

It's been just over a month since I last wrote to you and as we approach another Bank Holiday here in the UK and what would have been our schools' half term, and with some positive developments in the fight against the coronavirus, I thought that it would be an opportune moment to update you on some developments at River and Mercantile.

We all hope that you and your families have remained safe over the last few months and that, in spite of the restrictions that many of us face, you have been able to take advantage of some of the abnormally good weather we have been enjoying. At least the sun is shining on us at this strange time.

Like many of you will have been doing, I have watched with interest how our industry has adjusted to the circumstances in which we have found ourselves. Adapting to what is fast becoming the "new norm" in some ways seems second nature now, however this also brings with it different challenges. Communication is critical in this virtual world and we are now all very familiar with the multiplicity of online video conferencing solutions and words such as 'Zoom' are fast becoming a generic description for this new communication activity, in a similar way as 'Hoover' became for carpet cleaners.

At R&M we are pleased to report that our business is stable from both a financial and infrastructural perspective. I believe we have adapted very well to the new environment and have been working hard to maintain and, in many cases, increase the information and reporting that we would as a matter of course provide to our clients and partners in normal circumstances. These market conditions bring opportunities as well as threats and we have been discussing these with our clients, where appropriate. We will make our activity more broadly available once we have completed trading for those clients taking advantage of these opportunities. We also have a number of exciting new investment strategies in the product development pipeline across our investment businesses and we will be in touch over the rest of the year as we roll these out.

We also continue to recruit, and we have onboarded a number of new hires, across all of our divisions including Simon Wilson who joined this week as our new CFO, taking over from Kevin Hayes who is retiring and returning to his family in New York. I have worked with Kevin since he joined in 2014, shortly before we listed our business on the London Stock Exchange. I would like to publicly thank Kevin for all his hard work and absolute support over the last six years and, in particular, since I took over as Group Chief Executive in June last year. I have known Simon for many years and he has an in-depth understanding of our business from his time as Head of Corporate Finance at Pacific Investments, where he worked very closely with me when we established RAMAM in 2005. He joins us from Topland Group PLC where he was Group Finance Director.

As I am sure you all appreciate, the future of the conventional office is far more nuanced than the current debate suggests and like many peers we will not be blindly rushing back into our offices. I believe that for some time yet we will continue to work remotely and whilst our offices will remain closed, we are very much open for business. The health, mental and physical, of our people remains paramount, and pertinent given that this is Mental Health Awareness Week in the UK. We will not compromise in ensuring their and your safety in our offices when we do return, and we will also try and mitigate some of the uncertainty associated with the commute. I am sure similar to yourselves; we are familiar with the obvious attractions of working from home. However, it is not always attractive to everyone, and as one commentator portrayed it as... "the endless Groundhog Day of rising and shuffling to their computers to log on from their bedrooms", which over time is unappealing. We are working

closely with all of our people to make sure that when we do return to an office environment the positives lessons we have learned are adopted in our new working environment.

Our main focus, as always, is on our clients and how we can make life easier for you and your own clients or members. We have a project in place to look at a new website which will be completely client focused, we are adding in more communications infrastructure and we have a new CRM system being built. In addition, our distribution teams are considering new ways in which we can communicate efficiently and effectively in our new 'virtual reality'. Please do let us know if there are other ways we can work with you, as our key priority is to ensure that we are communicating with, and still providing solutions for, our clients.

We are all, of course, immensely grateful for the sacrifices made by our key and emergency workers and it has been inspirational to see how much charitable support has been provided to those most in need by our industry and colleagues. As well as this, we've seen how we can all work together to adapt to new ways of working and I know my teams are grateful for the engagement we have had with our clients.

If you have any questions, please do not hesitate to get in touch. In the meantime, thank you for all your continued support and as always, our thoughts are with those of us, our friends and our families that are suffering as a result of the virus that is hitting so many so hard.

With kind regards,



James Barham
Group Chief Executive
River and Mercantile Group PLC