

Sculptor

CAPITAL MANAGEMENT

Sculptor Capital Management's Independent Board Members and Jimmy Levin Issue Statements

NEW YORK, November 1, 2022 – Sculptor's Independent Board Members (NYSE: SCU) and CIO & CEO Jimmy Levin today issued the following statements.

The Independent Board Members stated the following:

In a court filing last week related to a books and records dispute, Mr. Och makes mention of a “personal issue” from the past of our CEO, Jimmy Levin. This matter dates back 20 years, was thoroughly reviewed at the time, and resulted in Mr. Levin's exoneration. A separate review by the Board, when Mr. Och was Chair, confirmed the soundness of that review and its findings. Mr. Och has long been aware of the facts, including when he championed Mr. Levin and promoted him to senior ranks of the firm. Mr. Och raising this now, with knowledge of the facts, is extremely disappointing.

Jimmy Levin, Chief Investment Officer & Chief Executive Officer of Sculptor stated the following:

Dan Och's court case in Delaware is the latest salvo in his years-long clash with the firm and me. My colleagues and I, throughout all of this, have kept our collective heads down and focused on the job we do for our clients. In light of Och's legal filing last week, where he mentions a “personal issue” from my past, I now need to briefly raise my head.

Twenty years ago, when I was 19, I was falsely accused of sexual misconduct. After a thorough Harvard University administrative review into the allegation, I was exonerated. Unlike some of these situations, the allegation did not involve the question of consent – rather, the alleged conduct did not occur.

I brought this matter to the attention of the firm, its officers, and its directors in 2015. And after the firm's review, I received unconditional support, including from Och as then Chairman and CEO. In the years that followed, Och promoted me multiple times, consistently praised me in various internal and external communications and executed a long-term employment contract with me.

My relationship with Och changed in late 2017 when he became extremely angry with me. To weather the fallout of the firm's FCPA bribery settlement the year before, I supported the independent Board members' efforts to restructure the firm's governance and finances in ways that would have resulted in Och ceding his unilateral control of the firm (following SEC charges against him) and making financial concessions to ease the burden of significant debt and liabilities incurred to settle the bribery matter. This culminated in Och overruling both the decision of the independent directors to appoint me as the next CEO and their recommendation to adopt a series of financial restructurings.

Och next tried to insinuate that part of his decision to pass me over for CEO was influenced by this disproven allegation from my teenage years. But those insinuations are belied by his statements to our shareholders, employees and clients about his decision regarding CEO succession - none of which ever mentioned this subject. Indeed, he subsequently communicated how important it was to retain me and led an effort to make sure that happened.

Last week, Och took it one step further by intentionally dropping a reference to this matter in a Delaware court filing, triggering the press to write about it. Even though I am the target, this press coverage, exoneration notwithstanding, will impact those closest to me including my wife who I met in college and my school-aged children.

I want nothing more than for Och to end this feud he continues to pursue. The years since the firm's FCPA settlement have not been easy for the Sculptor team. But despite the challenge of fighting through the consequences of conduct that was not our own, we have built a special firm. We will not be swayed from our mission. I believe in the firm we have created, the team we have developed and the incredible client relationships we have formed.

With that, I will put my head back down and continue to focus on the job our clients have hired us to do.

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