

AIFMD remuneration disclosures for Schroder Real Estate Managers (Jersey) Limited ('SREMJ') for the year to 31 December 2020

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 75 to 102 of the 2020 Annual Report & Accounts (available on the Group's website –<https://www.schroders.com/en/investor-relations/results-and-reports/annual-report-and-accounts-2020/>), 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 SREMJ are individuals whose roles within the Schroders Group can materially affect the risk of SREMJ 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 SREMJ 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 2020 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 SREMJ 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 2020.

- The total amount of remuneration paid by SREMJ to its staff was nil as SREMJ has no employees. Employees of other Schroders Group entities who serve as Directors of SREMJ receive no additional fees in respect of their role on the Board of SREMJ.
- The following disclosures relate to AIF MRTs of SREMJ. Most of those AIF MRTs were employed by and provided services to other Schroders group companies and clients. In the interests of transparency, the aggregate remuneration figures that follow reflect the full remuneration for each SREMJ AIF MRT. The aggregate total remuneration paid to the 64 AIF MRTs of SREMJ in respect of the financial year ended 31 December 2020 is £54.68 million, of which £32.32 million was paid to senior management, £15.84 million was paid to MRTs deemed to be taking risk on behalf of SREMJ or the AIF funds that it manages and £6.52 million was paid to other AIF MRTs including control function MRTs.

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