

River and Mercantile Group PLC
(“RMG” or the “Company”¹)

**Proposed Sale of River and Mercantile’s Solutions business² to Schroders
for £230 million**

RMG to focus on building specialised Asset Management business

26 October 2021 - RMG has today announced that it has entered into a contract (the “Sale Agreement”) for the Schroders group (the “Purchaser”) to acquire its Solutions business (“Solutions”) (the “Sale”). Completion of the Sale is conditional on RMG shareholder and regulatory approval.

Key Sale highlights

- Proposed Sale of Solutions to Schroders for an enterprise value of £230m. Solutions’ Assets Under Management as at 30 September 2021 amounted to £42 billion³
- Sales price represents a premium of 28.2% over RMG’s undisturbed market capitalisation on 9 August 2021, the day prior to the announcement by RMG that it had received a number of expressions of interest in Solutions
- Enterprise value to EBITDA multiple of 13.4x based on Solutions’ EBITDA for the year ended June 2021⁴
- Subject to and conditional on completion of the Sale, James Barham, RMG’s CEO, will transfer with the Sale to lead this business and also to play a broader management role at Schroders. Until completion he will remain CEO of RMG
- Alex Hocter-Duncan will succeed James Barham as CEO of RMG following completion, and will join the Board on 29 November 2021 as previously announced
- The Board will enter into a consultation with Shareholders on the use of the proceeds. It intends to return the majority of proceeds to Shareholders while retaining sufficient funds both to ensure that its existing business remains well capitalised and to facilitate its plans for the development of the asset management business

Board recommendation

The Board unanimously supports this Sale and believes this transaction with Schroders is a positive move for all stakeholders of the Group, for its Shareholders, its people, and its clients, combining one of the UK’s largest asset managers with the UK’s longest established solutions business. Solutions will maintain its distinct characteristics within Schroders, creating what the Board believes to be a

¹ In this document the “Group” means the Company and its subsidiary undertakings

² Solutions denotes River and Mercantile Investments Limited (“RAMIL”) and comprises the Group’s non-US Fiduciary Management, Advisory and Derivatives businesses

³ Assets Under Management (AUM) represents amounts on which management fees and performance fees are charged across all asset classes managed by RAMIL. In relation to Derivatives, AUM represents the aggregate billing notional of the derivative contracts on which management fees are charged

⁴ Source: RAMIL’s audited financial statements for the year ended 30 June 2021

compelling proposition in a rapidly growing and exciting industry. At the same time, this will enable RMG's remaining business to focus on developing its specialist asset management capabilities.

The Sale is the outcome of a competitive sales process that the Board initiated having reached the view that the market capitalisation of RMG materially undervalued the Company and the sum of its underlying individual businesses and following a number of unsolicited approaches for Solutions. The Board has concluded unanimously that the offer from Schroders for Solutions should be recommended to Shareholders.

The Sale constitutes a Class 1 transaction for RMG under the UK Listing Rules and completion of the Sale is therefore conditional on shareholder approval at a general meeting of RMG that is expected to take place in mid-December 2021. As Solutions is authorised and regulated by the FCA, the Sale is also subject to the FCA approving the acquisition of Solutions by Schroders. The transaction is expected to complete during Q1 2022.

Consultation with Shareholders over the proceeds to be returned

Following completion, the Board intends to return the majority of expected net cash proceeds to Shareholders and will consult with Shareholders regarding the amount, with the balance to be retained to support RMG's future growth strategy. The Board intends to retain sufficient funds both to ensure that RMG's existing business remains well capitalised and to facilitate its plans for the development of the asset management business. Further details of the proposed capital return will be included in the Circular to be sent to Shareholders.

Investing for the future growth of the Asset Management business

The Board also announces its intention to refocus RMG as a specialist asset manager and to diversify and grow its investment capability, product range, and geographic exposure. RMG plans to create and offer a broader range of high quality and value-added equity products, and in-demand alternatives and private market products, building on the Group's existing offering. It will initially focus this expanded offering through its existing distribution channels in UK wholesale and institutional markets which have generated consistent net inflows in the last 12 months. However, it also intends to extend distribution to expand its addressable market. The Board will:

- Ensure RMG's current, well-respected equities teams remain a central element of the Group's offering
- Continue to support and invest in developing RMG's Infrastructure investment team as a core part of its future strategy and in line with the plan to diversify RMG's investment capabilities
- Broaden the Group's investment propositions, geographic reach and range of funds and associated structures either organically, or through acquisition
- Ensure that sustainable investment propositions underpin all of its activities
- Look to hire additional fund management teams with strong performance records to accelerate the achievement of RMG's objectives and generate enhanced Shareholder returns

The Board will develop its detailed post-Sale strategic plan over the coming months and will update Shareholders on this plan as part of a full strategy, capital allocation and dividend policy update in the Spring of 2022.

Management change

James Barham is the Chief Executive of RMG and Chair of RAMIL. Subject to and conditional on completion of the Sale, the Board has agreed that in connection with the Sale Mr. Barham will step down and transfer with the Sale to lead this business and also to play a broader management role within Schroders. In response to a request from Schroders, the Board has agreed to waive Mr.

Barham's notice period in order to facilitate the transfer. Mr Barham's employment and appointment as CEO and Executive Director of RMG will therefore cease on completion of the Sale.

Mr. Barham will remain as CEO of RMG until completion and he will continue to work with the Board to ensure the successful completion of the Sale. Subject to and conditional on completion of the Sale, the Board has agreed that Alex Hocter-Duncan will succeed James Barham as CEO of RMG. As previously announced, Alex is due to join the Board of RMG on 29 November 2021 as an Executive Director focused on strategic development.

Preliminary Results

RMG will release its preliminary results for the year ended 30 June 2021 on 8 November 2021. The Group is trading in line with expectations.

Comment

Jonathan Dawson, Chair, said:

"We felt the Company's share price undervalued RMG and believed that the greatest value for Shareholders could be unlocked through a formal Sale process. We believe that the price and terms that have been agreed are attractive and that Schroders will be a very good owner for the business. We encourage Shareholders to support the transaction, as the Board will be doing in respect of voting their own holdings, following their unanimous approval of the Sale.

"The Solutions business has grown strongly over the last five years and delivered excellent results through the recent CMA review compared with its peers. Investment performance has continued to be strong, the business was appointed by twelve new clients over the last year and the pipeline for future growth is very compelling. The Board believes that the ability to deliver on this and future growth opportunities in an exciting and dynamic market will be enhanced by being part of Schroders and will benefit from the additional investment and scope that will come through this transaction.

"The proceeds will not only allow us to make a significant return of capital to Shareholders, but also to focus on accelerating the organic and acquisitive growth of our specialist Asset Management business. A clear position as a pure asset manager, together with an enlarged sales footprint, and increasing product offering, will provide significant asset raising potential and generate continued growth.

"As part of the transaction, James Barham will be leaving RMG to join Schroders. I would like to take this opportunity to thank James for his service to the business from founding River and Mercantile in 2006, through to the merger and more recently his leadership since he became the Group Chief Executive in 2019, including managing this complex Sale process and delivering meaningful value for Shareholders. I am delighted that Alex Hocter-Duncan will be the new CEO of RMG, bringing us the benefit of his skill set and prior track record to drive our future growth."

James Barham, CEO, said:

"Our Solutions business is a scarce asset in an attractive and growing market segment. Our success has been forged through our distinctive investment philosophy, process and clear strategic thinking, integrated implementation, and the strength and capability of our people. This approach is based on a clear understanding of our clients' needs and has delivered very strong returns for clients since 2003.

"We have worked hard during this process to not only achieve the optimum valuation for Shareholders, but also find the very best partner for our clients and people. I have been encouraged by the strong interest shown by the bidders and I believe that Schroders is the right choice and

represents an excellent owner for the long- term future growth of the business. I am excited by the strength of this combination and the continuity and opportunity this provides for our clients and people.

“I am thrilled to be joining Schroders and the opportunity to build on the exceptional Solutions platform we have developed over the last twenty years. It has been a great honour to lead a simply fantastic business and to work with such incredibly talented people. We are a people-led business and it is the strength of those people that define the strength of the organisation. Schroders displays these same characteristics, giving us confidence that we will continue to develop as a market leading Solutions business with one of the UK’s largest asset managers.”

Ends

A virtual conference call for analysts/investors will be held at **10.15-10.45am BST today, Tuesday 26 October 2021** hosted by **James Barham, CEO at RMG, Simon Wilson, CFO at RMG, and Schroders investor relations**, followed by a Q&A session.

The zoom call can be accessed here: <https://riverandmercantile-group.zoom.us/j/85790166988?pwd=a1hyajNCbEtMaXUvUjNiaGV3bmpCUT09>

Meeting ID: 857 9016 6988

Passcode: 499528

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Proposed Sale of RMG's Solutions Business

Introduction

RMG and its wholly owned subsidiary River and Mercantile Holdings Limited have entered into a conditional contract with a wholly owned subsidiary of Schroders⁵ (the "**Purchaser**") to sell River and Mercantile Investments Limited ("RAMIL"), comprising its non-US Fiduciary Management, Advisory and Derivatives business ("Solutions") (the "Sale"). The Purchaser will pay an enterprise value of £230 million for Solutions, on a cash free, debt free basis, adjusted to reflect any surplus or deficit of working capital at the time of completion compared to an agreed normalised level. Net cash proceeds on completion are expected to be approximately £228 million after allowing for transaction costs and assuming completion during Q1 2022 (the "Expected Net Cash Proceeds").

This represents a total expected consideration of materially more than RMG's equity market capitalisation on 9 August 2021, being the day prior to the announcement by RMG that it had received a number of expressions of interest in Solutions. It also represents an enterprise value to EBITDA multiple of 13.4x based on Solutions' EBITDA for the year ending June 2021.^{6 7}

Following completion, the Board intends to return the majority of expected net cash proceeds to Shareholders and will consult with Shareholders regarding the amount, with the balance to be retained to support RMG's future growth strategy. The Board intends to retain sufficient funds both to ensure that RMG's existing business remains well capitalised and to facilitate its plans for the development of the asset management business. Further details of the proposed capital return will be included in the Circular to be sent to Shareholders.

The Board intends to refocus the Group as a specialist asset manager, positioned to grow through a diversification of its existing product offering and client base. The Board will develop a detailed post-Sale strategic plan over the coming months and update Shareholders on this plan as part of a full strategy, capital allocation and dividend policy update in the Spring of 2022. To the extent that the Group's transition requires less capital for effective execution, the Board will engage with Shareholders to discuss the Group's future capital requirements.

Subject to and conditional on completion of the Sale, the Board has agreed that RMG's CEO, James Barham, will step down from his role leading the business of the Group and transfer with the Sale to lead this business within Schroders. Mr Barham's employment and appointment as CEO and Executive Director of the Group will therefore cease on completion.

Mr Barham will assist with an orderly handover to Alex Hocht-Duncan and work with the Board to ensure the successful completion of the Sale.

1. Background to and reasons for the Sale

RMG is an investment group specialising in a range of investment activities currently organised around two principal UK-focused businesses: an asset management business ("**Asset Management**") and Solutions.

- The Solutions business provides services to over one hundred clients, principally trustees of pension schemes, via fully or partially delegated fiduciary management mandates, a solution it pioneered in the UK in 2003, and advisory only mandates. This includes a derivatives proposition as a key integrated offering, providing Liability Driven Investment and Structured

⁵ Schroders International Holdings Limited

⁶ Reference year EBITDA is calculated net of allocated central costs and charges.

⁷ Source: RAMIL's audited financial statements for the year ended 30 June 2021

Equity to existing Fiduciary and Advisory clients, as well as to other pension fund clients. Solutions' Assets Under Management as at 30 September 2021 amounted to £42 billion⁸.

- The Asset Management business is focused on delivering a range of active investment strategies to institutional and wholesale investors in the UK, Europe, Australia and New Zealand and the US. It offers exposure to UK, European, Emerging Market and Global equities, as well as in the near future UK sustainable infrastructure.
- Separate to the UK Solutions business, the Group has an advisory, derivatives, and fiduciary management businesses that is based in the United States and which is not included in the Sale. RMG has received an approach from an interested party regarding this business and is in discussions regarding next steps. Further details will be announced as applicable in due course.

RMG has supported the growth and strategic development of both its Solutions and Asset Management businesses since the merger of P-Solve and River and Mercantile Asset Management and the subsequent listing of RMG in 2014.

However, the Board has continued to consider the best strategy for RMG to deliver value to Shareholders and concluded that it is in the interests of Shareholders to sell the Solutions business as it is evident to the Board that the market capitalisation of RMG materially undervalues the Company and the sum of its underlying individual businesses.

The Board considers that the Solutions business is a scarce asset in an attractive market segment. It has a leading position in the UK fiduciary management market, reflecting its role in helping establish that market and its long track record in delivering for clients. It has provided positive investment returns since its establishment, with its Full Fiduciary Management composite returning 9.3% as at 30 June 2021 on an annualised basis since 2004 and has won many industry awards for both its fiduciary and derivatives capabilities.

Furthermore, RMG has received a number of unsolicited expressions of interest from potential buyers for the Solutions business over the last few years, which supported the Board's thesis that its value to an appropriate partner would reflect the scarcity value of the asset and its strategic importance. Taking into account the market capitalisation of RMG, and the more recent approaches by potential strategic buyers, the Board decided to explore a potential Sale of the Solutions business. The Board ran a sales process designed to find an appropriate partner for the business's clients and people and to realise full value for Shareholders.

The Sale is the outcome of this process. The Board has concluded unanimously that the offer from Schroders should be recommended to Shareholders. The Board believes this transaction allows RMG to realise value for Shareholders while enabling the Solutions business, its people and clients to fulfil their potential in an expanding industry. The Board also believes that the combination with Schroders will allow the Solutions business to maintain its distinct characteristics and benefit from Schroders' commitment to invest in the development of the Solutions business over the long-term.

The majority of the proceeds from the Sale will be returned to Shareholders. The remainder will be retained to support the transition of RMG into a specialist asset manager, with a simplified operational focus and equity story, positioned to grow through a diversification of its product offering and client base. The detailed post-Sale strategic plan for RMG will be developed in the coming months and communicated to Shareholders in the Spring of 2022.

⁸ Assets Under Management (AUM) represents amounts on which management fees and performance fees are charged across all asset classes managed by RAMIL. In relation to Derivatives, AUM represents the aggregate billing notional of the derivative contracts on which management fees are charged

Summary of the terms of the Sale

The consideration payable to RMG at completion pursuant to the Sale is £230 million, on a debt free cash free basis adjusted in accordance with a customary completion accounts mechanism, and with the consideration being increased or decreased to reflect any surplus or deficit of working capital transferring with Solutions at completion compared to an agreed normalised level.

The Sale is structured as the Sale of the entire issued share capital of RAMIL, which operates the Solutions business. River and Mercantile Holdings Limited (the “Seller”), which is an intermediary holding company within the RMG group and the current immediate parent company of RAMIL, will effect the Sale. RMG is also party to the Sale Agreement in relation to certain of its provisions including in relation to the holding of the general meeting to approve the transaction and post completion restrictive covenants.

The Sale constitutes a Class 1 transaction for RMG under the UK Listing Rules and completion of the Sale is therefore conditional on the approval of the transaction by Shareholders at a general meeting. As RAMIL is authorised and regulated by the FCA the Sale is also subject to the FCA approving the acquisition of control of RAMIL by Schroders.

As is usual in transactions of this nature, the Sale Agreement sets out the obligations on the parties to obtain the required approvals, as well as customary warranties and covenants. The transaction documentation also includes a customary tax indemnity and certain transitional services to be provided by the Group for a limited period following completion. The aggregate liability of RMG and the Seller in respect of the warranties and the tax indemnity (subject to limited exceptions under the tax indemnity) is limited to £1 and the Purchaser has arranged customary warranty and indemnity insurance. Liability in respect of the other provisions (including the limited exceptions under the tax indemnity which fall outside the £1 cap) is limited to a maximum aggregate liability cap of £46 million, as well as other customary limitations.

All existing Solutions staff will transfer to Schroders, including the following leaders of the businesses:

James Barham	Chief Executive Officer and Chair of RAMIL
Ajeet Manjrekar	Managing Director, Solutions
Jack Berry	Managing Director, Solutions
Ross Leach	Managing Director, Solutions
Tamsin Evans	Managing Director, Investment
Patrick O’Brien	Managing Director, Investment
Masroor Ahmad	Managing Director, Derivatives
Mark Davies	Managing Director, Derivatives
Geoff Sauve	Managing Director, Derivatives
Matt Way	Chief Operating Officer, Solutions

2. Use of proceeds and financial effect of the Sale

Use of proceeds

The Expected Net Cash Proceeds of the Sale are approximately £228 million. This is a substantial premium to RMG’s market capitalisation on 9 August 2021, the day prior to the announcement by RMG that it had received a number of expressions of interest in Solutions.

The Board intends the majority of the Expected Net Cash Proceeds to be returned to Shareholders following completion and will engage with Shareholders regarding the amount to be returned, with the balance to be retained to support RMG's future growth strategy.

A dividend policy update will be provided in the Spring of 2022 alongside the fuller update on RMG's post-Sale strategic plan. This will include an update as to the intended uses of the retained proceeds. At the same time, the Board also commits to returning additional capital to Shareholders if RMG has not identified appropriate uses for it when setting out the new strategy. To provide Shareholders with some certainty for the year ending 30 June 2022, the Board confirms that it intends to pay at least the same cash ordinary dividend per share as for the year ended 30 June 2021.

Financial effects of the Sale on RMG

Given the expected timing of the disposal, RMG will own Solutions for the majority of the current financial year ending 30 June 2022 and is therefore expected to be profitable for this financial year as a whole. Immediately following the Sale, RMG will experience moderate and temporary run rate operating losses as the Group transitions to become a specialist asset manager. The Board's target is for RMG to achieve monthly run rate profitability by the end of the first full financial year following completion of the Sale.

To move toward profitability, the Board will take actions to right-size its cost base whilst ensuring the execution of its post-Sale strategic plan to grow and diversify RMG's asset management business. The Board intends to retain sufficient funds from the Sale of Solutions both to ensure that its existing business remains well capitalised and to facilitate delivery of the post-Sale strategic plan. The Board will provide further forward guidance on its financial targets for the business alongside that plan in the Spring of 2022.

In the Group's preliminary results, to be released on 8 November 2021, new information will be provided in relation to unaudited divisional analysis for the year ended 2021 to provide additional transparency of the Group's operations.

As at 30 June 2021, RAMIL had audited statutory gross assets of £28.1 million. For the financial year ended 30 June 2021, RAMIL reported audited statutory profit before tax of £17.1 million. In accordance with the UK Listing Rules, the Circular when published will include unaudited historical financial information on Solutions reflecting its contribution to RMG in accordance with Listing Rule 13.5.30B R, extracted without material adjustment from the consolidation schedules and supporting accounting records that underlie RMG's audited consolidated financial statements.⁹ Such financial information will differ from the statutory financial information on RAMIL set out in this announcement and result in the presentation of a higher level of profitability.¹⁰

3. Summary information on RMG and future strategy

⁹ Solutions denotes River and Mercantile Investments Limited ("RAMIL") and comprises the Group's non-US Fiduciary Management, Advisory and Derivatives businesses.

¹⁰ The principal differences are in respect of: (i) the exclusion of central cost allocations paid by Solutions to RMG; (ii) the inclusion of compensation associated with performance fees resulting from Solutions' operations but paid to individuals not employed by RAMIL, nor within the Sale perimeter; (iii) the inclusion of compensation costs for certain employees expected to transfer to Schroders as part of the Sale, but who were not employed by RAMIL during the financial year-ending 30 June 2021 and whose cost was not allocated to the Solutions business for the year-ending 30 June 2021; and (iv) the exclusion of certain administration and staff costs in Solutions that will remain with RMG after the Sale.

The Sale is part of a proposed transition to develop the Group into a specialist asset manager. RMG intends to diversify and grow its Asset Management business by investment capability, product, and geography. RMG plans to create and offer a broader range of high quality and value-add equity products, and in-demand alternatives and private market products, building on its existing offering. It will initially focus this expanded offering through its existing distribution channels. However, it is intended to extend distribution to expand its addressable market and significantly increase its operating leverage.

Retaining some of the proceeds gives RMG scope to invest further in, and build on, the notable existing strengths and capabilities within its Asset Management business. The future growth plans are expected to comprise a number of elements including:

- RMG's current, well-respected equities teams will remain a central element of its client offering. The UK-based team's unique investment process, known as "PVT" – Potential, Value, Timing – has produced excellent long-term outcomes for clients investing in UK, European and Global Equities. RMG's US-based team has also delivered excellent returns for clients investing in Emerging Markets. RMG's equities teams manage £4.8 billion of assets as of 30 June 2021. RMG intends to launch the first two new funds (Global and European equity) in a planned range of products that will meet European Sustainable Finance Directive Regulations.
- The Board will continue to support and invest in developing RMG's infrastructure investment team as a core part of its future strategy and in line with the plan to diversify RMG's investment capabilities. Following the recruitment of a specialist team from Aviva, RMG now has a quality and highly regarded capability in infrastructure and will launch shortly the River and Mercantile Infrastructure Income Fund. The team operates in specialist physical sustainable infrastructure markets in the UK and has a strong track record in delivering stable and attractive returns since 2011.
- The Board intends for RMG to broaden its investment proposition and capabilities, either organically, or through acquisition. This will support RMG's objective to broaden its reach and increase its operating leverage.
- It is intended that RMG will build from its current distribution platform in UK wholesale and institutional markets, in which it has invested heavily over the past 18 months, to extend its reach and access a broader geographic base of investors. The expanded distribution capacity is already able to deliver the current product range and new strategies to the key targets in the UK wholesale and institutional channels.
- RMG intends to build on efforts underway to ensure that sustainable investment propositions underpin all its activities. The Asset Management business now has in place systematic screening for environmental, social and governance considerations in its investment processes and sustainability is embedded in the fundamental research activity carried out by the investment teams in assessing the suitability of stocks for inclusion in portfolios.
- RMG will remain innovative and thoughtful in its approach to investment styles and fund structures and the investment culture in which its people operate. The Board believes that hiring additional fund management teams with strong performance records – whilst recognising the slower timescale for a newly appointed manager to achieve significant volumes of assets under management – can be blended successfully with disciplined execution of acquisitions of businesses with relevant people, skills and client bases that are aligned to RMG's strategic aims. Such acquisitions would be undertaken to accelerate the achievement of RMG's objectives and designed to generate enhanced Shareholder returns.

The Board believes that successful execution of these initiatives will enable RMG to deliver substantial further value to Shareholders and a reduction in product and client concentration which will support the sustainability of shareholder returns. The Board also recognises the need to review the Group's cost base following completion of the Sale to right-size it to the growth plan and support its future profitability and sustainability, recognising, as noted above, that some interim operating losses are

expected as part of the transition of the business. The Board intends to retain sufficient funds to ensure that the asset management business remains well capitalised and able to invest in its ambitious plans. The Board will report on all these initiatives as part of the broader update on its post-Sale strategic plan in the Spring of 2022.

The Board will also develop, and engage Shareholders on, a new set of key performance indicators and new long-term incentive plans appropriate to the new strategy to support regular assessment of the effectiveness and performance of management in developing and executing the new strategic plan.

Subject to and conditional on completion of the Sale, the Board has agreed that, as a term of the Sale, the CEO, James Barham, will step down from his role leading RMG and transfer with the Sale to lead this business and also to play a broader management role at Schroders. The Board has agreed to a proposal by Schroders to waive Mr Barham's notice period. Mr Barham's employment and appointment as CEO and Executive Director of RMG will therefore cease on completion.

Mr. Barham will remain as CEO of RMG until completion, including continuing to work with the Board to ensure the successful completion of the Sale. Subject to and conditional on completion of the Sale, the Board has agreed that Alex Hocht-Duncan will succeed James Barham as CEO of RMG. Alex is already due to join the Board of RMG on 29 November 2021 as an Executive Director focused on strategic development. Alex has 25 years' experience in the asset management industry. He was most recently Global Head of Aberdeen Standard Investments which he joined in September 2018. Prior to that he spent most of his career at Blackrock and its predecessor companies in the UK, Mercury Asset Management and Merrill Lynch Investment Management.

4. Information on Schroders

About Schroders

Founded in 1804, Schroders is one of Europe's largest independent investment management firms by assets under management. As at 30 September 2021, assets under management were £716.9 billion. The founding family remain a core shareholder, holding approximately 48% of the firm's voting shares. Schroders has continued to deliver strong financial results. It has a market capitalisation of over £9 billion and employs over 5,500 people across 37 locations. Schroders has benefitted from the most diverse business model of any UK asset manager by geography, by asset class and by client type. Schroders offers innovative products and solutions across their five business areas of solutions; institutional; mutual funds; private assets & alternatives; and wealth management. Clients include insurance companies, pension schemes, sovereign wealth funds, endowments and foundations. They also manage assets for end clients as part of their relationships with distributors, financial advisers and online platforms. Schroders' Wealth Management offering reflects their strategic ambition to provide wealth management and financial planning services to clients across the wealth spectrum.

Schroders' strategic aims are to grow their asset management business, build closer relationships with end clients and expand their private assets and alternatives business. Schroders' purpose is to provide excellent investment performance to clients through active management. The business channels capital into sustainable and durable businesses to accelerate positive change in the world. Schroders' business philosophy is based on the belief that if they deliver for clients, they deliver for Shareholders and other stakeholders.

5. Expected timetable of principal events

A Circular containing further details of the Sale, the Board's recommendation, and the notice of general meeting and the resolution required to approve the Sale will be sent to RMG's Shareholders in approximately four weeks subject to FCA approval of the circular. The general meeting of RMG's

Shareholders is then expected to take place in mid-December 2021. Completion is expected to occur by the end of Q1 2022.

6. Advisors

Lazard & Co., Limited (“**Lazard**”) and Fenchurch Advisory Partners LLP (“**Fenchurch**”) are acting as joint financial advisers to RMG in relation to the Sale. Lazard & Co., Limited is acting as sponsor to RMG in relation to the Sale. Allen & Overy LLP is acting as legal adviser to RMG.

Important Information relating to financial advisors

Lazard which is authorised and regulated by the Financial Conduct Authority in the United Kingdom, is acting exclusively for RMG as joint financial adviser and as sponsor and for no one else in connection with the Sale and will not be, responsible to anyone other than RMG for providing the protection offered to clients of Lazard nor for providing advice in relation to the Sale or any other matters referred to in this document.

Fenchurch, which is authorised and regulated by the Financial Conduct Authority in the United Kingdom, is acting exclusively for RMG as joint financial adviser and for no one else in connection with the Sale and will not be, responsible to anyone other than RMG for providing the protection offered to clients of Fenchurch nor for providing advice in relation to the Sale or any other matters referred to in this document.

Forward Looking Statements

This document includes forward-looking statements. These forward-looking statements involve known and unknown risks and uncertainties, many of which are beyond the Company’s control. Forward-looking statements are sometimes identified by the use of forward-looking terminology such as “believe”, “expects”, “may”, “will”, “could”, “should”, “shall”, “risk”, “intends”, “estimates”, “aims”, “plans”, “predicts”, “continues”, “assumes”, “positioned” or “anticipates” or the negative thereof, other variations thereon or comparable terminology. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this document and include statements regarding the intentions, beliefs or current expectations of the Directors or the Company concerning, among other things, the results of operations, financial condition, prospects, growth, strategies and dividend policy of the Company and the industry in which it operates.

These forward-looking statements and other statements contained in this document regarding matters that are not historical facts involve predictions. No assurance can be given that such future results will be achieved; actual events or results may differ materially as a result of risks and uncertainties facing the Company. Such risks and uncertainties could cause actual results to vary materially from the future results indicated, expressed or implied in such forward-looking statements.

By their nature, all forward-looking statements involve risk and uncertainty because they relate to future events and circumstances which are beyond the Company's control including amongst other things, international and global economic and business conditions, the implications and economic impact of the COVID-19 pandemic, the implications and economic impact of the UK's future relationship with the EU in relation to financial services, market related risks such as fluctuations in interest rates and exchange rates, the policies and actions of regulatory authorities, the impact of competition, inflation, deflation, the timing and impact of other uncertainties of future acquisitions or

combinations within relevant industries, as well as the impact of tax and other legislation and other regulations in the jurisdictions in which the Company and its affiliates operate. As a result, the Company's actual future financial condition, performance and results may differ materially from the plans, goals and expectations set forth in the Company's forward looking statements. Neither the Company nor any of its Directors, officers or advisers provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this document will actually occur. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as at the date of this document.

Other than in accordance with its legal or regulatory obligations (including under the Listing Rules, Market Abuse Regulation and the Disclosure Guidance and Transparency Rules), the Company is not under any obligation and the Company expressly disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Cautionary Statement

This announcement is not intended to, and does not constitute, or form part of, any offer to sell or an invitation to purchase or subscribe for any securities or a solicitation of any vote or approval in any jurisdiction. Shareholders are advised to read carefully the formal documentation in relation to the Sale once it has been despatched. Any response to the proposals should be made only on the basis of the information in the formal documentation to follow.

RMG's LEI number is: 2138005C7REHURGWHW31

This announcement contains inside information. The person responsible for arranging the release of this announcement on behalf of the Company is Sally Buckmaster, Company Secretary.