

AIFMD remuneration disclosures for Schroder AIDA SAS ('SAIDA') for the year to 31 December 2018

These disclosures form part of the non-audited section of this annual report and accounts and should be read in conjunction with the Schroders plc Remuneration Report on pages 68 to 90 of the 2018 Annual Report & Accounts (available on the Group's website – www.schroders.com/ir), which provides more information on the activities of our Remuneration Committee and our remuneration principles and policies.

The AIF Material Risk Takers ('AIF MRTs') of SAIDA are individuals whose roles within the Schroders Group can materially affect the risk of SAIDA or any AIF fund that it manages. These roles are identified in line with the requirements of the AIFM Directive and guidance issued by the European Securities and Markets Authority.

The Remuneration Committee of Schroders plc has established a remuneration policy to ensure the requirements of the AIFM Directive are met for all AIF MRTs. The Remuneration Committee and the Board of Schroders plc review remuneration strategy at least annually. The directors of SAIDA are responsible for the adoption of the remuneration policy, for reviewing its general principles at least annually, for overseeing its implementation and for ensuring compliance with relevant local legislation and regulation. During 2018, the Remuneration Policy was reviewed to ensure compliance with the UCITS/AIFMD remuneration requirements and no significant changes were made.

The implementation of the remuneration policy is, at least annually, subject to independent internal review for compliance with the policies and procedures for remuneration adopted by the Board of SAIDA and the Remuneration Committee. The most recent review found no fundamental issues but resulted in a range of more minor recommendations, principally improvements to process and policy documentation.

The total spend on remuneration is determined based on a profit share ratio, measuring variable remuneration charge against pre-bonus profit, and from a total compensation ratio, measuring total remuneration expense against net income. This ensures that the interests of employees are aligned with Schroders financial performance. In determining the remuneration spend each year, the underlying strength and sustainability of the business is taken into account, along with reports on risk, legal and compliance matters from the heads of those areas.

The remuneration data that follows reflects amounts paid in respect of performance during 2018.

- The total amount of remuneration paid by SAIDA to its 10 staff is €2.6 million, of which €1.7 million is fixed remuneration and €0.9 million is variable remuneration. Employees of other Schroders Group entities who serve as Directors of SAIDA receive no additional fees in respect of their role on the Board of SAIDA.
- The following disclosures relate to AIF MRTs of SAIDA. Most of those AIF MRTs were employed by and provided services to other Schroders group companies and clients. As a result, only a portion of remuneration for those individuals is included in the aggregate remuneration figures that follow, based on an objective apportionment to reflect the balance of each role using relevant regulated AUM as a proportion of the total AUM within the scope of each role. The aggregate total remuneration paid to the 47 AIF MRTs of SAIDA in respect of the financial year ended 31 December 2018, and attributed to SAIDA or the AIF funds that it manages, is €0.95 million, of which €0.07 million was paid to senior management and control functions MRTs, and €0.88 million was paid to MRTs deemed to be taking risk on behalf of SAIDA or the AIF funds that it manages.

For additional qualitative information on remuneration policies and practices see www.schroders.com/rem-disclosures.