroup Global Markets Limited

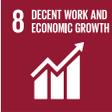
33 Canada Square
Canary Wharf
London
E14 5LB

Morgan Stanley & Co. International plc

25 Cabot Square
Canary Wharf
London
E14 4QA

Aligning our progress with recognised frameworks

We want to make it easy for all our stakeholders to understand the work we are doing and how we are measuring our performance. We align our approach to key external frameworks which help broaden our impact. Since 2018, we aligned to the United Nations Sustainable Development Goals (UNSDGs) as a blueprint to achieve a better and more sustainable future for all. Within our responsible business framework, our material topics each contribute to progress against these goals. We believe we can have the greatest impact on the six UNSDGs listed below.

SDG	Our promise and progress	SDG	Our promise and progress
 <p>Target 4.4 By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills for employment, decent jobs and entrepreneurship.</p>	<p>Our promise</p> <p>To improve money management in the next generation by supporting schools and other organisations to deliver financial education to children and young people. Alongside this, we aim to provide our advisers with the resources and knowledge to teach financial education in their local community.</p> <p>To provide relevant financial skills and education to our clients to empower them to realise bolder ambitions.</p> <p>Our progress</p> <p>In 2025, we were delighted to donate £500,000 of unclaimed dividends to the SJP Charitable Foundation. This funding will primarily focus on supporting disadvantaged individuals and communities with their financial wellbeing over the next three years. This reflects our ongoing commitment to financial wellbeing and belief in its positive wider societal impact. We also continued our support of MoneyReady's longitudinal study on the impact of embedding financial education into the national curriculum.</p> <p>Our collaboration with key industry leaders including The Investing and Saving Alliance (TISA), and the Money and Pensions Service (MaPS), has enabled us to be part of influencing policy, with the addition of FE into the primary school curriculum, and support FE resource development.</p>	 <p>Target 8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.</p>	<p>Our promise</p> <p>To invest in our employees through training and development.</p> <p>To increase the aspirations of young people by working with schools and charities to support employability and provide positive work experiences. To support social mobility diversity in financial services, we actively seek to support disadvantaged young people into financial services careers.</p> <p>Our progress</p> <p>We continue to empower employees to grow their career through our in-house learning platform. Our Learning and Development Content Design team focuses on making our learning content accessible to all by conducting accessibility audits. We remain an accredited Real Living Wage employer and conduct periodic equal pay reviews to ensure that we are paying employees doing like-for-like roles equally. We are a Disability Confident employer and were reaccredited with Leader status in 2023. We are focused on attracting diverse talent into our early careers pool and this year refreshed our early careers strategy to extend awareness of our programmes. We also continued to support a mentoring programme, with the Aleto Foundation, for young talent from either ethnically diverse or lower socio-economic backgrounds.</p>
 <p>Target 5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life.</p>	<p>Our promise</p> <p>To ensure equal opportunities for women through our diversity, equity and inclusion programmes and by ensuring we align to national commitments.</p> <p>Our progress</p> <p>We reached 44.4% female representation on the Board and 42.5% senior female representation this year. We continued our commitment to supporting female development by facilitating the 30% Club cross-sector mentoring programme. We offered 20 mentors and matched 20 female mentees with mentors outside of the company. We extended our mandatory Equality Act training beyond our employees, to our Partnership of advisers and their support staff. This ensures clarity on our expectations in relation to this. Our female experience working group remains a key forum for us to listen to their lived experiences as we work to address the challenges identified. This year the group also reviewed our family-friendly policies and supported employees returning to work. We continue to work on reducing our gender pay gap. Our Pay Gap Report is hosted on our website.</p>	 <p>Target 9.2 Promote inclusive and sustainable industrialisation and, by 2030, significantly raise industry's share of employment and gross domestic product, in line with national circumstances, and double its share in least developed countries.</p>	<p>Our promise</p> <p>To encourage responsible practice among our suppliers and investment managers in the areas of environmental impact, societal impact and governance.</p> <p>To support our Partner practices in operating responsibly and aligning to national standards.</p> <p>Our progress</p> <p>We continue to highlight sustainability considerations in our due diligence, in conversations with our suppliers and outsourcers, and within our investment management approach. Where possible, we aim to procure through small, local suppliers to support our communities.</p> <p>This year we have streamlined our due diligence process to ensure efficiencies for all parties. We have engaged directly with some of our largest suppliers, continuing meaningful conversations around long-term sustainability aspirations including carbon emissions and net zero transition plan disclosures. We also ran a carbon accounting pilot with a small group of Partner practices, allowing them to see their individualised estimated carbon emissions and receive recommendations on how to effectively reduce their carbon footprint.</p>

Aligning our progress with recognised frameworks continued

SDG	Our promise and progress
 <p>Target 10.2 By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.</p>	<p>Our promise To support the St. James's Place Charitable Foundation, through funding and volunteering, as its grants support charities that reduce social inequality and promote economic inclusion.</p> <p>To support employability programmes throughout our business.</p> <p>Our progress In 2025, the SJP community raised £6.7 million for the SJP Charitable Foundation. The Charitable Foundation distributed £5.9 million to 755 charities during the year to support inclusion and social mobility. In addition, a further £4.4 million was pledged to support ongoing service delivery, embedding and developing services over the next three years.</p> <p>We continued to build on our inclusion and employability partnerships, through the Diversity Project, LGBT Great, Stonewall, GAIN, Career Returners, the Aleto Foundation, Progress Together, the Business Disability Forum, Disability Confident, RARE recruitment and MyGwork.</p>
 <p>Target 13.2 Integrate climate change measures into national policies, strategies and planning.</p>	<p>Our promise To control and reduce our environmental impact and promote sustainable business practices.</p> <p>Our progress We remain committed to our Group net zero by 2050 goal, and launched new 2030 interim targets this year for our combined Scope 1 and Scope 2 emissions, plus for our investments. In 2025, our Scope 1 emissions fell by 31% and our Scope 2 (market-based) emissions decreased by 14%. These were mainly driven by our targeted efforts to reduce our reliance on natural gas and introduce energy efficiency measures in our offices. The carbon intensity of our investment portfolio also continues to improve, now down over 37.5%¹ compared to our baseline year (2019).</p>

¹ This metric covers 82.4% of our overall FUM as at 31 December 2025. 82.4% represents the total market value of the funds considered in the reduction of weighted average carbon intensity calculations, expressed as a proportion of the total AUM for SJP's core fund range. This includes all funds investing predominantly in equity and debt for listed corporates, as well as third-party funds held within funds of funds.

Memberships and partnerships

We collaborate with external initiatives for guidance on various sustainability issues. This has influenced our investment strategy, engagement activities, colleague education, and the assessment of our overarching responsible business goals. We are proud members and supporters of many organisations advancing positive change, including climate change mitigation, as displayed below.



Signatory of:



Signatory of



ESG ratings disclaimer statements

Sustainalytics

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Aligning our progress with recognised frameworks continued

We are pleased to continue to align our responsible business reporting to the Sustainability Accounting Standards Board (SASB) framework for our industry. The standards offer a consistent method of reporting and we engage with the framework for the benefit of all our stakeholders, sharing sustainability data in a consistent and transparent way. Given our focus on wealth management we have responded to the reporting standards under the Asset Management & Custody Activities.

Topic	Accounting metric	2025 status	Code
Transparent information & fair advice for customers	(1) Number and (2) percentage of covered employees with a record of investment-related investigations, consumer-initiated complaints, private civil litigations, or other regulatory proceedings	We publish complaints data half-yearly and this can be found on our website at sjp.co.uk/individuals/help-centre/make-complaint . We do not currently publish further information.	FN-AC-270a.1
	Total amount of monetary losses as a result of legal proceedings associated with marketing and communication of financial-product-related information to new and returning customers	We do not currently publish this, however any losses are not material in the overall context of SJP's financial results.	FN-AC-270a.2
	Description of approach to informing customers about products and services	We aim to support our clients' understanding of our products and services, through their adviser relationship, or information available to them, enabling them to make informed decisions in line with regulatory requirements. The FCA's Consumer Duty further strengthens expectations across the industry. We welcome the FCA's approach and continue to embed robust practices that prioritise good client outcomes across the Group. All clients can access a range documents and wider information on our website.	FN-AC-270a.3
Employee diversity and inclusion	Percentage of gender and racial/ethnic group representation for (1) executive management, (2) non-executive management, (3) professionals, and (4) all other employees	This data breakdown can be found on in the Our Responsible Business section.	FN-AC-330a.1
Incorporation of environmental, social and governance factors in investment management and advisory	Amount of assets under management, by asset class, that employ (1) integration of environmental, social and governance (ESG) issues, (2) sustainability-themed investing, and (3) screening	1. 100% of our manufactured funds employ some degree of ESG integration. All of our investment managers must meet our minimum standard of being a Principles of Responsible Investment signatory. We believe integration is the consideration of ESG risk and opportunity, but we do not rely upon divestment other than in extreme circumstances. 2. £4.1 billion (Sustainable and Responsible Equity Fund). 3. Our preference is for engagement over divestment wherever possible due to compelling evidence for this being the best means of driving positive change. However, we do we have an exclusions policy which covers all of our manufactured funds, where applicable. Our exclusions policy can be found on our website at sjp.co.uk/responsibleinvesting .	FN-AC-410a.1
	Description of approach to incorporation of environmental, social and governance (ESG) factors in investment and/or wealth management processes and strategies	As outlined in the Our Responsible Business section responsible investing can be an important component in creating long-term value for our clients. Our approach to responsible investing can be found on our website at sjp.co.uk/responsibleinvesting .	FN-AC-410a.2
	Description of proxy voting and investee engagement policies and procedures	Details on proxy voting and investee engagement policies and procedures are publicly disclosed in our: ◆ Stewardship and Engagement Report ◆ Stewardship, engagement and shareholder voting policy. These and further statements can be found on our website at sjp.co.uk/responsibleinvesting .	FN-AC-410a.3

Aligning our progress with recognised frameworks continued

Sustainability Accounting Standards Board continued

Topic	Accounting metric	2025 status	Code
Business ethics	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behaviour, market manipulation, malpractice, or other related financial industry laws or regulations	<p>Fraud: There have been no losses that fall within the definition of 'legal proceedings' outlined in the SASB criteria. We hold data on monetary loss in respect of fraud, but this is categorised as a 'loss' due to our corporate decision to reimburse our clients for any losses suffered depending on the root cause of the fraud. The frauds we reimburse generally materialise because of a breakdown in SJP's control environment as a result of a mistake by an adviser or premeditated intent. This data is not disclosed publicly. See more detail on our approach to anti-bribery, corruption and fraud in the Report of the Group Audit Committee and the Our Responsible Business section.</p> <p>Malpractice: We currently hold data on the monetary losses accrued in respect of claims brought against SJP by clients for negligent financial advice provided to clients by our advisers. We do not disclose this publicly, and these amounts are not material in the overall context of SJP's financial results. We are progressing our significant programme of work to review historic client servicing records. More information can be found in the Chief Executive Officer's and Chief Financial Officer's reports. We are not currently aware of any litigation in relation to anti-trust, anti-competitive behaviour or market manipulation that we would be required to disclose.</p> <p>Insider trading: There have been no losses as a result of insider trading claims.</p>	FN-AC-510a.1
	Description of whistleblowing policies and procedures	Whistleblowing is discussed in the Report of the Group Audit Committee and the Our Responsible Business section. Further details can be found in our Speak Up Policy, which is available to members of our internal community through the SJP intranet and, for external parties, can be found on our website at sjp.co.uk/corporate-governance .	FN-AC-510a.2
Activity	Total assets under management (AUM)	£220.0 billion The majority of AUM is retail unit trusts authorised by the FCA in the UK, with the balance primarily being insurance company assets.	FN-AC-000.A
	Total assets under custody and supervision	Our closing 2025 funds under management stood at £220.0 billion.	FN-AC-000.B
Financed emissions	Absolute gross financed emissions, disaggregated by (1) Scope 1, (2) Scope 2 and (3) Scope 3	Our total absolute gross financed emissions are 112,829,393 tCO ₂ e. We currently disaggregate this as combined Scope 1&2: 11,833,538 tCO ₂ e, and Scope 3: 100,995,855 tCO ₂ e.	FN-AC-410b.1
	Total amount of assets under management (AUM) included in the financed emissions disclosure	£171.4 billion	FN-AC-410b.2
	Percentage of total assets under management (AUM) included in the financed emissions calculation	In 2025 this is 82.8% of AUM. This 82.8% reflects the percentage of net asset value of the funds included in our total financed emissions, measured as a proportion of the total AUM for our core fund range. This covers all funds investing predominantly in equity and debt for listed corporates but excludes the third-party funds held within funds of funds.	FN-AC-410b.3
	Description of the methodology used to calculate financed emissions	We use carbon emissions data provided by MSCI. Emissions from our investments are calculated by allocating emissions to us based on how much of the company our funds own. We follow the Partnership for Carbon Accounting Financials (PCAF) guidance for our financed emissions calculations.	FN-AC-410b.4

Full emissions disclosure

Category	Scope	2024/25	2023/24 ⁴	2022/23 (baseline) ⁴
Scope 1	Natural gas	302	507	500
	Company vehicles	28	84	71
	Other fuels	–	6	2
	Total Scope 1 emissions (tCO ₂ e)	330	597	573
Scope 2	Scope 2 (location-based) emissions (tCO ₂ e)	1,175	1,761	1,497
	Scope 2 (market-based) emissions (tCO ₂ e)	731	852	689
Scope 3	Category 1: Purchased goods & services ¹	124,288	143,796	135,622
	Category 2: Capital goods	4,017	4,222	8,240
	Category 3: Fuel- and energy-related activities	493	677	577
	Category 5: Waste generated in operations	53	40	46
	Category 6: Business travel	2,548	5,942	6,808
	Category 7: Employee commuting ²	1,483	1,754	1,470
	Category 15: Investments ³	11,860,924	10,394,073	15,295,929
	Total Scope 3 emissions (tCO ₂ e) above	11,993,806	10,550,504	15,448,692
Total⁴	Total emissions above (location-based) (tCO₂e)	11,995,311	10,552,862	15,450,762
	Total emissions above (market-based) (tCO₂e)	11,994,867	10,551,953	15,449,954

- Category 1 emissions have been restated for 2022/23 (from 68,383 to 135,622) and 2023/24 (from 74,289 to 143,796) to include emissions from our investment managers and Partnership of financial advisers.
- Category 7 emissions have been reported for the first time this year, which includes figures for 2022/23 and 2023/24.
- Category 15 emissions have been restated for 2022/23 (from 43,723 to 15,295,929) and 2023/24 (from 42,237 to 10,394,073) to follow the revised methodology used this year. This now accounts for our financed emissions in addition to emissions from our investment properties, which provides a more complete picture of the impact of our portfolio. Our financed emissions figure is calculated excluding real estate and DFM assets and covers 82.8% of AUM.
- Total emissions have been restated to reflect the specific changes in footnotes 1-3 above.

Absolute emissions targets

We remain committed to achieving net zero as a Group by 2050. This year, we set the below interim target for 2030 as an important part of that journey. This replaces our previous Scope 1 and 2 targets, which expired in 2025. For more details about our expired targets, please see the Appendix section of our [Climate Report 2025](#).

ID	Scope	Description	% of emissions in scope	% decrease from base year	Base year	Base year emissions	Target year
Abs4	Scope 1 and Scope 2	65% combined reduction in absolute emissions	100%	65%	2023	1,262	2030

Progress against absolute emissions targets

The table below shows our progress against our new 2030 interim target.

ID	Scope	Actual emissions in year (tonnes CO ₂ e)	% of target achieved	Comment
Abs4	Scope 1 and Scope 2	1,061	16%	Absolute Scope 1 emissions fell by 44.7% this year, with Scope 2 (market-based) emissions decreasing by 14.2%. These reductions were supported by our targeted energy efficiency initiatives, which we aim to continue in 2026.

Normalised emissions

Scope	Normalised emissions in prior year (tonnes CO ₂ e per '000 sq ft)	Normalised emissions in current year (tonnes CO ₂ e per '000 sq ft)	Comment
1	0.95	0.63	Our normalised emissions show our emissions intensity relative to the size of our estate. Normalised Scope 1 emissions and operational Scope 3 emissions (that is, excluding investments and supply chain) improved this year. This encouragingly reflects emissions reductions across various aspects of our operations. In particular, business travel emissions fell considerably and we continued to reduce our reliance on natural gas. Unfortunately, our normalised Scope 2 emissions increased marginally this year. However, we hope to bring Scope 2 emissions intensity back on track in 2026. We aim to achieve this through the renewable energy Power Purchase Agreement implemented across ten of our offices in Q4 2025.
2 (market-based)	1.36	1.39	
3	10.61	5.88	

Glossary of alternative performance measures

Within the Annual Report and Accounts various alternative performance measures (APMs) are disclosed.

An APM is a measure of financial performance, financial position or cash flows which is not defined by the relevant financial reporting framework, which for the Group is International Financial Reporting Standards as adopted by the UK (adopted IFRSs). APMs are used to provide greater insight into the performance of the Group and the way it is managed by the Directors. The tables below defines each APM, explains why it is used and, if applicable, details where the APM has been reconciled to IFRS:

Financial-position-related APMs

APM	Definition	Why is this measure used?	Reconciliation to the financial statements
Solvency II net assets	<p>Based on IFRS Net Assets, but with the following adjustments:</p> <ol style="list-style-type: none"> Adjustment to remove the matching client assets and the liabilities as these do not represent shareholder assets. Reflection of the recognition requirements of the Solvency II regulations for assets and liabilities. In particular this removes deferred acquisition costs (DAC), deferred income (DIR), purchased value of in-force (PVIF) and their associated deferred tax balances, other intangibles and some other small items which are treated as inadmissible from a regulatory perspective. <p>No adjustment is made to deferred tax, except for that arising on DAC, DIR and PVIF, as this is treated as an allowable asset in the Solvency II regulation.</p> <p>Solvency II net assets is not the same as Solvency II own funds as it excludes Solvency II value of in-force (VIF) and risk margin.</p>	Our ability to satisfy our liabilities to clients, and consequently our solvency, is central to our business. By removing the liabilities which are fully matched by assets, this presentation allows the reader to focus on the business operation. It also provides a simpler comparison with other wealth management companies.	Refer to page 211.
EEV net asset value (NAV) per share	EEV NAV per share is calculated as the EEV net assets divided by the year-end number of ordinary shares.	Total embedded value provides a measure of total economic value of the Group, and assessing the EEV NAV per share allows analysis of the overall value of the Group by share.	Not applicable.
IFRS NAV per share	IFRS NAV per share is calculated as the IFRS net assets divided by the year-end number of ordinary shares.	Total IFRS net assets provides a measure of value of the Group, and assessing the IFRS NAV per share allows analysis of the overall value of the Group by share.	Not applicable.

Glossary of alternative performance measures continued

Financial-performance-related APMs

APM	Definition	Why is this measure used?	Reconciliation to the financial statements
Cash result and Underlying cash result	<p>The Cash result is defined as the movement between the opening and closing Solvency II net assets adjusted as follows:</p> <ol style="list-style-type: none"> 1. The movement in deferred tax is excluded, except that in relation to the exceptional Ongoing Service Evidence provision; 2. The movements in goodwill and other intangibles are excluded; and 3. Other changes in equity, such as dividends paid in the year and equity-settled share option costs, are excluded. <p>The Underlying cash result reflects the regular emergence of cash from the business, excluding any items of a one-off nature and temporary timing differences.</p> <p>The Cash result reflects all other cash items, including items of a one-off nature and temporary timing differences.</p> <p>Neither the Cash result nor the Underlying cash result should be confused with the IFRS consolidated statement of cash flows, which is prepared in accordance with IAS 7.</p>	<p>IFRS income statement methodology recognises non-cash items such as deferred tax. By contrast, dividends can only be paid to shareholders from appropriately fungible assets. The Board therefore uses the Cash results to monitor the level of cash generated by the business.</p> <p>While the Cash result gives an absolute measure of the cash generated in the year, the Underlying cash result is particularly useful for monitoring the expected long-term rate of cash emergence, which supports dividends and sustainable dividend growth.</p>	Refer to page 28 and also see Note 3 to the consolidated financial statements.
Underlying cash basic and diluted earnings per share (EPS)	These EPS measures are calculated as Underlying cash divided by the number of shares used in the calculation of IFRS basic and diluted EPS.	As Underlying cash is the best reflection of the cash generated by the business, Underlying cash EPS measures allow analysis of the shareholder cash generated by the business by share.	Not applicable.
EEV profit	<p>A discounted cash flow valuation methodology, assessing the long-term economic value of the business.</p> <p>Our embedded value is determined in line with the EEV principles originally set out by the Chief Financial Officers (CFO) Forum in 2004, and amended for subsequent changes to the principles, including those published in April 2016, following the implementation of Solvency II.</p>	Both the IFRS and Cash results reflect only the cash flows in the year. However, our business is long-term, and activity in the year can generate business with a long-term value. We therefore believe it is helpful to understand the full economic impact of activity in the year, which is the aim of the EEV methodology.	See Note 3 to the consolidated financial statements.
EEV operating profit	<p>The EEV operating profit reflects the EEV profit with an adjustment to strip out the impact of stock market and other economic effects during the year.</p> <p>Within EEV operating profit is new business contribution, which is the change in embedded value arising from writing new business during the year.</p>	Within the EEV, many of the future cash flows derive from fund charges, which change with movements in stock markets. Since the impact of these changes is typically unrelated to the performance of the business, we believe that the EEV operating profit (reflecting the EEV profit, adjusted to reflect only the expected investment performance and no change in economic basis) provides the most useful measure of embedded value performance in the year.	See Note 3 to the consolidated financial statements.
Policyholder and shareholder tax	<p>Shareholder tax is estimated by making an assessment of the effective rate of tax that is applicable to the shareholders on the profits attributable to the shareholders. This is calculated by applying the appropriate effective corporate tax rates to the shareholder profits.</p> <p>The remainder of the tax charge represents tax on policyholders' investment returns.</p> <p>This calculation method is consistent with UK legislation relating to the calculation of the tax on shareholders' profits.</p>	<p>The UK tax regime facilitates the collection of tax from life insurance policyholders by making an equivalent charge within the corporate tax of the Company. The total tax charge for the insurance companies therefore comprises both this element and an element more closely related to normal corporation tax.</p> <p>Life insurance business impacted by this tax typically includes policy charges which align with the tax liability, to mitigate the impact on the corporate entity. As a result, when policyholder tax increases, the charges also increase. Since these offsetting items can be large, and typically do not perform in line with the business, it is beneficial to be able to identify the two elements separately. We therefore refer to that part of the overall tax charge which is deemed attributable to policyholders as policyholder tax, and the rest as shareholder tax.</p>	Disclosed as separate line items in the statement of comprehensive income.

Glossary of alternative performance measures continued

APM	Definition	Why is this measure used?	Reconciliation to the financial statements
Profit before shareholder tax	A profit measure which reflects the IFRS result adjusted for policyholder tax, but before deduction of shareholder tax. Within the consolidated statement of comprehensive income the full title of this measure is 'profit before tax attributable to shareholders' returns'.	The IFRS methodology requires that the tax recognised in the financial statements should include the tax incurred on behalf of policyholders in our UK life assurance company. Since the policyholder tax charge is unrelated to the performance of the business, we believe it is also useful to separately identify the profit before shareholder tax, which reflects the IFRS profit before tax, adjusted only for tax paid on behalf of policyholders.	Disclosed as a separate line item in the statement of comprehensive income.
Controllable expenses	The total of expenses which reflects establishment, development, and our Academy.	We are focused on managing long-term growth in controllable expenses.	Full details of the breakdown of expenses is provided in the databook sjp.co.uk/full-year-results-2025-databook .

Change in APM disclosures

As part of the simplification of our financial reporting, we have moved most European Embedded Value (EEV)-based APMs out of the Annual Report & Accounts and into the databook, which is available here: sjp.co.uk/full-year-results-2025-databook.

Supplementary information: Cash result

Included below is further information on the Cash result alternative profit measure.

Reconciliation of Cash result to IFRS profit before shareholder tax

The Cash result reconciles to IFRS profit before shareholder tax, as presented in section 2.1 of the financial review, as follows:

	Year ended 31 December 2025		Year ended 31 December 2024	
	Before shareholder tax	After tax	Before shareholder tax	After tax
	£'Million	£'Million	£'Million	£'Million
Underlying cash result	596.6	462.3	580.9	447.2
Ongoing Service Evidence provision release	109.5	82.1	–	–
Cash result	706.1	544.4	580.9	447.2
Movements in DAC, DIR and PVIF	46.8	35.2	0.5	(0.1)
Impact of policyholder tax asymmetry	(35.4)	(35.4)	(38.9)	(38.9)
Equity-settled share-based payments	(19.2)	(19.2)	(11.2)	(11.2)
Impact of deferred tax	–	8.0	–	(9.0)
Other	(1.6)	(1.6)	4.6	10.4
IFRS profit	696.7	531.4	535.9	398.4

Movements in DAC, DIR and PVIF is the amortisation of upfront expenses incurred, and income received which IFRS requires to be deferred. DAC, DIR and PVIF represent timing differences between the recognition of income and expenses and the cash being received or paid. Further information can be found in the databook available on our website sjp.co.uk/full-year-results-2025-databook.

The **impact of policyholder tax asymmetry** is a temporary effect caused by asymmetries between fund tax deductions and the policyholder tax due to HMRC. Movement in the asymmetry can be significant in volatile markets.

Equity-settled share-based payments represent the expense associated with a number of equity-settled share schemes across the Group.

The **impact of deferred tax** is the recognition in the Cash result of the benefit from realising tax relief on various items including share options, capital allowances and deferred expenses. These have already been recognised under IFRS through the establishment of deferred tax assets. More information can be found in Note 10 to the IFRS consolidated financial statements.

Other represents a number of small items, including the removal of other intangibles and the difference between the lease expense recognised under IFRS 16 Leases and lease payments made.

The Cash result is derived from the IFRS consolidated statement of financial position in a two-stage process:

Stage 1: Solvency II Net Assets Balance Sheet

Firstly, the IFRS consolidated statement of financial position is adjusted to remove policyholder assets and liabilities, and non-cash 'accounting' balances such as DIR, DAC and associated deferred tax. The result of these adjustments is the Solvency II Net Assets Balance Sheet. The way this reconciles to the IFRS consolidated statement of financial position at 31 December 2025 is shown below.

	31 December 2025				31 December 2024	
	IFRS Balance Sheet	Adjustment 1	Adjustment 2	Solvency II Net Assets Balance Sheet	Solvency II Net Assets	
	£'Million	£'Million	£'Million	£'Million	£'Million	
Note						
Assets						
Goodwill	18.5	–	(18.5)	–	–	
Deferred acquisition costs	284.1	–	(284.1)	–	–	
Intangible assets	8.1	–	(8.1)	–	–	
Property and equipment, including leased assets	122.3	–	–	122.3	134.0	
Investment property	370.3	(370.3)	–	–	–	
Deferred tax assets	10.2	–	(10.0)	0.2	0.1	
Investment in associates	24.0	–	–	24.0	21.9	
Reinsurance assets	11.7	–	(2.9)	8.8	10.7	
Other receivables	2,861.6	(871.4)	(2.9)	1,987.3	1,867.4	
Financial investments	212,073.5	(209,659.5)	–	2,414.0	2,202.9	
Derivative financial assets	2,908.7	(2,908.7)	–	–	–	
Cash and cash equivalents	6,184.5	(5,854.9)	–	329.6	352.6	
Total assets	224,877.5	(219,664.8)	(326.5)	4,886.2	4,589.6	
Liabilities						
Borrowings	341.5	–	–	341.5	516.8	
Deferred tax liabilities	966.2	–	13.8	980.0	690.1	
Insurance contract liabilities	566.2	(512.0)	(35.8)	18.4	14.3	
Deferred income	421.6	–	(421.6)	–	–	
Other provisions	298.4	–	–	298.4	460.3	
Other payables	2,655.3	(1,029.2)	(15.2)	1,610.9	1,445.4	
Investment contract benefits	163,728.7	(163,728.7)	–	–	–	
Derivative financial liabilities	2,412.1	(2,412.1)	–	–	–	
Net asset value attributable to unit holders	51,982.8	(51,982.8)	–	–	–	
Income tax liabilities	25.9	–	–	25.9	22.1	
Total liabilities	223,398.7	(219,664.8)	(458.8)	3,275.1	3,149.0	
Net assets	1,478.8	–	132.3	1,611.1	1,440.6	

Supplementary information: Cash result continued

Adjustment 1 strips out policyholder assets and liabilities, to present solely shareholder-impacting balances.

Adjustment 2 removes items such as DAC, DIR, PVIF and their associated deferred tax balances from the IFRS statement of financial position to bring it in line with Solvency II recognition requirements.

Stage 2: Movement in Solvency II Net Assets Balance Sheet

After the Solvency II Net Assets Balance Sheet has been determined, the second stage in the derivation of the Cash result identifies a number of movements in that balance sheet which do not represent cash flows for inclusion within the Cash result. The following table explains how the overall Cash result reconciles to the total movement.

	Year ended 31 December 2025	Year ended 31 December 2024
	£'Million	£'Million
Opening Solvency II net assets	1,440.6	1,133.0
Dividend paid	(96.5)	(76.8)
Issue of share capital and exercise of options	1.5	–
Consideration paid for own shares	(61.3)	(9.5)
Current tax on DAC/DIR	(8.8)	–
Change in deferred tax	7.5	(9.6)
Impact of policyholder tax asymmetry	(35.4)	(38.9)
Change in goodwill, intangibles and other non-cash movements	8.3	28.3
Shares repurchased in buy-back programmes	(189.2)	(33.1)
Cash result	544.4	447.2
Closing Solvency II net assets	1,611.1	1,440.6

Glossary of terms

Administration platform, also Bluedoor

A client-centric administration system, which has been developed in conjunction with our third-party outsourced administration provider, SS&C Technologies, Inc. (SS&C). The system is owned by SS&C.

Adviser or financial adviser

An individual who is authorised by an appropriate regulatory authority to provide financial advice. In the UK our advisers are authorised by the FCA.

Chief Operating Decision-Maker (CODM)

The Group Executive Committee (GEC) of the Board, which is responsible for allocating resources and assessing the performance of the operating segments.

Client numbers

The number of individuals who have received advice from a St. James's Place Partner and own a St. James's Place wrapper.

Company

The Company refers to St. James's Place plc, which is also referred to as 'St. James's Place' and 'SJP' throughout the Annual Report and Accounts.

Controllable expenses

The total of expenses which reflects establishment, development, and our Academy.

Core employees

Employees of the main employing entity in the UK, St. James's Place Management Services.

Deferred acquisition costs (DAC)

An intangible asset required to be established through the application of IFRS to our long-term business. The value of the asset is equal to the amount of all costs which accrue in line with new business volumes. The asset is amortised over the expected lifetime of the business.

Deferred income (DIR)

Deferred income, which arises from the requirement in IFRS that initial charges on long-term financial instruments should only be recognised over the lifetime of the business. The initial amount of the balance is equal to the charge taken.

Discretionary fund management (DFM)

A generic term for a form of investment management in which buy and sell decisions are made (or assisted) by a portfolio manager for a client's account. Within St. James's Place, the services provided by SJP Investment Management (formerly Rowan Dartington) (including discretionary fund management and stockbroking) are collectively referred to as discretionary fund management, distinguishing them from the services provided by our Partners and from our investment management approach (IMA).

Environmental, social and governance (ESG)

A framework used to assess how organisations manage risks and opportunities relating to environmental, social and governance factors.

European Embedded Value (EEV)

EEV reflects the fact that the expected shareholder income from the sale of wealth management products emerges over a long period of time, by bringing into account the net present value of the expected future cash flows. EEV is calculated in accordance with the EEV principles originally issued in May 2004 by the Chief Financial Officers Forum (CFO Forum), supplemented in both October 2005 and, following the introduction of Solvency II, in April 2016.

Financial Conduct Authority (FCA)

The FCA is a company limited by guarantee and is independent of the Bank of England. It is a UK Government regulator and is responsible for the conduct of business regulation of all firms (including those firms subject to prudential regulation by the Prudential Regulation Authority (PRA)) and the prudential regulation of all firms not regulated by the PRA. The FCA has three statutory objectives: securing an appropriate degree of protection for consumers, protecting and enhancing the integrity of the UK financial system, and promoting effective competition in the interests of consumers.

Financial Services Compensation Scheme (FSCS)

The FSCS is the UK's statutory compensation scheme for customers of authorised financial services firms. This means that the FSCS can pay compensation if a firm is unable, or is likely to be unable, to pay claims against it. The FSCS is an independent body, set up under the Financial Services and Markets Act 2000, and funded by a levy on 'authorised financial services firms'. The scheme covers deposits, insurance policies, insurance brokering, investments, mortgages and mortgage arrangement.

Free liquidity held at Group centre

The liquidity held within St. James's Place Partnership Services Limited and St. James's Place Management Services Limited which is not set aside to cover specific items needed to run the business.

Funds under management (FUM)

Represents all assets actively managed or administered by or on behalf of the Group, including all life insurance and unit trust assets, but not assets managed by third parties where we have only introduced or advised on the business. Assets managed by SJP Investment Management (formerly Rowan Dartington) count as FUM from the date of acquisition.

FUM retention rate

The proportion of FUM retained over the period after allowing for the effect of full and partial surrenders, but excluding the effect of intrinsic regular income withdrawals and maturity payments.

Glossary of terms continued

Gestation FUM

This represents FUM on which no ongoing product charges are taken. Under our previous charging structure, most of our investment bond and pension business enters a six-year gestation period following initial investment. Under our new charging structure, no new business flows into gestation. FUM which is not gestation FUM is known as mature FUM, which is defined later in this section.

Gross inflows

Total new funds under management accepted in the period.

Group

The term 'Group' refers to the Company together with its subsidiaries as listed in Note 26 to the consolidated financial statements.

Group Executive Committee (GEC)

The GEC comprises the Executive Directors of the Board and other members of senior management. It is via the GEC that operational matters are delegated to management. The GEC is responsible for communicating and implementing the Group's business plan objectives, ensuring that the necessary resources are in place in order to achieve those objectives, and managing the day-to-day operational activities of the Group.

International Financial Reporting Standards (IFRS)

These are accounting regulations issued by the International Accounting Standards Board (IASB) designed to ensure comparable preparation and disclosure of statements of financial position. The Group financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the UK (adopted IFRSs).

Investment business

This refers to onshore and offshore investment bond business written by the life insurance entities in the Group.

Investment management approach (IMA)

The IMA is how St. James's Place manages clients' investments. It is overseen by the St. James's Place Investment Committee, which empowers specialist internal investment teams – under the management of our Chief Investment Officer – to identify the third-party fund managers best placed to manage assets on our behalf. This involves detailed research and ongoing monitoring to ensure the highest of standards are met; and will, at times, result in the replacement of an incumbent fund manager.

Mature FUM

This represents FUM on which ongoing product charges are taken. All business written on our new charging structure flows into mature FUM from initial investment. However, most investment bond and pension business written on our previous charging structure only becomes mature FUM after a six-year gestation period, during which time it is known as gestation FUM.

Maturities

Those sums paid out where a plan has reached the intended, pre-selected, maturity event (e.g. retirement).

Net inflows

Net inflows are gross inflows less the amount of FUM withdrawn by clients during the same period. The net inflows are the growth in FUM not attributable to investment performance.

Policyholder and shareholder tax

The UK tax regime facilitates the collection of tax from life insurance policyholders by making an equivalent charge within the corporate tax of the Company. This part of the overall tax charge, which is attributable to policyholders, is called policyholder tax. The rest of the Company's tax liability is attributable to shareholders, so is known as shareholder tax.

Policyholder tax asymmetry

The financial statements of a life insurance group need to reflect the liability to HMRC and the corresponding deductions incorporated into policy charges. In particular, the tax liability to HMRC is assessed using IAS 12 Income Taxes, which does not allow discounting, whereas the policy charges are designed to ensure fair outcomes between clients and so reflect a wide range of possible outcomes.

This gives rise to different assessments of the current value of future cash flows and hence an asymmetry in the consolidated statement of financial position between the deferred tax position and the offsetting client balance. The net balance reflects a temporary position, and in the absence of market volatility we expect it will unwind as future cash flows become less uncertain and are ultimately realised. Movement in the asymmetry is recognised in the consolidated statement of comprehensive income and analysed in Note 4 Fee and commission income. We refer to it throughout this Annual Report and Accounts as the impact of policyholder tax asymmetry.

Prudential Regulation Authority (PRA)

The PRA is a part of the Bank of England and is responsible for the prudential regulation of deposit-taking institutions, insurers and major investment firms. The PRA has two statutory objectives: to promote the safety and soundness of these firms and, specifically for insurers, to contribute to the securing of an appropriate degree of protection for policyholders.

Purchased value of in-force (PVIF)

An intangible asset established on takeover or acquisition, reflecting the present value of the expected emergence of profits from a portfolio of long-term business. The asset is amortised in line with the emergence of profits.

Regular income withdrawals

Those amounts, pre-selected by clients, which are paid out by way of periodic income.

Glossary of terms continued

Responsible investment (RI)

Principles and practices that consider broader sustainability themes and specific environmental, social and corporate governance factors within the investment process.

Retirement Account (RA)

A St. James's Place pension product which incorporates both pre-retirement pension saving and post-retirement benefit receipts in the same investment product.

Solvency II

Insurance regulations designed to harmonise EU insurance regulation which became effective on 1 January 2016. The key concerns of the regulation are to ensure robust risk management in insurance companies and to use that understanding of risk to help determine the right amount of capital for UK and European insurance companies to hold to ensure their ongoing viability in all but the most severe stressed scenarios. Following the UK's withdrawal from the EU these regulations have been adopted by the UK.

SS&C Technologies, Inc. (SS&C)

A provider of investor and policyholder administration and technology services. SS&C is our third-party outsourced provider, responsible for the administration of our UK life insurance company SJPUK, our Irish life insurance company SJPI, our unit trust manager SJPUTG, our investment administration company SJPIA and our discretionary fund manager SJP Investment Management (formerly Rowan Dartington).

St. James's Place Charitable Foundation

The independent grant-making charity established at the same time as the Company in 1992. More information about the Charitable Foundation can be found on its website sjpfoundation.co.uk.

St. James's Place International plc (SJPI)

A life insurance entity in the Group which is incorporated in the Republic of Ireland.

St. James's Place Investment Administration Limited (SJPIA)

An entity in the Group which is responsible for unit trust administration and ISA management, which is incorporated in England and Wales.

St. James's Place Investment Management Limited (SJPIIM) (formerly Rowan Dartington & Co. Limited)

A wealth management business providing discretionary fund management and stockbroking services, acquired by St. James's Place in 2016.

St. James's Place Partner

A member of the St. James's Place Partnership. Specifically, the individual or business that is registered, on the relevant regulatory register, as an appointed representative of St. James's Place Wealth Management plc, St. James's Place (Hong Kong) Limited, St. James's Place (Middle East) Limited or St. James's Place (Singapore) Private Limited.

St. James's Place Partnership

The collective name for all of our advisers, who are appointed representatives of St. James's Place.

St. James's Place UK plc (SJPUK)

A life insurance entity in the Group which is incorporated in England and Wales.

St. James's Place Unit Trust Group Limited (SJPUTG)

An entity in the Group which is responsible for unit trust management, and which is incorporated in England and Wales.

St. James's Place Wealth Management plc (SJPWM)

The UK distribution entity within the Group, which is responsible for the St. James's Place Partnership and the advice it provides to clients. It is incorporated in England and Wales.

Surrenders and part-surrenders

Those amounts of money which clients have chosen to withdraw from their plan, which were not pre-selected regular income withdrawals or maturities.

SJP

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