

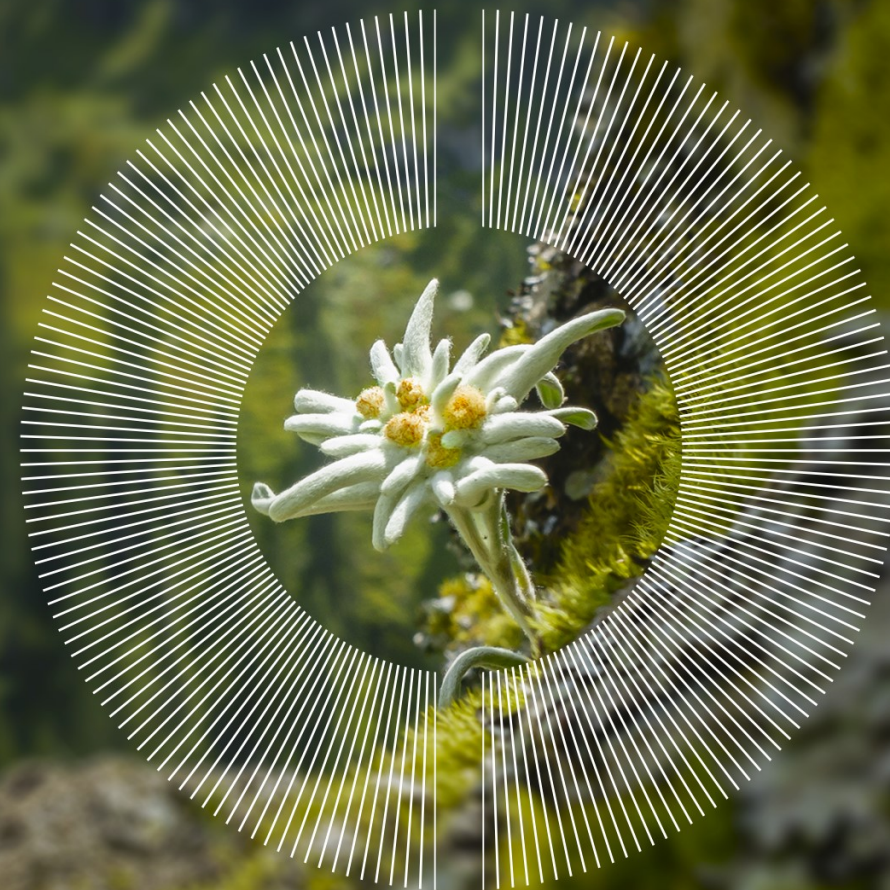
Schroders

# ***HALF YEAR RESULTS 2022***

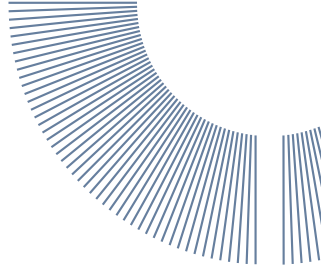
28 July 2022

## **Data Pack**

Marketing material for professional clients only.



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# Assets under management (AUM)

£773.4 billion at 30 June 2022

£bn	Asset Management Total	Wealth Management Total	Total AUM (excl. JVs & Associates)	JVs & Associates	Total AUM (incl. JVs & Associates)
<b>1 January 2022</b>	<b>534.0</b>	<b>81.2</b>	<b>615.2</b>	<b>116.4</b>	<b>731.6</b>
<b>Restatement</b>	-	20.4	<b>20.4</b>	14.7	<b>35.1</b>
<b>Restated 1 January 2022</b>	<b>534.0</b>	<b>101.6</b>	<b>635.6</b>	<b>131.1</b>	<b>766.7</b>
Net flows	0.6	3.8	4.4	4.0	8.4
Acquisitions <sup>1</sup>	51.9	0.1	52.0	-	52.0
Investment returns <sup>2</sup>	(45.0)	(9.5)	(54.5)	0.8	(53.7)
<b>30 June 2022</b>	<b>541.5</b>	<b>96.0</b>	<b>637.5</b>	<b>135.9</b>	<b>773.4</b>

<sup>1</sup>The acquisitions within Asset Management relate to the purchase of Greencoat Capital Holdings Limited (£7.7 billion), River and Mercantile Investments Limited (River and Mercantile's Solutions division) (£43.1 billion) and Cairn Real Estate B.V. (£1.1 billion). The Wealth Management acquisition related to Benchmark Capital's acquisition of Waterhouse Financial Planning Limited (£0.1 billion). <sup>2</sup>Includes currency movements which increased AUM by £34.2 billion.

# Asset under management (AUM) – Asset Management

£664.0 billion at 30 June 2022

£bn	Private Assets & Alternatives	Solutions	Mutual Funds	Institutional	Total (excl. JVs & Associates)	JVs & Associates	Total (incl. JVs & Associates)
<b>1 January 2022</b>	<b>53.7</b>	<b>198.1</b>	<b>116.0</b>	<b>166.2</b>	<b>534.0</b>	<b>116.4</b>	<b>650.4</b>
Net flows	4.8	6.3	(2.9)	(7.6)	0.6	3.8	4.4
Acquisitions <sup>1</sup>	8.8	43.1	-	-	51.9	-	51.9
Investment returns	2.1	(21.8)	(10.5)	(14.8)	(45.0)	2.3	(42.7)
<b>30 June 2022</b>	<b>69.4</b>	<b>225.7</b>	<b>102.6</b>	<b>143.8</b>	<b>541.5</b>	<b>122.5</b>	<b>664.0</b>

4 <sup>1</sup>The acquisitions within Asset Management relate to the purchase of Greencoat Capital Holdings Limited (£7.7 billion), River and Mercantile Investments Limited (River and Mercantile's Solutions division) (£43.1 billion) and Cairn Real Estate B.V. (£1.1 billion).

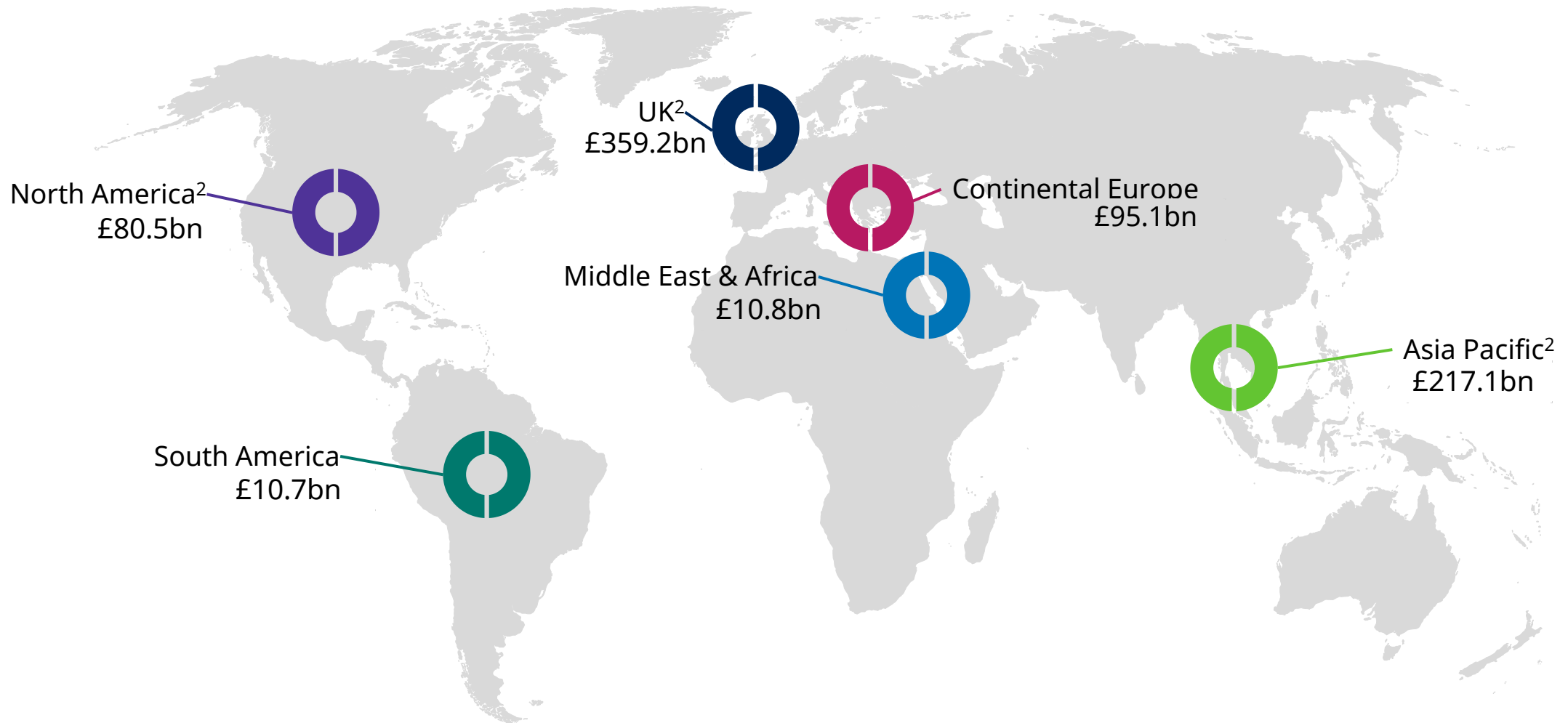
# Asset under management (AUM) – Wealth Management

£109.4 billion at 30 June 2022

£bn	Advised	Platform	Managed	Total (excl. JVs & Associates)	JVs & Associates	Total (incl. JVs & Associates)
<b>1 January 2022</b>				<b>81.2</b>	-	<b>81.2</b>
<b>Restatement</b>				<b>20.4</b>	14.7	35.1
<b>Restated 1 January 2022</b>	<b>61.4</b>	<b>18.7</b>	<b>21.5</b>	<b>101.6</b>	<b>14.7</b>	<b>116.3</b>
Net flows	3.0	0.5	0.3	3.8	0.2	4.0
Acquisitions <sup>1</sup>	0.1	-	-	0.1	-	0.1
Investment returns	(5.4)	(2.0)	(2.1)	(9.5)	(1.5)	(11.0)
<b>30 June 2022</b>	<b>59.1</b>	<b>17.2</b>	<b>19.7</b>	<b>96.0</b>	<b>13.4</b>	<b>109.4</b>

# Regional diversification of AUM<sup>1</sup>

£773.4 billion at 30 June 2022

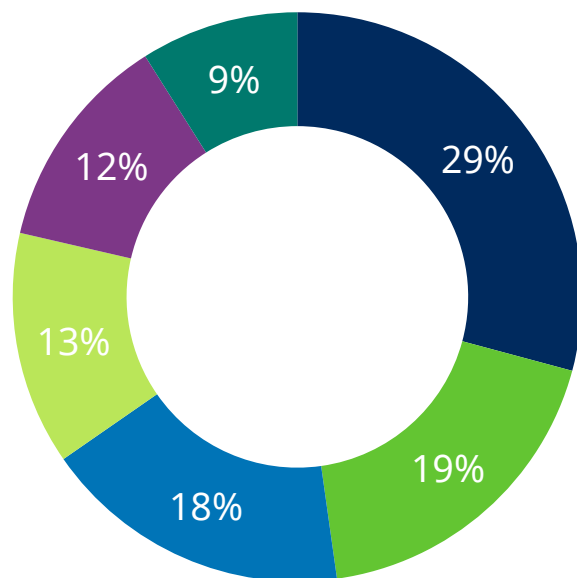




# Total AUM by business area, region and product

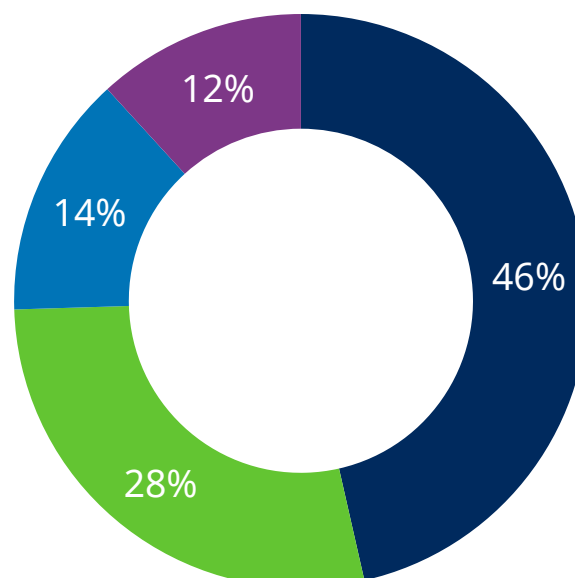
Assets under management £773.4 billion

By business area



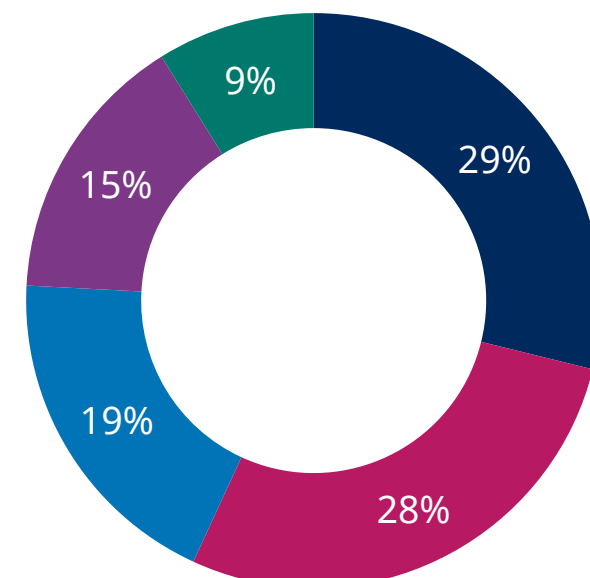
- Solutions
- Institutional
- JVs and Associates
- Mutual Funds
- Wealth Management<sup>2</sup>
- Private Assets & Alternatives

By region<sup>1</sup>



- UK
- Asia Pacific
- Europe, Middle East & Africa
- Americas

By product<sup>3</sup>

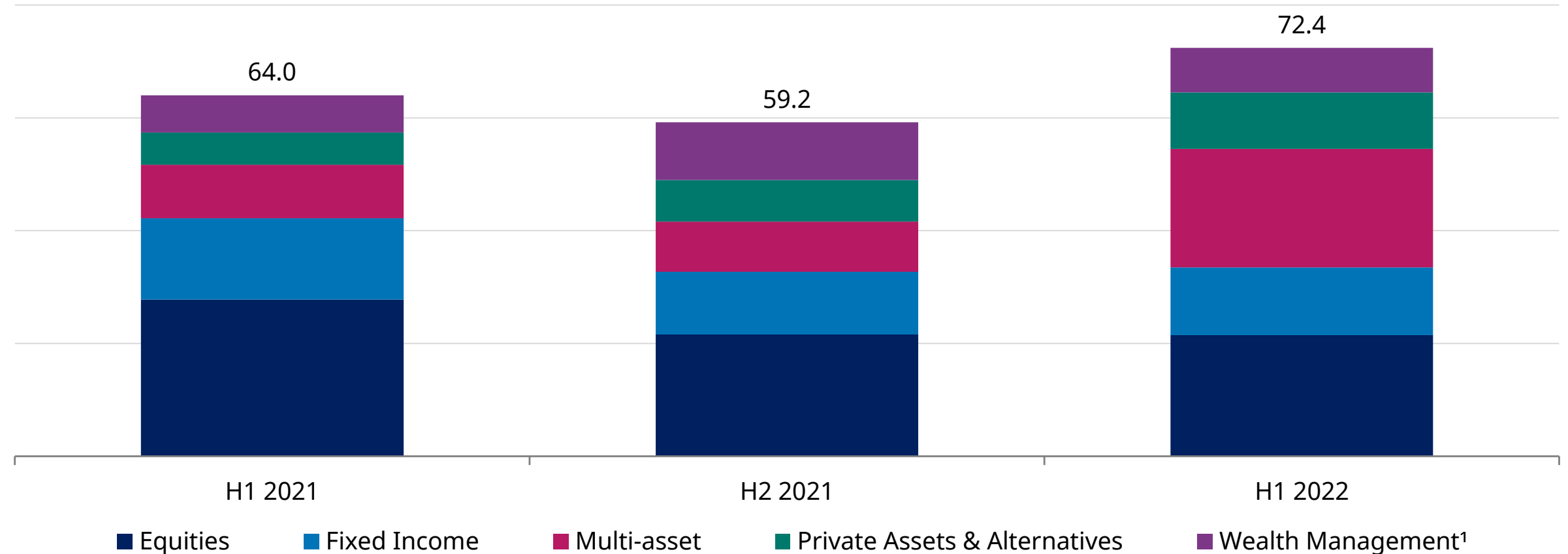


- Equities
- Multi-asset
- Fixed Income
- Wealth Management<sup>2</sup>
- Private Assets & Alternatives

# Gross inflows excl. JVs and Associates

Half-yearly

£bn



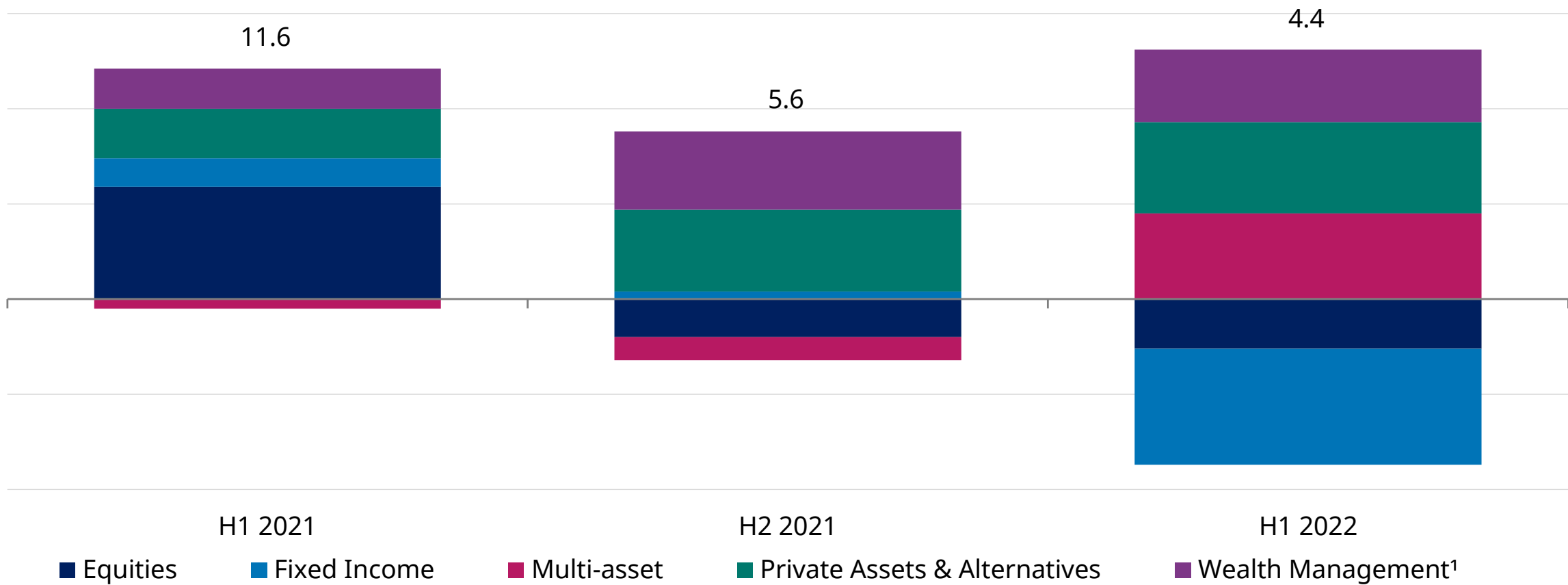
8 <sup>1</sup>Wealth Management inflows have been restated to reflect the basis on which contractual revenues are earned by the Group. Inflows are now recognised where separate contractual client relationships exist that generate incremental revenues for the Group.



# Net flows excl. JVs and Associates

Half-yearly

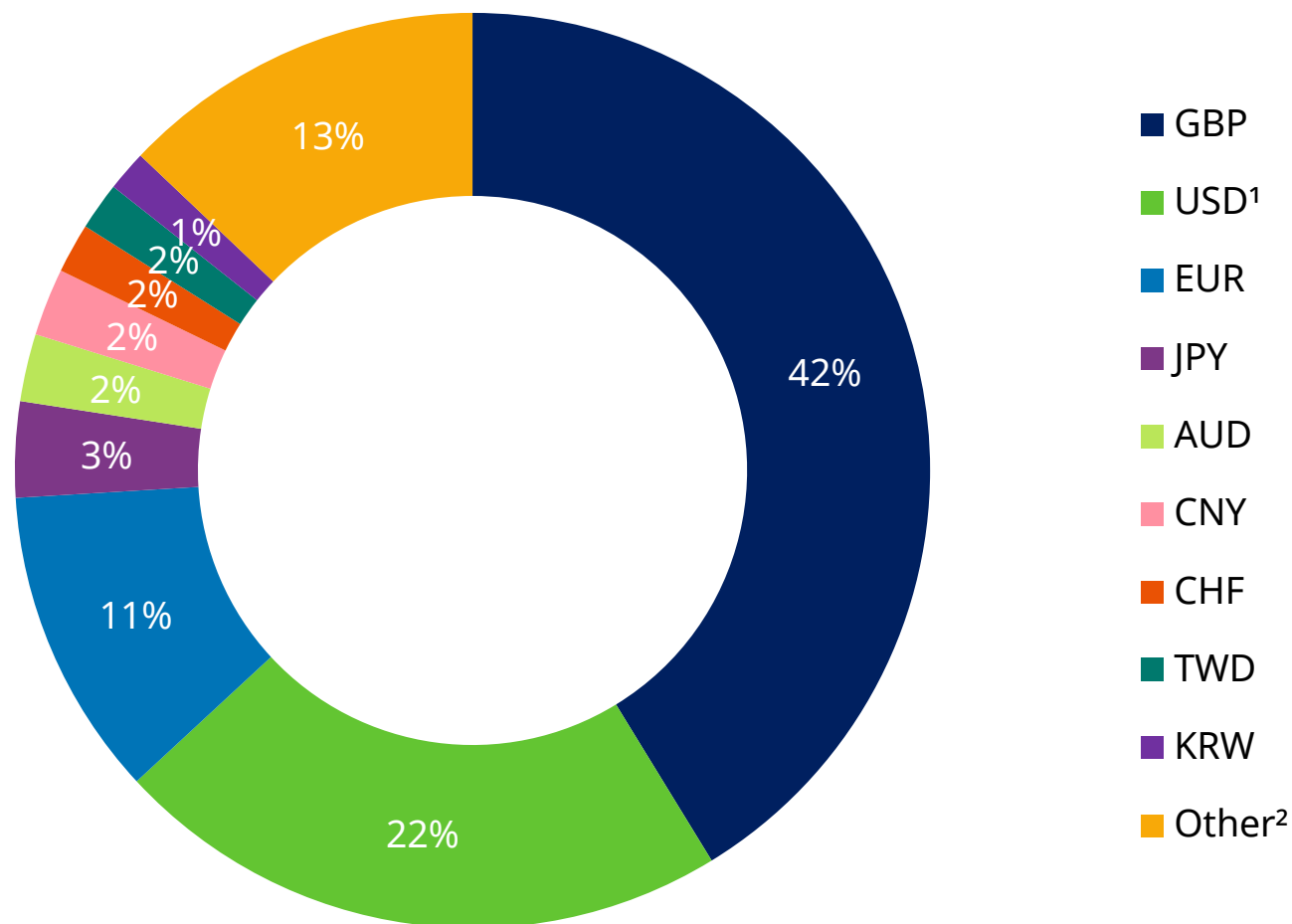
£bn



9 <sup>1</sup>Wealth Management net flows have been restated to reflect the basis on which contractual revenues are earned by the Group. Net flows are now recognised where separate contractual client relationships exist that generate incremental revenues for the Group.

# Currency profile of AUM excl. JVs and Associates

Assets under management £637.5 billion



# Asset Management AUM – detailed business area analysis

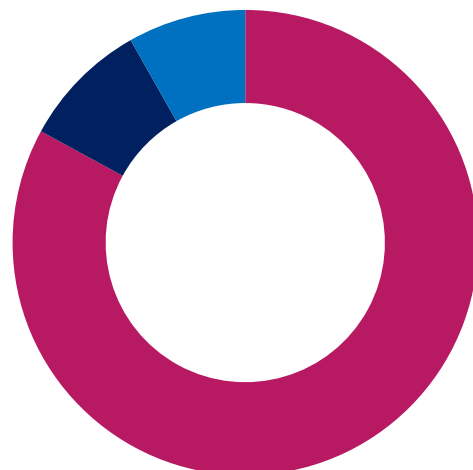
Assets under management £541.5 billion

**Private Assets & Alternatives**  
£69.4bn



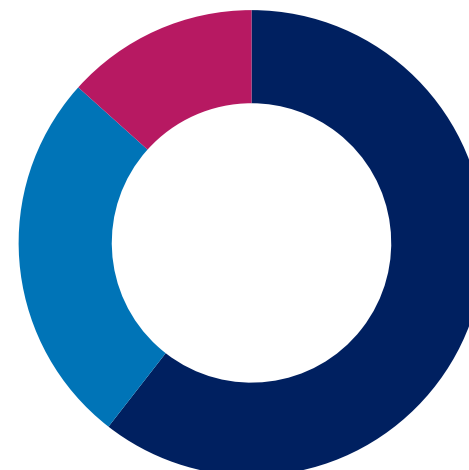
Real estate	37%
Securitised credit	17%
Private Equity	15%
Greencoat	12%
BlueOrchard	5%
Infrastructure finance	4%
Insurance linked	4%
GAIA <sup>1</sup>	3%
Emerging market debt	2%
Commodities	1%

**Solutions**  
£225.7bn



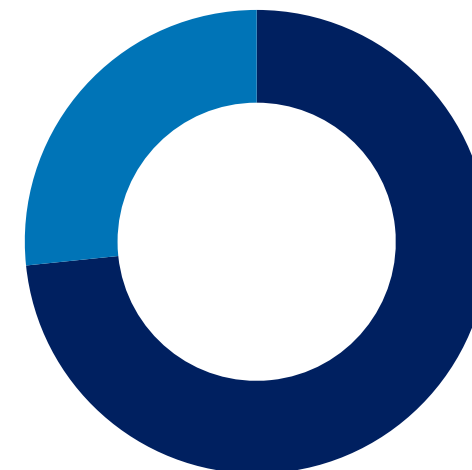
Multi-asset	83%
Equities	9%
Fixed Income	8%

**Mutual Funds**  
£102.6bn



Equities	61%
Fixed income	26%
Multi-asset	13%

**Institutional**  
£143.8bn



Equities	73%
Fixed income	27%

# Asset Management AUM – detailed business area analysis

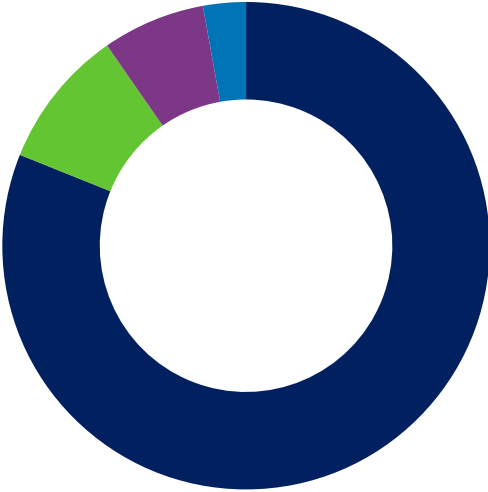
Assets under management £541.5 billion

Private Assets & Alternatives  
£69.4bn



Europe, Middle East & Africa	43%
UK	40%
Americas	14%
Asia Pacific	3%

Solutions  
£225.7bn



UK	81%
Asia Pacific	9%
Americas	7%
Europe, Middle East & Africa	3%

Mutual Funds  
£102.6bn



Europe, Middle East & Africa	34%
Asia Pacific	29%
UK	23%
Americas	14%

Institutional  
£143.8bn

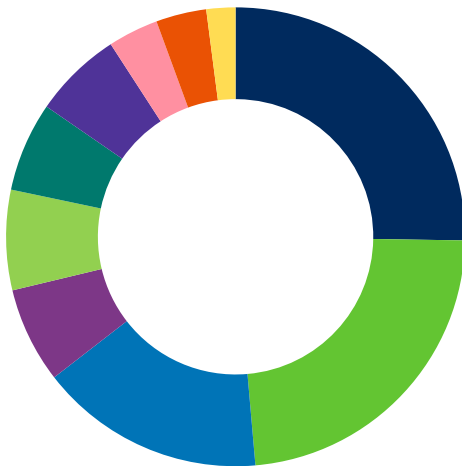


Americas	36%
Asia Pacific	27%
Europe, Middle East & Africa	21%
UK	16%

# Asset Management AUM – detailed business area analysis

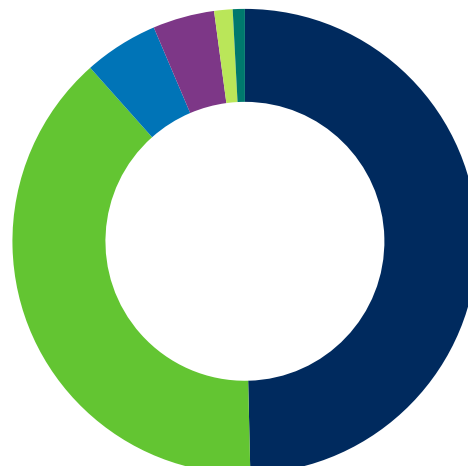
Assets under management £541.5 billion

**Equities**  
£187.7bn



Asia Pacific	25%
Global	23%
Emerging markets	16%
Quantitative equities	7%
Systematic investments	7%
UK	6%
Europe	6%
Japan	4%
US	4%
Australia	2%

**Multi-asset**  
£200.8bn



Risk mitigation	50%
Risk controlled growth	39%
Portfolio solutions advanced	5%
Income	4%
Inflation protection	1%
Other	1%

**Fixed Income**  
£83.6bn



US	27%
Europe	18%
UK	18%
Global	18%
Asia Pacific	6%
Australia	5%
Emerging market bonds	3%
Convertibles	2%
Latin America Fixed Income	2%
Custom Bond Beta	1%

**Private Assets & Alternatives**  
£69.4bn

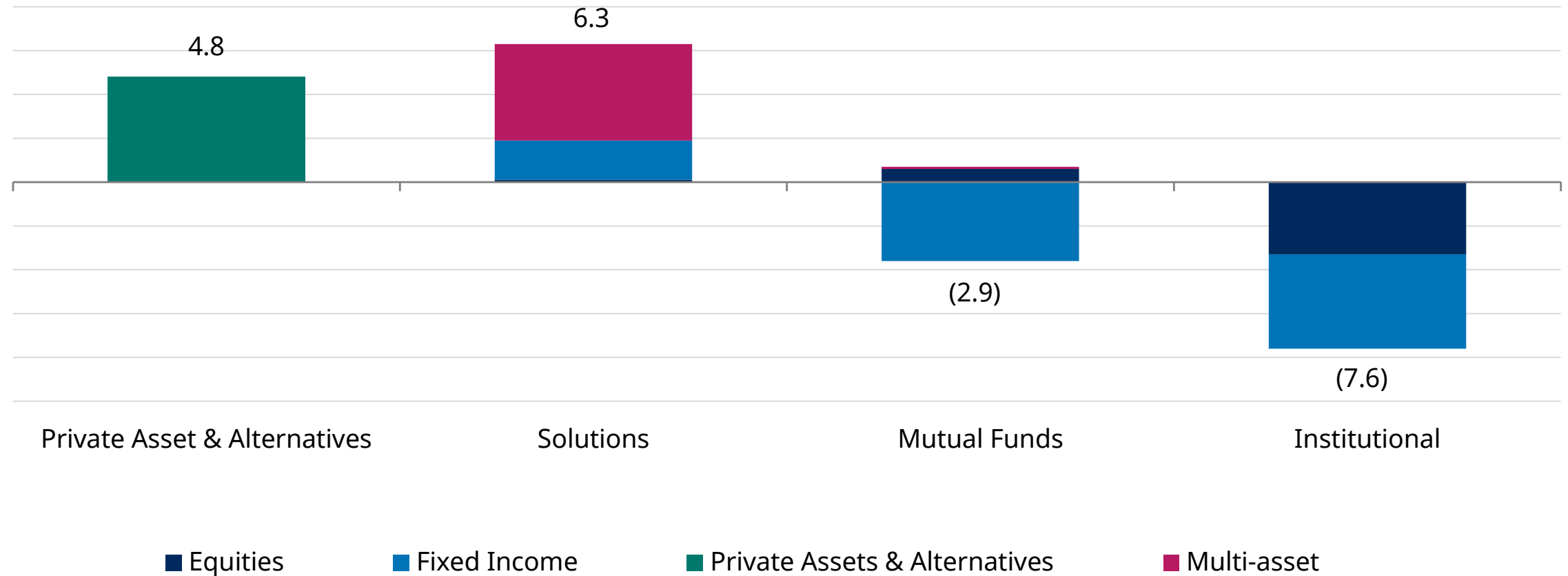


Real estate	37%
Securitised credit	17%
Private Equity	15%
Greencoat	12%
BlueOrchard	5%
Infrastructure finance	4%
Insurance linked	4%
GAIA <sup>1</sup>	3%
Emerging market debt	2%
Commodities	1%

# Asset Management net flows by business area

£0.6 billion at 30 June 2022

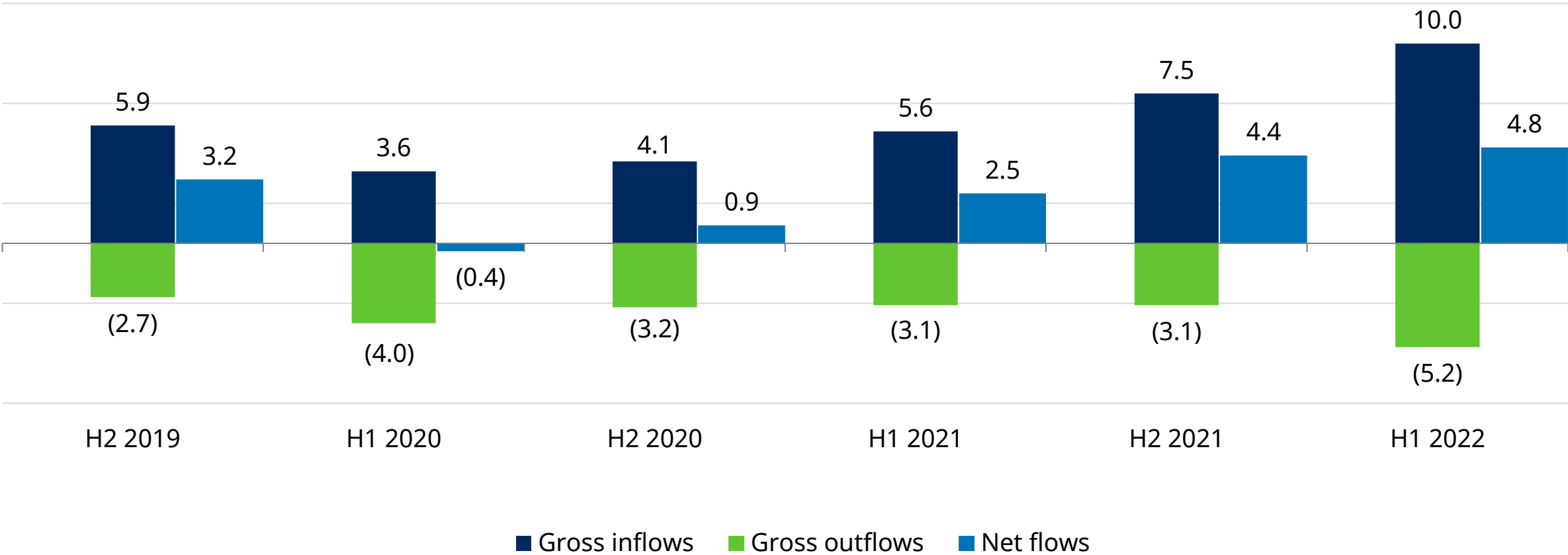
£bn



# Private Assets & Alternatives – gross and net flows

Assets under management £69.4 billion

£bn

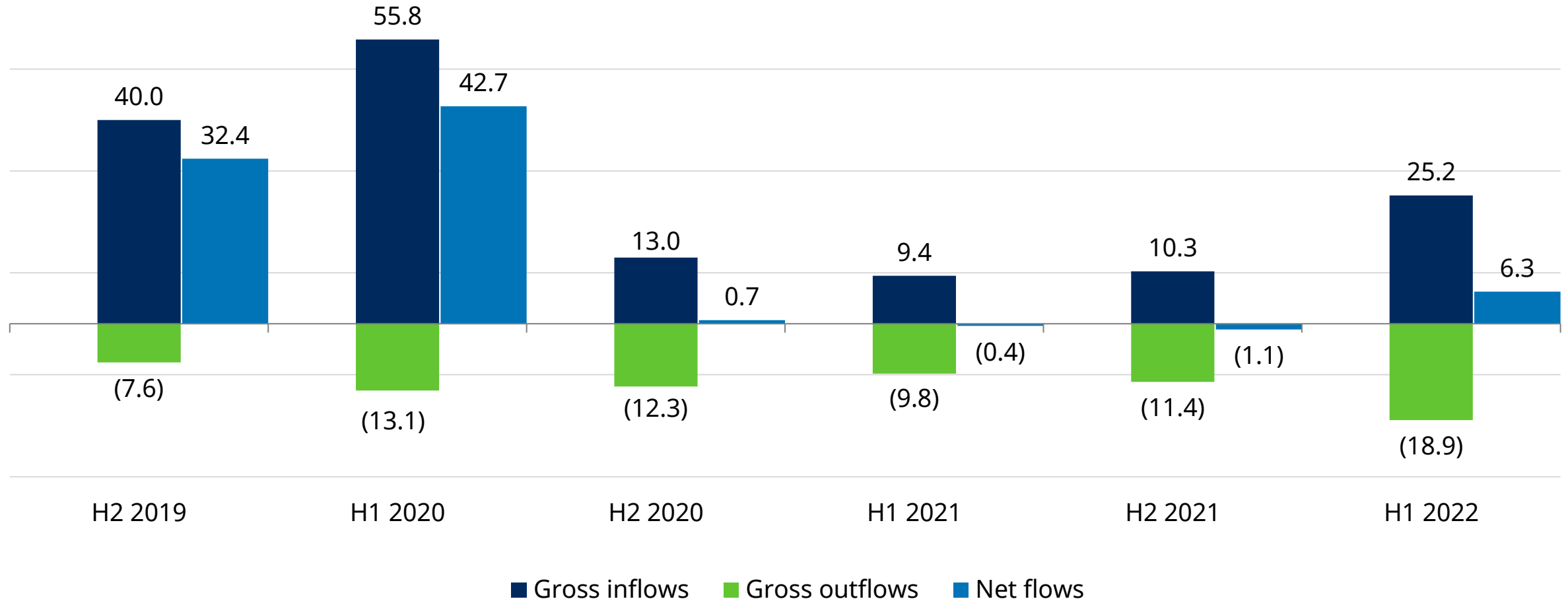




# Solutions – gross and net flows

Assets under management £225.7 billion

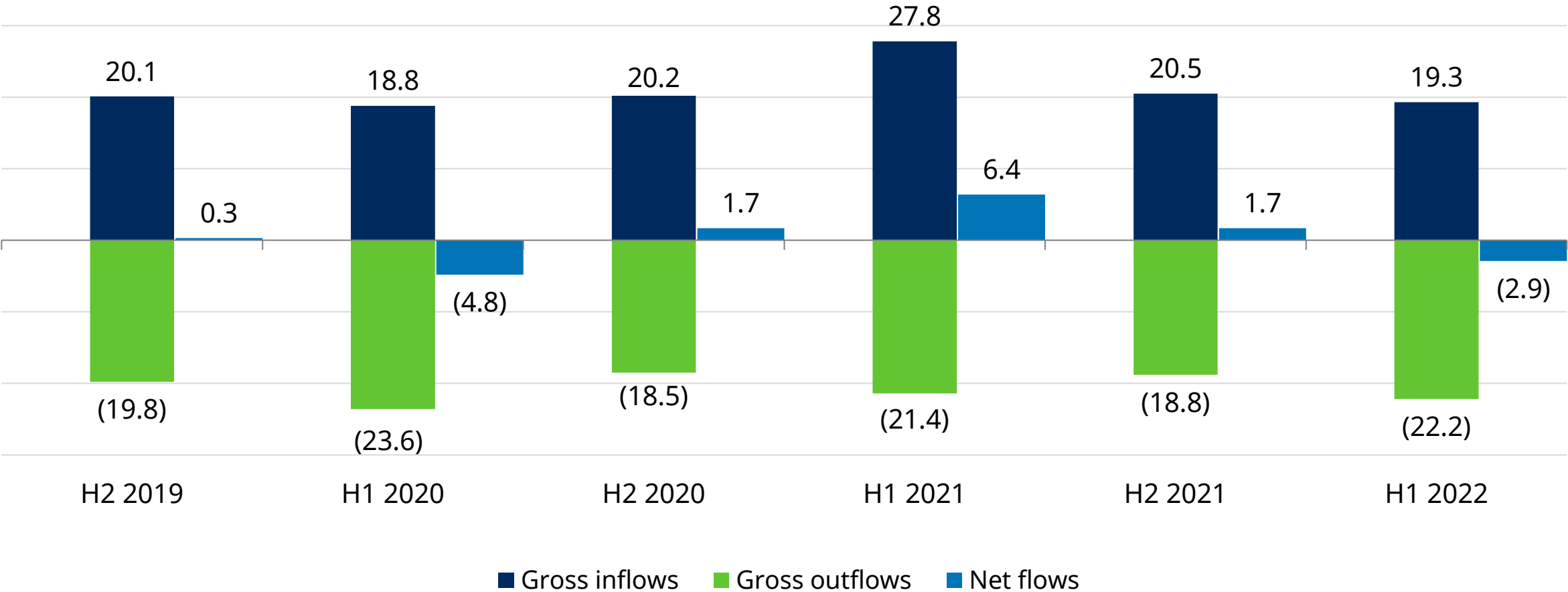
£bn



# Mutual Funds – gross and net flows

Assets under management £102.6 billion

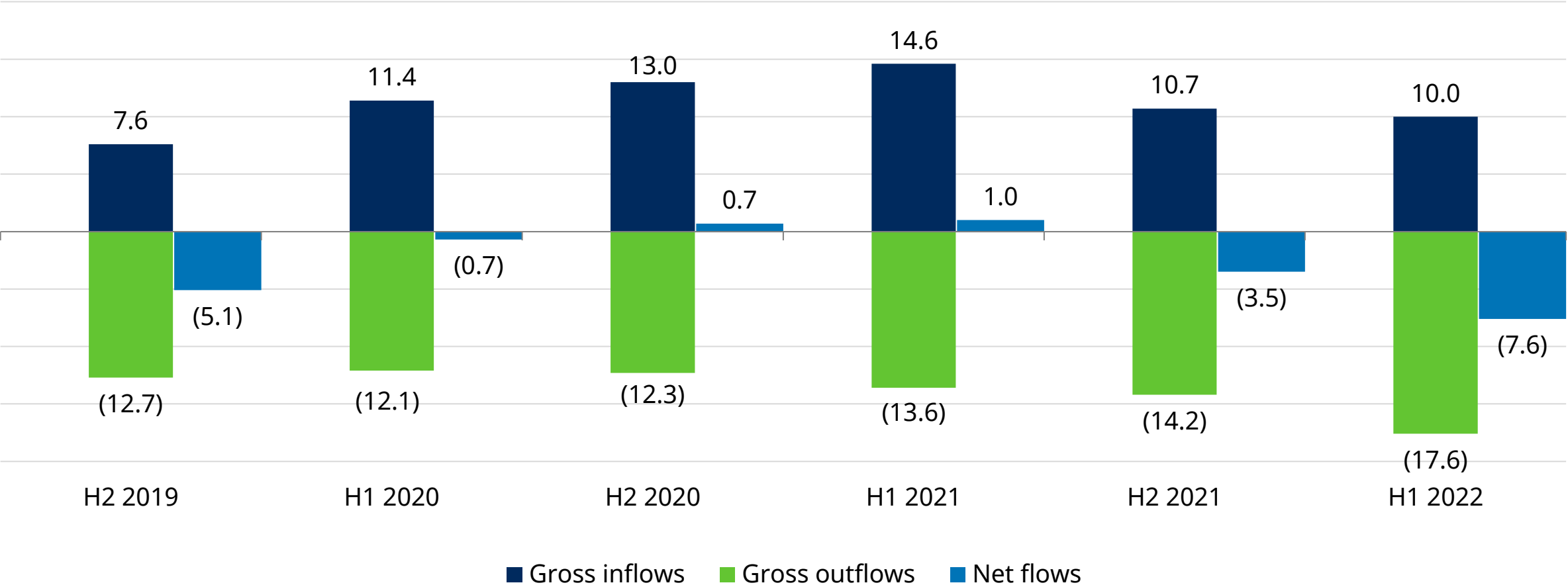
£bn



# Institutional – gross and net flows

Assets under management £143.8 billion

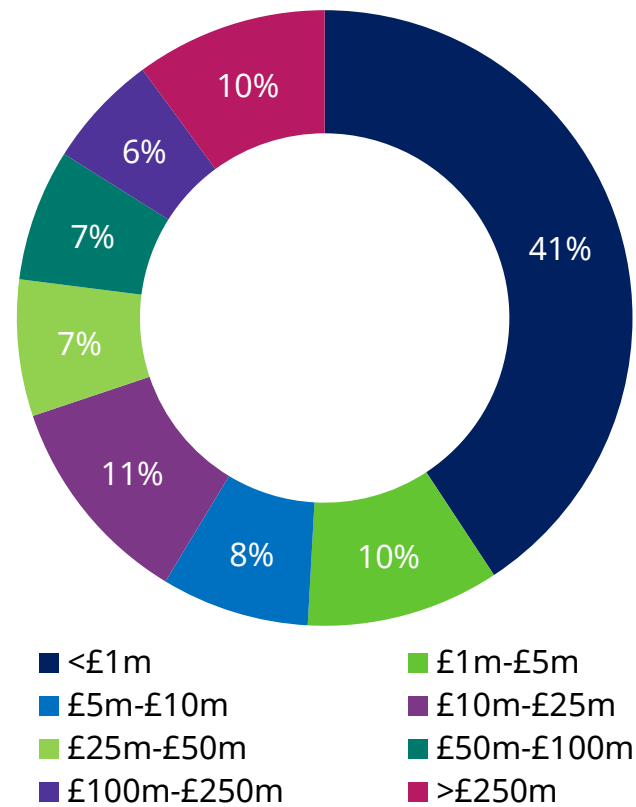
£bn



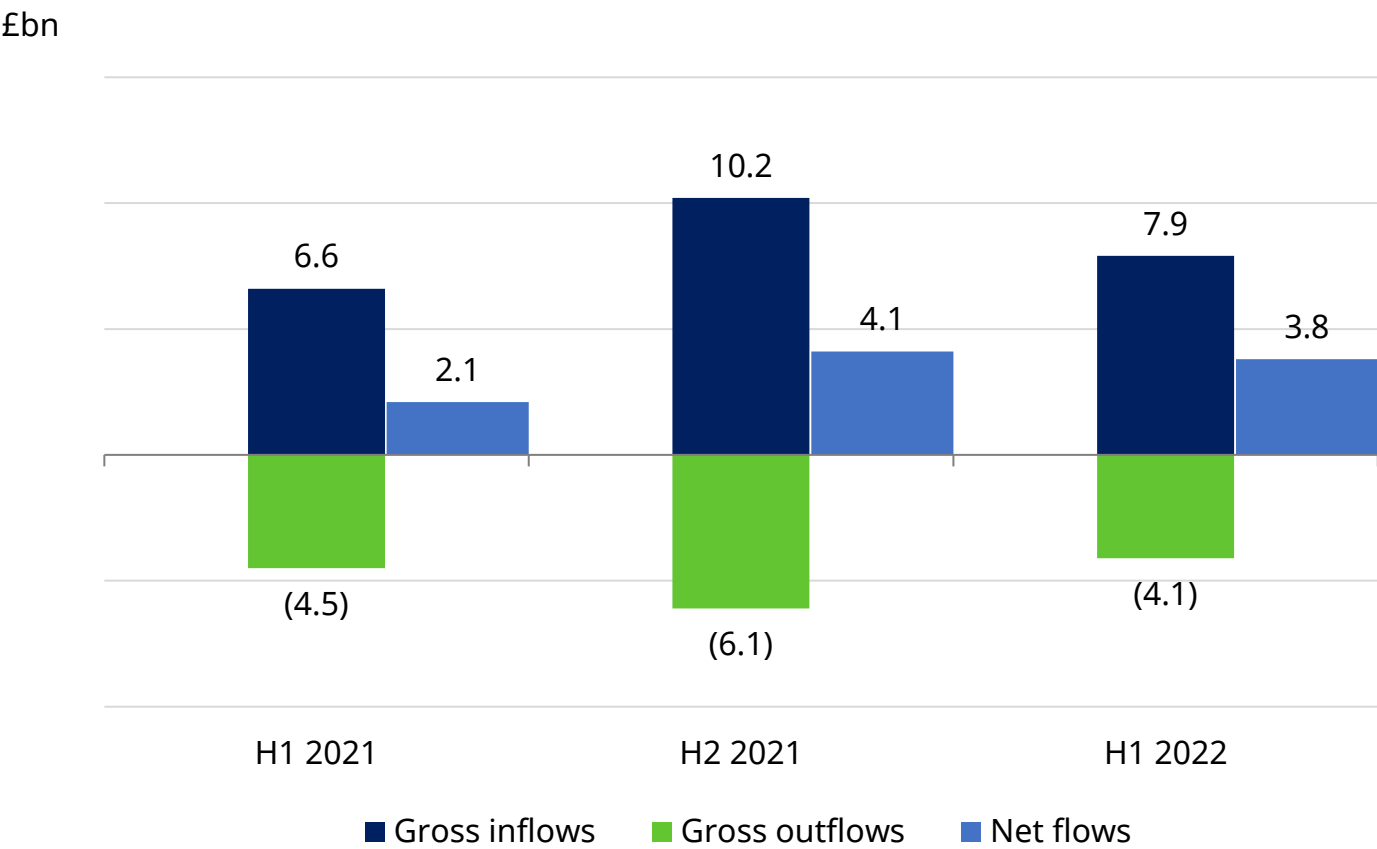
# Wealth Management

Assets under management £96.0 billion

AUM by client size



Gross and net flows



19 <sup>1</sup>Wealth Management flows have been restated to reflect the basis on which contractual revenues are earned by the Group. The flows are now recognised where separate contractual client relationships exist that generate incremental revenues for the Group.

# Net operating revenue and margins – Asset Management

Asset Management operating profit £329.0 million

£m	FY 2021	H1 2021	H1 2022
Net operating revenue (excl. performance fees and net carried interest) – £m	1,917.0	930.9	962.3
Performance fees – £m	94.2	31.0	15.8
Net carried interest – £m	31.9	12.3	5.3
Net operating revenue (incl. performance fees and net carried interest) – £m	2,043.1	974.2	983.4
Net operating revenue margin (excl. performance fees and carried interest) on average AUM	37bps	37bps	35bps
Performance fees and net carried interest on average AUM	2bps	2bps	1bp
Net operating income – £m	2,137.5	1,023.7	1,037.8
Operating expenses – £m	(1,424.8)	(689.6)	(708.8)
<b>Operating profit – £m</b>	<b>712.7</b>	<b>334.1</b>	<b>329.0</b>

# Income statement progression

Asset Management operating profit £329.0 million

£m	H1 2021	H2 2021	H1 2022
<b>Net operating revenue</b>	974.2	1,068.9	983.4
Share of profit of associates and joint ventures	37.9	36.0	37.9
Other net operating income	11.6	8.9	16.5
<b>Net operating income</b>	<b>1,023.7</b>	<b>1,113.8</b>	<b>1,037.8</b>
<b>Operating expenses</b>	<b>(689.6)</b>	<b>(735.2)</b>	<b>(708.8)</b>
<b>Operating profit – £m</b>	<b>334.1</b>	<b>378.6</b>	<b>329.0</b>

# Income statement progression

Wealth Management operating profit £77.9 million

£m	H1 2021	H2 2021	H1 2022
<b>Net operating revenue</b>	175.5	184.5	194.6
Share of profit of associates and joint ventures	5.5	8.8	3.7
Other net operating income	4.8	3.4	4.2
<b>Net operating income</b>	<b>185.8</b>	<b>196.7</b>	<b>202.5</b>
<b>Operating expenses</b>	<b>(120.3)</b>	<b>(133.9)</b>	<b>(124.6)</b>
<b>Operating profit – £m</b>	<b>65.5</b>	<b>62.8</b>	<b>77.9</b>



# Cost and return metrics

## Total costs

	FY 2021	H1 2021	H1 2022
Operating expenses (£m)	1,679.0	809.9	833.4
Central costs (£m)	53.6	27.1	23.2
	<b>1,732.6</b>	<b>837.0</b>	<b>856.6</b>
Operating expenses ratio	67%	67%	67%
Headcount	5,750	5,638	6,272
Total compensation ratio <sup>1</sup>	45%	46%	45%

### Operating expenses ratio

= Operating expenses divided by net operating income

### Total compensation ratio

= compensation costs divided by net income<sup>2</sup>

# Reconciliation of Operating profit to Profit before tax and exceptional items – Six months to 30 June 2022

£m	Asset Management	Wealth Management	Adjustments	Restated WM*	Group	Total
<b>Net operating revenue</b>	983.4	226.1	(31.5)	194.6	-	1,178.0
Net gain/(loss) on financial instruments and other income	9.2	4.7		4.7	(26.7)	(12.8)
Share of profit of associates and joint ventures	37.9	0.5	3.2	3.7		41.6
<b>Net income</b>	<b>1,030.5</b>	<b>231.3</b>	<b>(28.3)</b>	<b>203.0</b>	<b>(26.7)</b>	<b>1,206.8</b>
Operating expenses	(708.8)	(152.1)	27.5	(124.6)	(23.2)	856.6
<b>Profit before tax and exceptional items</b>	<b>321.7</b>	<b>79.2</b>	<b>(0.8)</b>	<b>78.4</b>	<b>(49.9)</b>	<b>350.2</b>
Less: Non-banking interest income/expense and Group segment	7.3			(0.5)	49.9	56.7
<b>Operating Profit</b>	<b>329.0</b>			<b>77.9</b>	<b>-</b>	<b>406.9</b>
Central costs						(23.2)
Net gain on financial instruments and other income						(35.2)
Interest income/expense - Group segment						8.5
Interest income/expense - Other						(6.8)
Interest income/expense <sup>2</sup>						(0.3)
Acquisition related costs <sup>2</sup>						(13.2)
Amortisation of acquired intangible assets <sup>2</sup>						(23.9)
<b>Profit before tax</b>						<b>312.8</b>

# Reconciliation of Operating profit to Profit before tax and exceptional items – Six months to 30 June 2021

£m	Asset Management	Wealth Management	Adjustments	Restated WM*	Group	Total
<b>Net operating revenue</b>	974.2	204.3	(28.8)	175.5	-	1,149.7
Net gain/(loss) on financial instruments and other income	12.0	10.1	(5.5)	4.6	34.8	51.4
Share of profit of associates and joint ventures	37.9	0.5	5.0	5.5	-	43.4
<b>Net income</b>	<b>1,024.1</b>	<b>214.9</b>	<b>(29.3)</b>	<b>185.6</b>	<b>34.8</b>	<b>1,244.5</b>
Operating expenses	(689.6)	(148.4)	28.1	(120.3)	(27.1)	(837.0)
<b>Profit before tax and exceptional items</b>	<b>334.5</b>	<b>66.5</b>	<b>(1.2)</b>	<b>65.3</b>	<b>7.7</b>	<b>407.5</b>
Less: Non-banking interest income/expense and Group segment	(0.4)			0.2	(7.7)	(7.9)
<b>Operating Profit</b>	<b>334.1</b>			<b>65.5</b>	<b>-</b>	<b>399.6</b>
Central costs						(27.1)
Net gain on financial instruments and other income						32.6
Interest income/expense - Group segment						2.2
Interest income/expense - Other						0.2
Interest income/expense <sup>2</sup>						(3.5)
Acquisition related costs <sup>2</sup>						(8.9)
Amortisation of acquired intangible assets <sup>2</sup>						(21.2)
<b>Profit before tax</b>						<b>373.9</b>

# Reconciliation of Operating profit to Profit before tax and exceptional items – FY 2021

£m	Asset Management	Wealth Management	Adjustments	Restated WM <sup>1</sup>	Group	Total
<b>Net operating revenue</b>	2,043.1	420.8	(60.8)	360.0	-	2,403.1
Net gain/(loss) on financial instruments and other income	21.0	11.7	(3.8)	7.9	48.6	77.5
Share of profit of associates and joint ventures	73.9	1.2	13.1	14.3	-	88.2
<b>Net income</b>	<b>2,138.0</b>	<b>433.7</b>	<b>(51.5)</b>	<b>382.2</b>	<b>48.6</b>	<b>2,568.8</b>
Operating expenses	(1,424.8)	(305.1)	50.9	(254.2)	(53.6)	(1,732.6)
<b>Profit before tax and exceptional items</b>	<b>713.2</b>	<b>128.6</b>	<b>(0.6)</b>	<b>128.0</b>	<b>(5.0)</b>	<b>836.2</b>
Less: Non-banking interest income/expense and Group segment	(0.5)			0.3	5.0	4.8
<b>Operating Profit</b>	<b>712.7</b>			<b>128.3</b>	<b>-</b>	<b>841.0</b>
Central costs						(53.6)
Net gain on financial instruments and other income						45.3
Interest income/expense - Group segment						3.3
Interest income/expense - Other						0.2
Interest income/expense <sup>2</sup>						(6.9)
Acquisition related costs <sup>2</sup>						(24.0)
Amortisation of acquired intangible assets <sup>2</sup>						(41.2)
<b>Profit before tax</b>						<b>764.1</b>

Schroders

***THANK YOU***

