

River and Mercantile Group PLC

Chairman's letter and Notice of Annual General Meeting 2017

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to any aspect of the proposals referred to in this document or as to the actions you should take, you are advised to seek advice from your stockbroker, bank manager, solicitor, accountant or other appropriate independent professional adviser authorised under the Financial Services and Markets Act 2000. If you have sold or otherwise transferred all of your ordinary shares in River and Mercantile Group PLC (the 'Company'), please pass this document and the accompanying Form of Proxy to the purchaser or transferee or to the person through whom the sale or transfer was effected, for transmission to the purchaser or transferee.

Whether or not you propose to attend the Annual General Meeting, please complete and submit the enclosed Form of Proxy in accordance with the instructions printed on it. To be valid, the enclosed Form of Proxy must be completed, signed and returned so as to reach the Company's Registrar, Equiniti, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA as soon as possible and, in any event, so as to arrive no later than 2.00 pm on 6 December 2017. Alternatively, you can register your proxy vote electronically, if you are a CREST member, by using the service provided by Euroclear.

Appointment of a proxy will not prevent you from attending and voting at the meeting in person if you subsequently find that you are able to do so.

Chairman's letter

31 October 2017

Dear Shareholder,

2017 Annual General Meeting of River and Mercantile Group PLC

I am pleased to be writing to invite you to this year's Annual General Meeting ('AGM') for River and Mercantile Group PLC (the 'Company') which will be held at 2.00 pm on 8 December 2017 at 11 Strand, London, WC2N 5HR.

The formal Notice of AGM is set out on pages 3 to 5 of this document and the explanatory notes on each resolution to be considered at this year's AGM are set out on pages 6 to 7.

At the AGM it is intended that the Company will take a poll on each of the resolutions put to shareholders. This enables the voting preferences of all shareholders to be taken into account, not just those who can physically attend the meeting.

Action to be taken

Whether or not you are able to attend the AGM, the Board urges you to exercise your right to vote as a shareholder of the Company and to complete and return the reply-paid Form of Proxy enclosed to the Company's Registrar, Equiniti, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA as soon as possible and, in any event, so as to arrive no later than 2.00 pm on 6 December 2017.

The appointment of a proxy will not prevent you from attending the AGM and voting in person (in substitution for your proxy vote) should you wish to do so. The final proxy vote on each resolution will be available at the AGM and posted on the Company's website thereafter.

Recommendation

The Board believes that the proposed resolutions set out in the Notice of AGM are in the best interests of the Company and its shareholders as a whole. Accordingly, the Board recommends that you vote in favour of each resolution, as they intend to do in respect of their own beneficial holdings.

The Directors and I look forward to seeing you at the AGM.

Yours faithfully,

Jonathan Dawson
Chairman

Registered office: 11 Strand, London, WC2N 5HR
T: 020 3327 5100 – F: 020 7785 9040
River and Mercantile Group PLC
Registered in England and Wales No: 04035248
www.riverandmercantile.com

River and Mercantile Group PLC

Notice of the 2017 Annual General Meeting

Notice is hereby given that the 2017 AGM of River and Mercantile Group PLC will be held at 2.00 pm on 8 December 2017 at 11 Strand, London, WC2N 5HR to consider, and if thought fit, pass the following resolutions (of which resolutions 1 to 18 will be proposed as ordinary resolutions and resolutions 19 to 21 will be proposed as special resolutions).

Voting on all resolutions will be by way of poll.

Notice of the 2017 Annual General Meeting continued

Ordinary Resolutions

Annual Report and Accounts 2017

1. To receive the annual report and accounts for the financial year ended 30 June 2017 together with the report of the auditors thereon.

Directors' report on remuneration

2. To approve the Directors' report on remuneration for the financial year ended 30 June 2017 as set out in the Annual Report and Accounts 2017.

Directors' Remuneration Policy

3. To approve the Directors' Remuneration Policy as set out on pages 58 to 70 in the Annual Report and Accounts 2017.

Deferred Equity Plan

4. That the remuneration committee of the Directors (the "Remuneration Committee") be authorised to establish the River and Mercantile Group PLC 2017 Deferred Equity Plan (the "DEP"), a copy of the draft rules of which has been produced to the meeting and initialled by the Chairman (for the purposes of identification only) and a summary of the main provisions of which is set out in the Appendix to this Notice of Annual General Meeting, and to do all such things as may be necessary or expedient to give effect to the DEP.

Deferred Equity Plan for Employees Resident or Working Outside of the United Kingdom

5. That the Remuneration Committee be authorised to establish schedules to, or further share plans based on the DEP but modified to take account of local tax, exchange control or securities laws in overseas territories provided that any shares made available under any such schedules or further plans are treated as counting against any limits on individual participation in the DEP.

Dividend

6. To approve a final dividend of 6 pence per ordinary share for the financial year ended 30 June 2017.

Election of Directors

7. To elect Jonathan Dawson as a Director of the Company.
8. To re-elect James Barham as a Director of the Company.
9. To re-elect Jack Berry as a Director of the Company.
10. To re-elect Angela Crawford-Ingle as a Director of the Company.
11. To re-elect Mike Faulkner as a Director of the Company.
12. To re-elect Kevin Hayes as a Director of the Company.
13. To re-elect Robin Minter-Kemp as a Director of the Company.
14. To re-elect Jonathan Punter as a Director of the Company.

Re-appointment of auditors

15. To reappoint BDO LLP as auditors to the Company, to hold office until the conclusion of the next general meeting at which accounts are laid before the Company.

Remuneration of auditors

16. To authorise the Board to set the remuneration of the auditors.

Authority to allot securities

17. That the Board be generally and unconditionally authorised for the purposes of section 551 of the Companies Act 2006 (the 'Act') (in substitution for any existing authority to allot shares) to allot:

- (a) shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company up to an aggregate nominal amount of £82,095; and
- (b) equity securities (as defined in section 560 of the Act) in connection with or pursuant to an offer by way of a rights issue in favour of ordinary shareholders where the equity securities respectively attributable to the interests of all ordinary shareholders are proportionate (as nearly as may be) to the respective numbers of ordinary shares held by them up to an aggregate nominal amount of £82,095,

provided that this authority shall expire at the conclusion of the Company's next AGM (or on 7 March 2019 whichever is the earlier), save that the Company may before such expiry make an offer or agreement which would or might require shares to be allotted or rights to be granted, after such expiry and the Board may allot shares, or grant rights to subscribe for or to convert any security into shares, in pursuance of such offer or agreement as if the authority conferred by this resolution had not expired.

Political Donations

18. That in accordance with sections 366 and 367 of the Act the Company and all companies that are subsidiaries of the Company at any time during the period for which this resolution has effect are authorised, during the period beginning with the date on which this resolution is passed and ending on 7 March 2019 or, if sooner, the end of the next AGM of the Company, to incur political expenditure not exceeding £50,000 in total. For the purposes of this resolution the term 'political expenditure' has the meaning given by sections 363 to 365 of the Act.

Special Resolutions

Authority to disapply pre-emption rights

19. That, subject to the passing of resolution 17 set out in this Notice, the Board be authorised to allot equity securities (as defined in the Act) for cash under the authority given by that resolution and/or to sell ordinary shares held by the Company as treasury shares for the cash as if section 561 of the Act did not apply to any such allotment or sale, such authority to be limited:

- (i) to the allotment of equity securities in connection with or pursuant to any offer by way of rights, open offer or pre-emptive offer to holders of shares in the company and other persons entitled to participate therein in proportion (as nearly as practicable) to their respective holdings, subject to such exclusions or other arrangements as the Board may deem necessary or expedient to deal with fractional entitlements or legal, regulatory or practical difficulties under the laws of any territory or the regulations or requirements of any regulatory authority or any stock exchange in any territory; and
- (ii) to the allotment of equity securities or sale of treasury shares (otherwise than pursuant to sub-paragraph (i) above), up to an aggregate nominal amount of £12,314,

such authority shall expire at the end of the next AGM of the Company (or, if earlier, at the close of business on 7 March 2019) but, in each case, prior to its expiry the Company may make offers, and enter into agreements, which would or might require equity securities to be allotted (and treasury shares sold) after the authority expires and the Board may allot equity securities (and sell treasury shares) under any such offer or agreement as if the authority had not expired.

20. That, subject to the passing of resolution 17 set out in this Notice, the Board be authorised, in addition to any authority, granted under resolution 19 above to allot equity securities (as defined in the Act) for cash under the authority given by that resolution and/or to sell ordinary shares held by the Company as treasury shares for cash as if section 561 of the Act did not apply to any such allotment or sale, such authority to be:

- (i) limited to the allotment of equity securities or sale of treasury shares up to a nominal amount of £12,314; and
- (ii) used only for the purposes of financing (or refinancing, if the authority is to be used within 6 months after the original transaction) a transaction which the Board determines to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this Notice,

such authority shall expire at the end of the next AGM of the Company (or, if earlier, at the close of business on 7 March 2019) but in each case prior to its expiry the Company may make offers and enter into agreements which would or might require equity securities to be allotted (and treasury shares to be sold) after the authority expires and the Board may allot equity securities (and sell treasury shares) under any such offer or agreement as if the authority had not expired.

Notice of general meetings

21. That a general meeting of the Company (other than an AGM) may be called on not less than 14 clear days' notice.

By order of the Board

Sally Buckmaster
Company Secretary
31 October 2017

Registered Office: 11 Strand, London, WC2N 5HR
Registered in England and Wales No 04035248

Explanation of the resolutions are contained on the following pages.

Explanatory Notes to the Notice of Annual General Meeting

Annual Report & Accounts 2017 (resolution 1)

The Board will present to the shareholders at the AGM the accounts for the previous financial year (on this occasion for the year ended 30 June 2017), together with the strategic report and the reports of the Directors and the auditor.

Directors' Remuneration Report (resolution 2)

Resolution 2 relates to the Directors' report on remuneration. You can find this part of the report in the Annual Report and Accounts 2017 at pages 44 to 57. In accordance with section 439 of the Act, the Directors' report on remuneration must be put to a vote of shareholders. As this vote is an advisory vote, the Directors' entitlement to remuneration is not conditional upon the resolution being passed.

The Directors' Remuneration Policy is subject to a binding shareholder vote by way of ordinary resolution at least once every three years. The Directors' Remuneration Policy was approved by the Company's shareholders at the 2014 AGM and remains valid until replaced.

Directors' Remuneration Policy (resolution 3)

The Company is required to seek shareholder approval of its Directors' Remuneration Policy set out in the Directors' Report on Remuneration at least every three years. The last such approval was granted at the AGM in 2014. This vote is binding on the Company.

The Directors' Remuneration Policy, if approved, will take effect from receipt of shareholder approval and will apply until replaced by a new or amended policy. Once the policy is effective, the Company will not be able to make remuneration payments to a current or past director, unless the payment is consistent with the approved policy or has been otherwise approved by shareholders.

If the Directors' Remuneration Policy is not approved by shareholders for any reason, the Company will, if and to the extent permitted to do so under the Act, continue to make payments to Directors in accordance with its existing contractual and policy arrangements and will seek shareholder approval for a revised policy as soon as practicable.

Deferred Equity Plan (resolution 4)

Under the River and Mercantile Group PLC 2017 Deferred Equity Plan (the "DEP"), deferred awards may be made in the form of options to acquire River and Mercantile Group PLC shares, units in a unit trust, a UCITS or other funds managed by River and Mercantile Group PLC (the "Company") or any subsidiary of the Company or such other securities or financial instrument as determined by the Company's Remuneration Committee ("Securities"), conditional rights to receive Securities, in either case at nil-cost, or a right to a payment of cash which is expressed to relate to a number of notional Securities (together, "Awards").

The DEP was established by approval of the Company's Remuneration Committee in October 2016. To date, Executive Directors have been unable to participate in the DEP in accordance with the Listing Rules. Shareholder approval is now sought for the DEP which will be amended so that, going forwards, Awards may be made to executive directors. However, the terms of their participation will be consistent with the Directors' Remuneration Policy.

The main provisions of the DEP are summarised in the Appendix to this Notice of Annual General Meeting.

Deferred Equity Plan for Employees Resident or Working Outside of the United Kingdom (resolution 5)

Shareholder authority is sought to enable the Remuneration Committee to add schedules to the DEP or adopt share plans based on the DEP to enable the grant of Awards to employees outside of the UK, taking account of local tax, exchange control and securities laws in the relevant jurisdiction.

DOCUMENTS ON DISPLAY WORDING

The rules of the DEP are available for inspection at the Company's registered office, 11 Strand, London, WC2N 5HR during business hours on any weekday from the date of this Notice of Annual General Meeting until the close of the Annual General Meeting. The rules will also be available for inspection at the Annual General Meeting venue for 15 minutes prior to, and until the end of, the Annual General Meeting.

Dividend (resolution 6)

A final dividend can only be paid following approval by shareholders at an AGM. A final dividend of 6 pence per ordinary share is recommended by the Board for payment to shareholders on the register of members of the Company at the close of business on 24 November 2017. If approved by shareholders at the AGM, the final dividend will be paid on 15 December 2017.

Election of Directors (resolutions 7 to 14)

These resolutions are to approve the election or re-election of the Directors of the Company. In accordance with the UK Corporate Governance Code, each of the Directors offers themselves for election or re-election by shareholders. The biographical details of each of the Directors standing for re-election are set out in the Annual Report and Accounts 2017 on pages 36 and 37.

The biographical details of Jonathan Dawson, who is seeking election having been appointed by the Board since the last AGM, is set out below and on the Company's website at www.riverandmercantile.com.

Jonathan Dawson

Jonathan Dawson was appointed to the Board on 1 October 2017 as Chairman of the Company. Jonathan will serve on the Remuneration Committee and chair the Nominations Committee.

Jonathan has extensive financial services, pensions and non-executive experience. Jonathan started his career in the Ministry of Defence before joining Lazard, the investment bank, where he spent over 20 years. He left Lazard in 2005 and cofounded Penfida Limited, the leading independent corporate finance advisor to pension fund trustees.

Jonathan currently serves as a Non-Executive Director and Chair of the Remuneration Committee of National Grid plc and is the Chairman of Penfida Limited.

Most recently Jonathan served as Senior Independent Director and Chair of the Audit and Risk Committee of Jardine Lloyd Thompson Group plc. Jonathan previously served as Senior Independent Director and Chair of the Remuneration Committee of Next plc. Other previous appointments include, Non-Executive Director of Galliford Try plc, National Australia Group Europe Limited and Standard Life Investments (Holdings) Limited.

Selection Process

Following the death of Paul Bradshaw in January 2017, the Nominations Committee undertook a rigorous selection process which included the engagement of independent executive search consultants and multiple candidate interviews by both non-executive and executive Directors. Jonathan's significant experience in financial services, pensions and as non-executive director of major listed companies makes him well suited to the role of Chairman.

The Board supports the election or re-election of each director, as it believes the knowledge and experience of each director, as set out in their biographies on pages 36 and 37 of the Annual Report and Accounts 2017, assists in ensuring that the Board has an appropriate balance of skills and experience for the requirements of the business.

Resolutions 7, 10, and 13 are separate resolutions to elect as Independent Non-Executive Directors: Jonathan Dawson, Angela Crawford-Ingle and Robin Minter-Kemp (together the 'Independent Non-Executive Directors'). The Financial Conduct Authority (the 'FCA') Listing Rules, require that where a company has a controlling shareholder as defined in LR 6.1.2A, the election or re-election of any independent director must be approved by independent shareholders (i.e. excluding the controlling shareholder) and the regime in the Listing Rules must be followed. Punter Southall Group Limited ('PSG' or the 'Controlling Shareholder') holds 38.1% of the ordinary shares of the Company and is therefore considered a controlling shareholder. As permitted by the FCA, we propose to hold a single vote on the election or re-election of each independent Director and will be able to identify and exclude the votes of the Controlling Shareholder in order to assess whether independent shareholders have approved the resolutions as required by the Listing Rules. If each resolution is passed by all shareholders and by independent shareholders, the directors will be elected or re-elected as applicable.

The Listing Rules also provide that where the resolution to elect or re-elect an Independent Non-Executive Director is not approved at the original vote by independent shareholders, the Company may nonetheless allow such a Director to remain in office until a second vote of all shareholders (i.e. including the controlling shareholder) on each of the resolutions takes place. If held, the second vote must take place within 90 to 120 days of the first vote. The Independent Non-Executive Directors have confirmed to the Board that if shareholders vote in favour of his or her re-election, but that vote is not passed by the independent shareholders of the Company, nor is it passed at any second vote of all shareholders held in accordance with the Listing Rules, he or she will resign immediately after the second vote.

Directors' Independence

The Board has determined that, in its judgment, all of the Independent Non-Executive Directors being proposed for re-election meet the independence criteria prescribed in the UK Corporate Governance Code (the 'Code') as all are independent in character and judgment and there are no material relationships or circumstances which are likely to affect, or could appear to affect, their judgment.

Re-appointment of auditors (resolution 15)

The auditor of the Company is required to be appointed or re-appointed at each AGM at which accounts are presented. Accordingly, resolution 15 proposes the re-appointment of BDO LLP as the Company's auditors. The Audit and Risk Committee Report includes an evaluation of external audit services and the implementation of the European Audit Reforms regarding retender. This is set out on page 43 of the Annual Report and Accounts 2017.

Remuneration of auditors (resolution 16)

Approval is sought for the Board to be authorised to agree the auditors' remuneration.

Authority to allot securities (resolution 17)

Under the Act, the Board may only allot unissued shares with the authority of shareholders granted to them in a general meeting. The authority given to the Board at the general meeting held on 9 December 2016 to allot and issue shares in the capital of the Company will expire at the conclusion of the forthcoming AGM. The Board recommends that the authority is renewed.

Accordingly, resolution 17 will be proposed as an ordinary resolution to grant authorities to allot shares and grant rights to subscribe for, or convert any security into, shares.

Explanatory Notes to the Notice of Annual General Meeting continued

Paragraph (a) of resolution 17 will allow the Board to allot ordinary shares up to a maximum nominal amount of £82,095 representing approximately one third of the Company's existing issued share capital and calculated as at 31 October 2017 (being the latest practicable date prior to publication of this document).

In accordance with the latest institutional guidelines issued by the Investment Association paragraph (b) of resolution 17 seeks additional authority to allot shares up to a further nominal amount of £82,095, representing approximately one third of the issued share capital of the Company as of 31 October 2017, solely to be used in connection with a pre-emptive rights issue.

Each of the authorities sought under resolution 17 will expire at the conclusion of the Company's 2018 AGM or on 7 March 2019, whichever is the earlier.

As at 31 October 2017, the Company holds no treasury shares.

Political Donations (resolution 18)

Under section 366 of the Act, a company must not incur political expenditure without shareholder approval. Political expenditure is widely defined and can include gifts (of money or other property), sponsorship and subscriptions and possibly the granting of paid leave to an employee to attend duties as an elected councillor, or support for bodies representing the business community in policy review or reform. For this reason, the Board supports the passing of the above resolution to avoid any inadvertent infringement. The Board confirms that there were no political donations made in the previous year. The Board further confirms that there are at present no plans to make political donations.

SPECIAL RESOLUTIONS

Authority to disapply pre-emption rights (resolutions 19 and 20)

These resolutions seek shareholder approval to grant the Board the power to allot equity securities of the Company pursuant to section 570 and 573 of the Act without first offering them to existing shareholders in proportion to their existing shareholdings.

The power in resolution 19 will be limited to allotments of shares and/or sale of treasury shares (i) for cash in connection with a rights issue or other pre-emptive offer and (ii) otherwise for cash up to a maximum nominal value of £12,314, representing 5 per cent of the Company's issued share capital as at 31 October 2017, which is in accordance with the guidelines set out in the Pre-Emption Group's Statement of Principles (as updated in 2015) (the 'Statement of Principles').

The Statement of Principles also supports, in addition to the authority granted under resolution 19, the annual dispensation of pre-emption rights in respect of allotments of shares and/or sales of treasury shares for cash in respect of transactions which the Board determines to be an acquisition or other capital investment as defined in the Statement of Principles. Accordingly, and in line with the guidelines set out in the Statement of Principles, resolution 20 seeks authority to authorise the Board to allot shares and/or sell treasury shares, for cash (i) up to a further amount equal to 5 per cent of the Company's issued share capital; and (ii) to be used for transactions which the Board determines to be an acquisition or other capital investment as defined by the Statement of Principles.

The Board confirms, in accordance with the Statement of Principles, that it does not intend to issue shares for cash representing more than 7.5% of the Company's issued ordinary share capital in any rolling three-year period, other than to existing shareholders, save as permitted in connection with an acquisition or specified capital investment as described above, without prior consultation with shareholders.

The Board currently has no intention to use such authorities. If approved, the authorities shall apply until the earlier of 7 March 2019 or the conclusion of the Company's next AGM after the resolutions are passed.

Notice of general meetings (resolution 21)

Changes made to the Act by the Companies (Shareholders' Rights) Regulations 2009 increase the notice period required for general meetings of the Company to at least 21 clear days unless shareholders approve a shorter notice period, which cannot however be less than 14 clear days (AGMs will continue to be held on at least 21 clear days' notice).

Resolution 21 enables the Company to call general meetings other than an AGM on at least 14 clear days' notice. The approval will be effective until the Company's next AGM, when it is intended that a similar resolution will be proposed.

Notes to the Annual General Meeting Notice

Entitlement to attend and vote

A shareholder who is entitled to attend and vote at the meeting is entitled to appoint one or more proxies to exercise all or any of his rights to attend, speak and vote on his/her behalf. Such a proxy need not also be a shareholder of the Company, but must attend the meeting in person for the shareholder's vote to be counted. If a shareholder appoints more than one proxy to attend the meeting, each proxy must be appointed to exercise the rights attached to a different share or shares held by the shareholder.

Appointment of proxies

To be valid, a Form of Proxy must be completed and any power of attorney or other authority under which it is executed (or a duly certified copy thereof) must be received by post or by hand (during normal business hours only) by Equiniti, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA, in each case no later than 2.00 pm on 6 December 2017 (or 48 hours before the time appointed for any adjourned meeting at which it is to be used). Completion and return of a Form of Proxy or any CREST Proxy Instruction will not preclude a shareholder subsequently from personally attending and voting at the AGM (in substitution for their proxy vote) if the shareholder decides to do so.

The Form of Proxy must be executed by or on behalf of the shareholder making the appointment. A corporation may execute the Form of Proxy either under its common seal or under hand of a duly authorised officer. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority will be determined by the order in which the names stand on the Register of Members in respect of the relevant joint holdings.

Regulation 41 of the Uncertificated Securities Regulations 2001 (as amended)

Pursuant to regulation 41 of the Uncertificated Securities Regulations 2001 and section 360(b)(2) of the Act, the Company specifies that in order to have the right to attend and vote at the AGM (and also for the purpose of determining how many votes a person entitled to attend and vote may cast), a person must be registered on the Register of Members of the Company as at 6:30pm on 6 December 2017 or, if the meeting is adjourned, on the Company's Register of Members by 6:30pm two days before the adjourned meeting. Changes to entries on the Register of Members after 6:30pm on 6 December 2017 or, if the meeting is adjourned by 6:30pm two days before the adjourned meeting, shall be disregarded in determining the rights of any person to attend or vote at the meeting.

CREST Voting

CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the AGM and any adjournment(s) thereof by using the procedures, and to the address, described in the CREST Manual (available via www.euroclear.com) subject to the provisions of the Company's articles of association. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with Euroclear UK & Ireland Limited's ('EUI') specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID RA19) by 2.00 pm on 6 December 2017. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001 (as amended).

Corporate Representatives

Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.

Notes to the Annual General Meeting Notice continued

Nominated Persons

Any person to whom this notice is sent who is a person nominated under section 146 of the Act to enjoy information rights ('Nominated Person') may have a right, under an agreement between him/her and the shareholder by whom he/she was nominated, to be appointed or to have someone else appointed as a proxy for the AGM.

If a Nominated Person does not have such a right or does not wish to exercise it, he/she may have a right under, any such agreement, to give instructions to the shareholder as to the exercise of voting rights.

The statement of the above rights of the members in relation to the appointment of proxies does not apply to Nominated Persons. Those rights can only be exercised by members of the Company.

Voting Rights

The total number of ordinary shares of £0.003 in issue as at 31 October 2017, the latest practicable day before publication of this document, was 82,095,346 ordinary shares. Each ordinary share carries one vote and therefore the total voting rights in the Company as at that date are 82,095,346.

Website

A copy of this notice and other information required by section 311A of the Act can be found at www.riverandmercantile.com.

Shareholder questions

All members attending the AGM have the right to ask questions. The Company must cause to be answered any question relating to the business being dealt with at the meeting put by a shareholder attending the meeting. When invited by the Chairman, it would be useful if you could state your name before you ask your question(s). Shareholders should note that questions need not be answered at the meeting if (i) to do so would interfere unduly with the preparation for the meeting or would involve the disclosure of confidential information; (ii) the answer has already been given on a website in the form of an answer to a question; or (iii) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered. In circumstances where an answer is not available for the Chairman to provide, he may nominate a Company representative to answer a specific question after the meeting.

Shareholder requests under section 527 of the Companies Act 2006

Under section 527 of the Act, shareholders meeting the threshold requirements set out in that section have the right to require the Company to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's accounts (including the auditors' report and the conduct of the audit) that are to be laid before the AGM; or (ii) any circumstances connected with an auditor of the Company ceasing to hold office since the previous meeting at which the annual report and accounts were laid in accordance with section 437 of the Act (in each case) that the members propose to raise at the AGM. The Company may not require the shareholders requesting any such website publication to cover any costs incurred in complying with sections 527 to 528 of the Act. Where the Company is required to place a statement on a website in accordance with section 527 of the Act, it must forward the statement to the Company's auditors not later than the time when it makes the statement on the website. The business which may be dealt with at the meeting includes any statement that the Company has been required under section 527 of the Act to publish on a website.

Inspection of documents

Copies of the executive Directors' service contracts, together with letters of appointment in respect of non-executive Directors, will be available for inspection at the Company's registered office during normal business hours on any business day (excluding public holidays) from the date of the notice until the close of the AGM and at the place of the meeting for at least 15 minutes before the meeting is held until its conclusion.

You may not use any electronic address (within the meaning of section 333(4) of the Act) provided in this Notice (or any related documents including the form of proxy) to communicate with the Company for any purposes other than those expressly stated.

Appendix

SUMMARY OF THE PRINCIPAL TERMS OF THE RIVER AND MERCANTILE GROUP PLC 2017 DEFERRED EQUITY PLAN (THE "DEP")

1. General

- 1.1 The DEP is a non tax-advantaged plan under which income tax and national insurance contributions ("NICs") arise, as appropriate, on the exercise, vesting or payment of deferred awards (granted in the form of options ("Options") to acquire shares in River and Mercantile Group PLC (the "Company"), units in a unit trust, a UCITS (undertakings for collective investment in transferable securities) or such other fund managed by the Company or any of its subsidiaries, or such other securities or other financial instrument as determined by the Remuneration Committee of the Company (together, "Securities"), conditional rights to acquire Securities ("Conditional Awards"), in either case at nil-cost, or a right to a payment of cash (together, "Awards"). A participant is required to indemnify all members of the River and Mercantile group (the "Group") in respect of income tax and National Insurance contributions ("NICs") arising in connection with Awards, which may include employer NICs.
- 1.2 Awards are not transferable (except on death) and are not pensionable benefits.
- 1.3 Operation of the DEP is overseen by the Remuneration Committee of the board of directors of the Company (the "Committee") or any other duly authorised committee of the board of directors.
- 1.4 The DEP shall be operated so as to be consistent with the Company's Directors' Remuneration Policy in force from time to time.

2. Eligibility

- 2.1 Any employee of any member of the Group, including, following the approval of the DEP by shareholders at the Annual General Meeting ("Shareholder Approval") any executive director (together "Employee"), or partner of the Company of one of its subsidiaries ("Partner"), is eligible to participate in the DEP, at the discretion of the Committee.

3. Timing of Award grants

- 3.1 Subject to relevant restrictions on dealing in Shares ("Dealing Restrictions"), Awards may be granted during the six week period following the approval of the DEP by the Company's shareholders and thereafter, again subject to Dealing Restrictions, will normally be granted during the six week period following the dealing day after the day on which there is an announcement of the Company's results for any period. Awards may also be granted during the six week period following the date on which an individual first commences employment with the Group or on any day which any Dealing Restriction preventing the grant of Awards ceases to apply. Subject also to Dealing Restrictions, Awards may be granted at other times in circumstances considered by the Committee to be exceptional. No Awards may be granted after 8 December 2027.

4. Award limits and payment on grant

- 4.1 The Committee may impose limits on the value of Awards to be made under the DEP from time to time.
- 4.2 No payment is required for the grant of an Award.

5. Shares used to satisfy Awards

- 5.1 Awards that have been made over shares in the Company ("Shares") may only be satisfied with market purchased Shares. No treasury or newly issued Shares may be used to satisfy such Awards.
- 5.2 Shares transferred under the DEP will rank equally in all respects with all other Shares then in issue (except for any rights attaching to Shares by reference to a record date preceding the transfer of such Shares).

6. Performance conditions

- 6.1 The Committee will determine whether a performance condition will apply to an Award and, if a performance condition is to apply, the performance period over which it will be measured.

7. Vesting (and Exercise) of Awards

- 7.1 The Committee will determine the date(s) on which Awards will vest (the "Vesting Date"); Awards may vest on a phased basis. As soon as practicable following any Vesting Date, the Committee will determine the number of Securities subject to an Award that will become vested, having regard to the satisfaction of any performance condition attaching to the Award ("Vested Award Securities").
- 7.2 Options may only be exercised in respect of Vested Award Securities and may not be exercised later than the tenth anniversary of the date on which the Award is granted.
- 7.3 In respect of Conditional Awards, Vested Award Securities will be transferred to the participant as soon as practicable following the Vesting Date.
- 7.4 At any time before Vested Award Securities are transferred to a participant, the Committee may determine that an Award will be settled in cash. The cash sum will be equal to the market value (as determined by the Committee) of the Vested Award Securities that would have otherwise been transferred to the participant.

8. Leaving employment

- 8.1 If a participant who is an Employee ceases to hold any office or employment, or any right to return to any office or employment with any member of the Group or any associated company or a participant who is a Partner ceases to be a Partner of any member of the Group or any associated company ("Leaves") before a Vesting Date by reason of death, ill health, injury or disability, (in the case of an Employee) redundancy within the meaning of the Employment Rights Act 1996, the transfer of the business or company to which the participant's office, employment or Partnership relates to a person who is neither an associated company or a member of the Group, or such other reason as the Committee may determine in its discretion (together, "Good Leaver Reasons"), the participant will normally retain his Award until the Vesting Date. Securities subject to the Award will become Vested Award Securities as set out in paragraph 7.1 above, unless the Committee determines otherwise on a time pro-rated basis, by reference to the period of time elapsed from the date of the Award (the "Award Date") to the date on which the participant gives or receives notice to Leave or, in the absence of any such notice, the date when the participant Leaves (the "Leaving Date").
- 8.2 If a participant Leaves before a Vesting Date by reason of his death, the Vesting Date will be deemed to be the date of death and the Committee will take into account the extent to which it determines any performance condition attaching to an Award to be satisfied as of the date of death when determining the extent to which the Securities subject to the Award will be capable of becoming Vested Award Securities. Time pro-rating will generally apply, as set out in paragraph 8.1.

Appendix continued

- 8.3 The Committee may determine that the Leaving Date of a participant who Leaves before a Vesting Date for a Good Leaver Reason shall be deemed to be the Vesting Date, in which case the Committee will take account of any applicable performance condition when determining the extent to which the Securities subject to the Award will be capable of becoming Vested Award Securities. Time pro-rating will generally apply, as set out in paragraph 8.1.
- 8.4 An Option may be exercised in respect of any Vested Award Securities within the period of 6 months (or 12 months in the event of a participant's death) of the date on which the Securities become Vested Award Securities pursuant to paragraphs 8.1, 8.2 or 8.3 or of the Leaving Date if the participant Leaves for a Good Leaver Reason, or dies, after the Vesting Date. Any Option not exercised within the relevant period will lapse and cease to be exercisable.
- 8.5 If a participant Leaves other than for a Good Leaver Reason or death, his Award will lapse (in respect of all of the Securities, whether vested or not), and cease to be exercisable in relation to an Option, on the Leaving Date.
- 8.6 If at any time before any Securities are transferred, or any cash is paid, to a participant, the participant is employed or engaged by, or becomes a partner of, an organisation in the asset management industry which competes with any of the Group's businesses, or is directly involved in an organisation that becomes a competitor of the Group (in either case, as determined by the Committee), his Award shall immediately lapse (and cease to be exercisable if it is an Option).
- 8.7 If at any time before any Securities are transferred, or any cash is paid, to a participant, the participant is suspended from carrying out some or all of his duties as an Employee or a Partner, the Committee will determine (as it considers appropriate) whether his Award will lapse (and if it is an Option, cease to be exercisable); the terms on which his Award may continue to subsist, including when and the extent to which his Award may vest (if at all) and whether any Securities and/or cash will be transferable or payable to the participant in respect of his Award; and whether any additional conditions will be applied to the participant's Award, and if so the details of any such conditions.
- 9. Corporate events**
- 9.1 On a takeover of the Company and other specified corporate events, the Committee will, as soon as practicable after becoming aware of the event, determine the extent to which any Securities subject to an Award will become Vested Award Securities. The Committee may take account of any applicable performance conditions and the period of time that elapsed from the Award Date to the date of the relevant event.
- 9.2 An Option may be exercised in respect of any Vested Award Securities during specified periods following the relevant event.
- 10. Malus**
- 10.1 Awards may be subject to reduction in value or cancellation or the imposition of further conditions iff, at any time before the Vesting Date, or if later (and the Committee so determines) the date of exercise of an Option, the Committee determines that there has been a material misstatement of the Company's audited financial results, misconduct on the part of a participant, exposure to current and future risks, including liquidity risk and concentration risk, or a breach of the Company's and/or the relevant UCITS' stated risk appetite, or a breach of any policy or regulation as a result of the participant's actions or omissions, or where the Committee in its reasonable opinion determines that any act or omission of the participant has caused or is reasonably expected to cause injury to the business interests or reputation of the Company, the Group and/or the relevant UCITS, or that such action would be appropriate having regard to any other circumstances that involve the Company, the Group, the relevant UCITS and/or the participant.
- 11. Prohibition against hedging**
- 11.1 It shall be a condition of an Award that the participant is prohibited from hedging his Award or taking out insurance contracts against any possible reduction in value of his Award, as a result of the application of the performance adjustment mechanisms under the rules of the DEP.
- 12. Variation of share capital**
- 12.1 If there is an alteration or variation in the ordinary share capital of the Company, the Committee may make such adjustments pursuant to the rules of the DEP, as it considers appropriate to the number of Securities subject to any Award.
- 13. Alteration of the DEP**
- 13.1 The Committee may amend the DEP in any respect. However, following Shareholder Approval, it may not make any alteration to the advantage of participants without the prior approval of shareholders in general meeting to the provisions relating to eligibility, individual limitations on the making of Awards, the basis for determining a participant's entitlements to, and the terms of the Securities or cash comprised in an Award and the adjustment of rights in the event of a variation of share capital unless the alteration is, in the opinion of the Committee, a minor amendment to benefit the administration of the DEP, to take account of any change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for participants or any member of the Group or any associated company.

This summary does not form part of the rules of the DEP and should not be taken as affecting the interpretation of its detailed terms and conditions. The Committee reserves the right up to the time of the Annual General Meeting to make such amendments and additions to the rules of the DEP as it may consider appropriate and otherwise provided that such amendments do not conflict in any material respect with this summary.