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Nothing in this presentation should be construed as a forecast, estimate or projection of future financial performance.
## Assets under management and administration (AUMA)

£397.1 billion at 31 December 2016

<table>
<thead>
<tr>
<th>£bn</th>
<th>Institutional</th>
<th>Intermediary</th>
<th>Asset Management</th>
<th>Wealth Management</th>
<th>Total AUM</th>
<th>AUMA</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 January 2016</td>
<td>181.0</td>
<td>100.9</td>
<td>281.9</td>
<td>31.6</td>
<td>313.5</td>
<td></td>
</tr>
<tr>
<td>Acquisitions*</td>
<td>1.9</td>
<td>1.4</td>
<td>3.3</td>
<td>3.4</td>
<td>6.7</td>
<td>1.1</td>
</tr>
<tr>
<td>Net flows</td>
<td>4.3</td>
<td>(2.9)</td>
<td>1.4</td>
<td>(0.3)</td>
<td>1.1</td>
<td></td>
</tr>
<tr>
<td>Investment returns**</td>
<td>40.0</td>
<td>20.7</td>
<td>60.7</td>
<td>4.0</td>
<td>64.7</td>
<td></td>
</tr>
<tr>
<td>Transfers***</td>
<td>(0.9)</td>
<td>-</td>
<td>(0.9)</td>
<td>0.9</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>31 December 2016</td>
<td>226.3</td>
<td>120.1</td>
<td>346.4</td>
<td>39.6</td>
<td>386.0</td>
<td>11.1</td>
</tr>
</tbody>
</table>

* Asset Management acquisition relates to the purchase of the securitised credit business in North America. The Wealth Management acquisition relates to the purchase of an interest in Benchmark Capital.

** The weakening of Sterling since 1 January 2016 had the effect of increasing total assets under management by £42bn.

*** Relates to the transfer of charities assets from Asset Management to Wealth Management.
Regional diversification of AUM
64% of net operating revenues earned outside UK

- North America: £49.1bn
- South America: £8.4bn
- Continental Europe: £70.7bn
- Middle East & Africa: £9.7bn
- Asia Pacific: £96.2bn
- UK*: £151.9bn

*A further £11.1bn of assets under administration are located in the UK.
Gross sales
Quarterly

<table>
<thead>
<tr>
<th>Quarter</th>
<th>£bn</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 2016</td>
<td>21.1</td>
</tr>
<tr>
<td>Q2 2016</td>
<td>17.8</td>
</tr>
<tr>
<td>Q3 2016</td>
<td>20.7</td>
</tr>
<tr>
<td>Q4 2016</td>
<td>21.2</td>
</tr>
</tbody>
</table>

- Equities
- Fixed Income
- Multi-asset
- Emerging Market Debt, Commodities & Real Estate
- Wealth Management
Gross sales

Annually

<table>
<thead>
<tr>
<th>Year</th>
<th>£bn</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>92.0</td>
</tr>
<tr>
<td>2015</td>
<td>84.1</td>
</tr>
<tr>
<td>2016</td>
<td>80.8</td>
</tr>
</tbody>
</table>

- Equities
- Fixed Income
- Multi-asset
- Emerging Market Debt, Commodities & Real Estate
- Wealth Management
Net flows
Quarterly

<table>
<thead>
<tr>
<th>Q1 2016</th>
<th>Q2 2016</th>
<th>Q3 2016</th>
<th>Q4 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>£bn</td>
<td>£bn</td>
<td>£bn</td>
<td>£bn</td>
</tr>
<tr>
<td>2.8</td>
<td>(1.8)</td>
<td>2.1</td>
<td>(2.0)</td>
</tr>
</tbody>
</table>

£bn

Q1 2016: 2.8
Q2 2016: (1.8)
Q3 2016: 2.1
Q4 2016: (2.0)
Currency profile of AUM
Assets under management £386.0 billion

USD* 33%
GBP 12%
EUR 5%
JPY 5%
AUD 5%
CNY 4%
TWD 2%
KRW 2%
CHF 2%
IDR 2%
Other** 6%

USD* includes other currencies pegged to USD, including HKD.
** Includes the following currencies which individually constitute 1% of AUM: BRL, INR, SGD.
Currency profile of Asset Management AUM

Asset Management AUM £346.4 billion

Institutional £226.3bn

- USD*: 34%
- GBP: 24%
- EUR: 10%
- AUD: 6%
- JPY: 5%
- CNY: 4%
- KRW: 2%
- TWD: 2%
- CHF: 2%
- Other: 11%

Intermediary £120.1bn

- USD*: 34%
- EUR: 17%
- GBP: 16%
- JPY: 7%
- CNY: 4%
- AUD: 4%
- IDR: 3%
- TWD: 2%
- SGD: 2%
- KRW: 2%
- Other: 9%

* USD includes other currencies pegged to USD, including HKD.
Total AUM by channel, region and product

Assets under management £386.0 billion

By channel
- Institutional: 59%
- Intermediary: 31%
- Wealth Management: 10%

By region*
- UK: 39%
- Continental Europe, Middle East & Africa: 25%
- Asia Pacific: 21%
- Americas: 10%
- UK: 4%
- Continental Europe, Middle East & Africa: 10%

By product
- Equities: 40%
- Fixed Income: 21%
- Multi-asset: 21%
- Emerging Market Debt, Commodities & Real Estate: 10%
- Wealth Management: 10%

* By client domicile.
Asset Management AUM by channel and product

Institutional AUM £226.3bn
- Equities: 40%
- Fixed Income: 32%
- Multi-asset: 5%
- Emerging Market Debt, Commodities & Real Estate: 23%

Intermediary AUM £120.1bn
- Equities: 52%
- Fixed Income: 25%
- Multi-asset: 21%
- Emerging Market Debt, Commodities & Real Estate: 2%
Asset Management AUM by channel and region*

Institutional AUM £226.3bn

- UK: 40%
- Continental Europe, Middle East & Africa: 27%
- Asia Pacific: 18%
- Americas: 15%

Intermediary AUM £120.1bn

- UK: 28%
- Continental Europe, Middle East & Africa: 14%
- Asia Pacific: 34%
- Americas: 24%

* By client domicile.
Asset Management AUM – detailed asset class analysis

Assets under management £346.4 billion

Equities £153.7bn

- Asia Pacific: 18%
- Quantitative equities: 17%
- Global: 14%
- Emerging markets: 13%
- UK: 11%
- Europe: 11%
- Japan: 6%
- US: 5%
- Australia: 4%
- Other: 1%

Fixed Income £82.0bn

- US: 31%
- Europe: 21%
- Global: 19%
- Asia Pacific: 7%
- UK: 6%
- Securitised Credit: 6%
- Australia: 4%
- Convertibles: 2%
- Insurance-linked: 2%
- Emerging market bonds: 1%
- Infrastructure Finance: 1%

Multi-asset £96.2bn

- Risk controlled growth: 39%
- LDI: 24%
- UK traditional balanced: 15%
- Income: 9%
- Inflation protection: 5%
- Risk mitigation: 4%
- GAIA: 3%
- Wealth preservation: 1%

Emerging Market Debt, Commodities and Real Estate £14.5bn

- Real estate: 75%
- Emerging market debt: 13%
- Agriculture and commodities: 8%
- Private equity: 4%
Institutional AUM – detailed asset class analysis

Assets under management £226.3 billion

Equities £91.2bn

- Quantitative equities 24%
- Emerging markets 17%
- Global 15%
- Europe 13%
- UK 9%
- Asia Pacific 8%
- Australia 6%
- Japan 5%
- US 2%

Fixed Income £52.3bn

- US 45%
- Global 18%
- Europe 12%
- UK 8%
- Asia Pacific 6%
- Securitised Credit 4%
- Australia 3%
- Insurance-linked 1%
- Convertibles 1%
- Emerging market bonds 1%
- Infrastructure Finance 1%

Multi-asset £71.0bn

- Risk controlled growth 37%
- LDI 32%
- UK traditional balanced 21%
- Inflation protection 5%
- Risk mitigation 4%
- Wealth preservation 1%

Emerging Market Debt, Commodities and Real Estate £11.8bn

- Real estate 79%
- Emerging market debt 10%
- Agriculture and commodities 7%
- Private equity 4%
Intermediary AUM – detailed asset class analysis

Assets under management £120.1 billion

Equities £62.5bn
- Asia Pacific 23%
- Europe 16%
- UK 14%
- Japan 10%
- US 9%
- Global 9%
- Emerging markets 7%
- Quantitative equities 5%
- Australia 4%
- Other 3%

Fixed Income £29.7bn
- Europe 37%
- Global 20%
- Securitised Credit 10%
- Asia Pacific 8%
- Australia 7%
- US 6%
- Convertibles 4%
- Insurance-linked 3%
- Emerging market bonds 3%
- UK 2%

Multi-asset £25.2bn
- Risk controlled growth 47%
- Income 34%
- GAIA 10%
- Risk mitigation 5%
- Inflation protection 4%

Emerging Market Debt, Commodities and Real Estate £2.7bn
- Real estate 54%
- Emerging market debt 29%
- Agriculture and commodities 15%
- Private equity 2%
Institutional

Assets under management: £226.3 billion

<table>
<thead>
<tr>
<th></th>
<th>Q1 2016</th>
<th>Q2 2016</th>
<th>Q3 2016</th>
<th>Q4 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross inflows</td>
<td>10.6</td>
<td>7.3</td>
<td>7.1</td>
<td>8.1</td>
</tr>
<tr>
<td>Gross outflows</td>
<td>(6.1)</td>
<td>(7.4)</td>
<td>(6.1)</td>
<td>(9.2)</td>
</tr>
<tr>
<td>Net flows</td>
<td>4.5</td>
<td>(0.1)</td>
<td>1.0</td>
<td>(1.1)</td>
</tr>
</tbody>
</table>

£bn
Intermediary
Assets under management: £120.1 billion

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Gross inflows</th>
<th>Gross outflows</th>
<th>Net flows</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 2016</td>
<td>9.5</td>
<td>(11.3)</td>
<td></td>
</tr>
<tr>
<td>Q2 2016</td>
<td>9.3</td>
<td>(10.8)</td>
<td>(1.5)</td>
</tr>
<tr>
<td>Q3 2016</td>
<td>12.5</td>
<td>(11.4)</td>
<td>1.1</td>
</tr>
<tr>
<td>Q4 2016</td>
<td>12.1</td>
<td>(12.8)</td>
<td>(0.7)</td>
</tr>
</tbody>
</table>
## Net operating revenue and margins – Asset Management

Asset Management Net operating revenue £1,489.5 million

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performance fees - £m</td>
<td>35.7</td>
<td>38.8</td>
</tr>
<tr>
<td>Performance fees on average AUM</td>
<td>1 bps</td>
<td>1 bps</td>
</tr>
<tr>
<td>Net operating revenue (ex performance fees) - £m</td>
<td>1,357.7</td>
<td>1,450.7</td>
</tr>
<tr>
<td>Net operating revenue (ex performance fees) on average AUM</td>
<td>49 bps</td>
<td>46 bps</td>
</tr>
<tr>
<td>Net income* - £m</td>
<td>1,412.5</td>
<td>1,534.4</td>
</tr>
<tr>
<td>Operating expenses* - £m</td>
<td>872.0</td>
<td>962.0</td>
</tr>
<tr>
<td>Profit before tax* - £m</td>
<td>540.5</td>
<td>572.4</td>
</tr>
</tbody>
</table>

* Excludes exceptional items.
## Income statement progression

**Asset Management profit before tax**

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Institutional</strong></td>
<td>571.7</td>
<td>628.7</td>
<td>692.5</td>
</tr>
<tr>
<td><strong>Intermediary</strong></td>
<td>716.4</td>
<td>764.7</td>
<td>797.0</td>
</tr>
<tr>
<td><strong>Net operating revenue</strong></td>
<td>1,288.1</td>
<td>1,393.4</td>
<td>1,489.5</td>
</tr>
<tr>
<td><strong>Net gains on financial instruments and other income</strong></td>
<td>14.3</td>
<td>6.3</td>
<td>28.2</td>
</tr>
<tr>
<td><strong>Share of profit of associates and joint ventures</strong></td>
<td>5.9</td>
<td>12.8</td>
<td>16.7</td>
</tr>
<tr>
<td><strong>Net income</strong></td>
<td>1,308.3</td>
<td>1,412.5</td>
<td>1,534.4</td>
</tr>
<tr>
<td><strong>Operating expenses</strong></td>
<td>(809.0)</td>
<td>(872.0)</td>
<td>(962.0)</td>
</tr>
<tr>
<td><strong>Asset Management profit before exceptional items</strong></td>
<td>499.3</td>
<td>540.5</td>
<td>572.4</td>
</tr>
<tr>
<td><strong>Exceptional items</strong></td>
<td>(17.6)</td>
<td>(12.1)</td>
<td>(18.5)</td>
</tr>
<tr>
<td><strong>Asset Management profit after exceptional items</strong></td>
<td>481.7</td>
<td>528.4</td>
<td>553.9</td>
</tr>
</tbody>
</table>
## Income statement progression
### Wealth Management profit before tax

<table>
<thead>
<tr>
<th>£m</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net operating revenue</td>
<td>206.8</td>
<td>207.3</td>
<td>223.3</td>
</tr>
<tr>
<td>Net gains/(losses) on financial instruments and other income</td>
<td>6.7</td>
<td>(0.1)</td>
<td>0.7</td>
</tr>
<tr>
<td>Net income</td>
<td>213.5</td>
<td>207.2</td>
<td>224.0</td>
</tr>
<tr>
<td>Operating expenses</td>
<td>(151.8)</td>
<td>(145.9)</td>
<td>(157.6)</td>
</tr>
<tr>
<td>Wealth Management profit before exceptional items</td>
<td>61.7</td>
<td>61.3</td>
<td>66.4</td>
</tr>
<tr>
<td>Exceptional items</td>
<td>(20.4)</td>
<td>(0.8)</td>
<td>(10.1)</td>
</tr>
<tr>
<td>Wealth Management profit after exceptional items</td>
<td>41.3</td>
<td>60.5</td>
<td>56.3</td>
</tr>
</tbody>
</table>
## Income statement progression

**Group segment (loss)/profit before tax**

<table>
<thead>
<tr>
<th>£m</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net operating revenue</td>
<td>0.3</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Net gains on financial instruments and other income</td>
<td>22.7</td>
<td>30.1</td>
<td>29.9</td>
</tr>
<tr>
<td>Share of profit of associates*</td>
<td>4.7</td>
<td>8.7</td>
<td>4.8</td>
</tr>
<tr>
<td>Net income</td>
<td>27.7</td>
<td>38.8</td>
<td>34.7</td>
</tr>
<tr>
<td>Operating expenses</td>
<td>(23.5)</td>
<td>(30.9)</td>
<td>(28.8)</td>
</tr>
<tr>
<td>Group profit before exceptional items</td>
<td>4.2</td>
<td>7.9</td>
<td>5.9</td>
</tr>
<tr>
<td>Exceptional items</td>
<td>(10.1)</td>
<td>(7.8)</td>
<td>2.0</td>
</tr>
<tr>
<td>Group (loss)/profit after exceptional items</td>
<td>(5.9)</td>
<td>0.1</td>
<td>7.9</td>
</tr>
</tbody>
</table>

* Includes RWC Partners Limited and Schroder Ventures Investments Limited associates.
## Cost and return metrics

**Total Schroders Group costs**

* Excludes exceptional items.

**Costs and income are subject to adjustments by the remuneration committee.

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total compensation ratio</strong>*</td>
<td>44%</td>
<td>44%</td>
<td>44%</td>
</tr>
<tr>
<td><strong>Headcount</strong></td>
<td>3,556</td>
<td>3,784</td>
<td>4,145</td>
</tr>
<tr>
<td><strong>Total costs</strong></td>
<td>984.3</td>
<td>1,048.8</td>
<td>1,148.4</td>
</tr>
<tr>
<td><strong>Total cost ratio</strong>*</td>
<td>64%</td>
<td>63%</td>
<td>64%</td>
</tr>
<tr>
<td><strong>Return on average capital (pre-tax)</strong>*</td>
<td>24%</td>
<td>23%</td>
<td>22%</td>
</tr>
<tr>
<td><strong>Return on average capital (post-tax)</strong>*</td>
<td>19%</td>
<td>18%</td>
<td>17%</td>
</tr>
</tbody>
</table>

- **Total compensation ratio**
  = compensation costs divided by net income

- **Total cost ratio**
  = costs divided by net income

- **Return on average capital (pre-tax)**
  = profit before tax divided by average capital

- **Return on average capital (post-tax)**
  = profit after tax divided by average capital
## Movement in capital

<table>
<thead>
<tr>
<th>£m</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1 January 2016</strong></td>
<td>2,795.6</td>
</tr>
<tr>
<td>Profit before tax and exceptional items</td>
<td>644.7</td>
</tr>
<tr>
<td>Exceptional items</td>
<td>(26.6)</td>
</tr>
<tr>
<td>Net movement and recycling arising from AFS financial assets and Associates</td>
<td>7.9</td>
</tr>
<tr>
<td>Exchange differences on translation of foreign operations after hedging</td>
<td>101.3</td>
</tr>
<tr>
<td>Tax</td>
<td>(130.0)</td>
</tr>
<tr>
<td>Own shares purchased</td>
<td>(59.1)</td>
</tr>
<tr>
<td>Share-based payments</td>
<td>51.5</td>
</tr>
<tr>
<td>Shares issued</td>
<td>5.0</td>
</tr>
<tr>
<td>Actuarial loss on defined benefit pension schemes</td>
<td>(2.0)</td>
</tr>
<tr>
<td>Dividends paid</td>
<td>(236.6)</td>
</tr>
<tr>
<td>Other movements</td>
<td>1.1</td>
</tr>
<tr>
<td><strong>31 December 2016</strong></td>
<td>3,152.8</td>
</tr>
<tr>
<td>Non controlling interest</td>
<td>(14.4)</td>
</tr>
<tr>
<td><strong>Capital attributable to the parent</strong></td>
<td>3,138.4</td>
</tr>
</tbody>
</table>
Group capital allocation
Increase of £357 million as at 31 December 2016

<table>
<thead>
<tr>
<th>£m</th>
<th>December 2015</th>
<th>December 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regulatory capital</td>
<td>653</td>
<td>814</td>
</tr>
<tr>
<td>Other operating capital</td>
<td>253</td>
<td>65</td>
</tr>
<tr>
<td>Investment capital*</td>
<td>942</td>
<td>1,059</td>
</tr>
<tr>
<td>Seed capital</td>
<td>229</td>
<td>325</td>
</tr>
<tr>
<td>Other**</td>
<td>719</td>
<td>890</td>
</tr>
<tr>
<td>Statutory Group capital</td>
<td>2,796</td>
<td>3,153</td>
</tr>
</tbody>
</table>

* Includes RWC Partners Limited and Schroder Ventures Investments Limited associates.
** Comprises goodwill, intangible assets, pension scheme surplus, other associates and joint ventures, and deferred tax.