

Internal Audit Department Charter

LAST REVISED: January 29, 2018

INTRODUCTION

Internal Audit will adhere to Institute of Internal Auditors' ("IIA") Mandatory Guidance, which includes the Core Principles for the Professional Practice of Internal Auditing, the Code of Ethics, the *International Standards for the Professional Practice of Internal Auditing* (the "Standards"), and the Definition of Internal Auditing.

Section 1000 of the IIA *Standards* requires the purpose, authority and responsibility of the internal audit activity to be formally defined in a charter and approved by the board.

The IIA defines internal auditing as an independent, objective, assurance and consulting activity designed to add value and improve an organization's operations. Internal auditing helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

PURPOSE

SEI Investments Company and its affiliates (the "Company") supports Internal Audit as an independent appraisal function to examine and evaluate its activities as a service to management, the corporate Audit Committee (the "Audit Committee") and regulated Subsidiary Boards of Directors (or their respective audit committees, as appropriate, collectively referred to as "Subsidiary Boards"). The objective of Internal Audit is to assist the Audit Committee and Subsidiary Boards in the effective discharge of their responsibilities as defined by the relevant charter or terms of reference, as appropriate. Internal Audit furnishes the Audit Committee and Subsidiary Boards with analyses, appraisals, recommendations, counsel and information concerning the activities reviewed and by promoting effective control and sound business practices.

ORGANIZATION

The Chief Audit Executive ("CAE") reports administratively to the Company's Operations Risk Committee ("ORC") and functionally to the Audit Committee, and is responsible for the development, review and modification of audit policies and procedures for the conduct of audits. Periodically, not less than annually, the CAE will submit to the ORC and the Audit Committee a report on Internal Audit activity, including a confirmation about the organizational independence of the Internal Audit activity. The CAE will also submit to the Subsidiary Boards a report on relevant Internal Audit activity annually, at a minimum.

AUTHORIZATION

Internal Audit has the authority to:

- Audit all parts of the Company;

- Have full and complete access to any of the organization's records, physical properties and personnel relevant to the performance of an audit; however, in no event shall any person have access to privileged and confidential attorney-client communications unless approved by legal counsel or the Audit Committee or Subsidiary Boards of the Company, as appropriate;
- Develop and recommend the annual audit plan for approval by the ORC and Audit Committee; and
- Determine the scope of each project in order to meet the objectives.

Internal Audit shall maintain the confidentiality of any information obtained during a periodic review. Internal Audit will make reasonable efforts to accommodate the Company's daily operations in scheduling and conducting reviews.

AUDIT SCOPE

The scope of internal auditing encompasses the examination and evaluation of the adequacy and effectiveness of governance, risk management and the organization's system of internal control with respect to the Company's operations, information technology and financial reporting. The scope of internal auditing includes:

- Reviewing the reliability and integrity of financial, information technology and operations information and the means used to identify, measure, classify and report such information;
- Reviewing and testing the adequacy of systems, policies, plans and procedures of the Company's operations, information technology, and financial reporting;
- Reviewing the means of safeguarding assets and, as appropriate, verifying the existence of such assets;
- Reviewing the systems established to ensure compliance with policies, plans, procedures, laws and regulations that could have significant impact on operations;
- Reviewing established systems of internal control to ascertain whether they are functioning effectively in order to achieve business objectives; and
- Reviewing the effectiveness and efficiency of governance, risk management and control processes.

Internal Audit may be asked to participate in non-assurance activities; however, Internal Audit is not a management decision-making function. Decisions to adopt or implement recommendations made as a result of an internal audit advisory service should be made by management. Therefore, Internal Audit objectivity should not be impaired by the decisions made by management.

RESPONSIBILITY

Internal Audit has the responsibility to:

- Develop a flexible annual audit plan using an appropriate risk-based methodology, including any risks or control concerns identified by Management, and submit that plan to the Audit Committee and ORC for review and approval, as well as provide periodic updates;
- Implement the annual audit plan as approved including, as appropriate, any special tasks or projects requested by Management and/or the Audit Committee;

- Maintain a professional audit staff with sufficient knowledge, skills, experience and professional certifications to meet the requirements of this Charter;
- Issue periodic reports to the Audit Committee, the ORC and Subsidiary Boards, as appropriate, summarizing results of audit activities;
- Inform the Audit Committee and ORC of emerging trends and successful practices in internal auditing;
- Consider the scope of work of the external auditors and regulators, as appropriate, for the purpose of providing optimal audit coverage to the organization;
- Promote appropriate ethics and values within the organization;
- Assist the Audit Committee and Management to protect the assets, reputation and sustainability of the organization;
- Evaluate the potential for the occurrence of fraud and how the organization manages fraud risk;
- Assess and make appropriate recommendations for improving the governance process; and
- Operate the department in compliance with the IIA *Standards*.

Internal Audit will have no direct responsibility or authority for any of the activities or operations they review. Internal Audit shall not develop or install procedures, prepare records, or engage in activities that would likely be reviewed by Internal Audit. Furthermore, an internal audit does not in any way relieve other persons in the Company of the responsibilities assigned to them.

REPORTING

A written audit report will be prepared and issued by Internal Audit following the conclusion of each assurance project and will be distributed as appropriate. Management of the activity or department receiving the report will respond to any audit recommendations and the responses will be included in the final report. The response should include a timetable for anticipated completion of action to be taken and an explanation for any recommendations that will not be addressed.

CODE OF ETHICS

Internal Audit staff has a responsibility to conduct themselves so that their integrity, objectivity, confidentiality and competency are not open to question. Standards of professional behavior are based upon the Code of Ethics issued by the IIA. Internal auditors shall:

- Perform their work with honesty, diligence, and responsibility.
- Observe the law and make disclosures expected by the law and the profession.
- Not knowingly be a party to any illegal activity or engage in acts that are discreditable to the profession of internal auditing or to the organization.
- Respect and contribute to the legitimate and ethical objectives of the organization.
- Not participate in any activity or relationship that may impair, or be presumed to impair their unbiased assessment. This participation includes those activities or relationships that may be in conflict with their interests of the organization.
- Not accept anything that may impair, or be presumed to impair their professional judgement.

- Disclose all material facts known to them that, if not disclosed, may distort the reporting of activities under review.
- Be prudent in the use and protection of information acquired in the course of their duties.
- Not use information for any personal gain or in any manner that would be contrary to the law or detrimental to the legitimate and ethical objectives of the organization.
- Engage only in those services for which they have the necessary knowledge, skills, and experience.
- Perform internal audit services in accordance with the IIA *Standards*.
- Continually improve their proficiency and the effectiveness and quality of their services.