

# Shareholder News

March 2022

[abrdn.com](http://abrdn.com)



"As we close out another year, our first as abrdn, resilience and agility have once again been important aspects of our company's development. In what has been another challenging year, it is worth reflecting positively on how much has been achieved to reshape our business to meet both society's expectations of us and our own statement of purpose. That statement of purpose – to enable our clients to become better investors – is a constant in all that we do, and is far reaching in its influence.

Difficult times certainly lie ahead. We enter this period with a refreshed leadership team aligned to our revitalised strategic focus and considerable human talent committed to supporting our clients, as they navigate through a new and unwelcome geopolitical landscape. At Board level we remain committed to supporting the investment in the insight, innovation and talent needed to protect stakeholder interests and underpin the future growth that will deliver sustainable value over the long term."

Sir Douglas Flint  
Chairman



"2021 was a significant year for abrdn. We set out our clear strategic vision and the financial benefits that we expect the strategy to deliver; firstly, by arresting the decline in revenue in the near term and then by establishing a healthy pattern of growing revenue and improving efficiency and returns thereafter. We have made good progress towards achieving these objectives in the first year of our plan.

Our strong capital position provides both resilience in uncertain times and enables selective investment to accelerate growth of the abrdn group. We will take a disciplined approach to capital allocation as we drive sustainable growth, relevance and scale for our business, in a way that also generates value for our shareholders."

Stephen Bird  
Chief Executive Officer

## Financial highlights

Adjusted  
operating profit

**£323m**

2020: £219m

Investment  
performance

(% of AUM above benchmark  
over three years)

**67%**

2020: 66%

IFRS profit  
before tax

**£1,115m**

2020: £838m

Net flows

(Excluding liquidity and LBG  
tranche withdrawals)

**£3.2bn  
outflow**

2020: £12.3bn outflow

Full year dividend  
per share

**14.60p**

2020: 14.60p

# Our business

Our business is structured around three vectors, focused on the constantly changing needs of our clients.



## Investments

Across markets globally, we build investment solutions to enable clients to create more opportunities for their futures.

Our investments solutions are built on the strength of our insight, generated from wide-ranging research, worldwide investment expertise and local market knowledge. Our teams collaborate across regions, asset classes and specialisms, connecting diverse perspectives, working with clients to identify investment opportunities that suit their needs.

Fee based revenue

**£1,231m**

**£464bn AUM**

**52**

investment strategies are positively rated by investment consultants, who are used by 93% of institutional investors in the UK and 88% in the US to advise on their diverse investment needs. (2020: 52 strategies)

**131**

funds independently rated 4 out of 5 stars by Morningstar, based on the investment performance of the funds we offer our wholesale clients. (2020: 117 funds)



## Adviser

Our platform technology and tools help UK wealth managers and financial advisers create more opportunities for their clients and their businesses.

We provide technology, expertise and support to make it easy for our clients to run their business and deliver the outcomes their clients want. We offer content and experiences that can be personalised to suit every type of business and client, giving advisers powerful data and insight to make better decisions.

Fee based revenue

**£178m**

**£76bn AUA**

**'A' ratings**

The first and only UK adviser platform to receive the highest rating for financial strength from AKG, one of the top factors advisers consider when selecting their primary platform.

**Gold award**

from Defaqto for platform service, based on survey findings from across the financial adviser community.



## Personal

Our personal wealth business offers tailored services to help individuals in the UK create financially secure futures in a way that works for them.

We integrate a full range of services from high-quality financial planning and discretionary investment management capabilities, through to hybrid advice and digital investing tools. Our proposed acquisition of interactive investor transforms and broadens these capabilities.

Fee based revenue

**£92m**

**£14bn AUMA**

**4.9 out of 5**

average rating from clients for our hybrid retirement advice service.

**94%**

of AUM for discretionary investment management business aligned to strategies which outperformed the benchmark over three years. (2020: 72%)

# Deploying our capital to create long-term shareholder value

Our capital and liquidity positions are strong, creating capacity to invest in reshaping the company. This has enabled us to take the strategic steps needed to build further growth.



The proposed acquisition of interactive investor, the UK's leading subscription-based investment platform, is an important step in driving our strategy in the UK. Its high-tech approach sits alongside the personalised financial advice we offer, bringing access to new customer segments and capabilities in the high-growth direct investing market. It also drives strong customer engagement through data analytics, customer personalisation and easy-to-use technology, giving clients the flexibility to manage their own investments.

Our combined offering will aim to provide trust, confidence and compelling value for clients at all stages of their financial journeys. We will run interactive investor as a discrete business, with its own management team and operational platform, to ensure continued high-quality service for both existing and future customers.

We are delighted with the strong support shown by shareholders at our General Meeting on 15 March in approving our acquisition. We expect the transaction to complete before the mid-year, subject to regulatory approval.



In October 2021 we announced our acquisition of investing insights platform Finimize. Finimize empowers retail investors by equipping them with information to make their own informed investment decisions.

The acquisition of Finimize is aligned with abrdn's strategy to invest in technology to accelerate the pace and focus on innovation to meet changing investor needs. The team at Finimize will collaborate with abrdn's Research Institute and investment teams to provide an enhanced experience for Finimize users and new editorial content for abrdn clients.

For a limited period<sup>1</sup>, we are offering our shareholders 50% off the fee to subscribe to Finimize Premium, offering insights on news, opportunities and strategies from its team of analysts to help you build your portfolio.

To find out more visit [subscriptions.finimize.com/join/abrdn-50](https://subscriptions.finimize.com/join/abrdn-50) - where you can also start your 7-day free trial.



We acquired a 60% interest in Tritax in 2021. This acquisition supports our ambitions in the fast-growing logistics and e-commerce real estate market. Tritax is the specialist logistics real estate fund manager that manages two of Europe's leading industrial logistics funds.

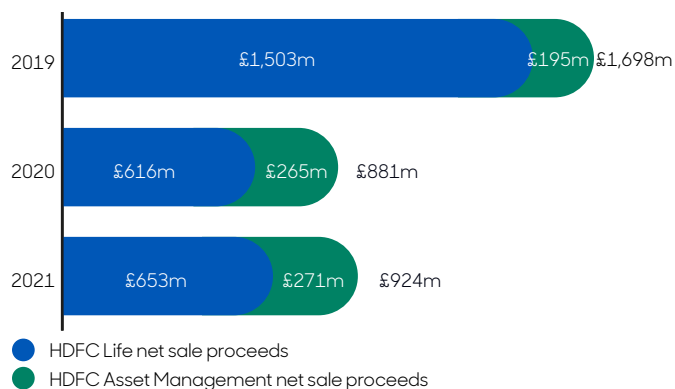
## Valuable financial investments

We also have significant and valuable financial investments in leading companies in the UK, India and China. As well as representing substantial potential capital to support future growth and giving insight into important markets, these investments are a source of dividends and further strengthen our balance sheet.

In January 2022, we announced the sale of approximately 4% of share capital in Phoenix Group Holdings. Our strategic partnership remains important to us and following completion of the sale, abrdn's holding will represent approximately 10.4% of Phoenix's issued share capital and abrdn will continue to appoint a director to Phoenix's Board.

## Realising the value of our listed investments

Over the last three years we have generated total cash proceeds of £3.5bn through disposals of non-core listed investments. We have used this to invest in our business to support future growth and to deliver returns to shareholders.



<sup>1</sup> Discounted offer ends on 25 April 2022, midnight EST. You can also email the team at [help@finimize.com](mailto:help@finimize.com) if you have any questions.

# Creating a sustainable impact across our operations and investments

In 2021 we continued to focus our resource and activity on the environmental, social and governance (ESG) areas where we add the most value and make positive change.

Environment	Social	Governance
<p><b>Tackling the interlinked climate and biodiversity crises</b></p> <p><b>Our focus</b></p> <ul style="list-style-type: none"> <li>Reducing the carbon intensity of our portfolios.</li> <li>Improve biodiversity in our local greenspaces and investment real estate.</li> </ul> <p><b>Our targets</b></p> <ul style="list-style-type: none"> <li>Reduction of the carbon intensity of the assets we invest in by 50% by 2030 from the 2019 baseline.</li> <li>Net zero in our operations by 2040, with an interim target to reduce our emissions by 50% by 2025 from the 2018 baseline.</li> <li>We are working with our top 50% of suppliers by spend, requesting they put net zero targets in place by 2025.</li> </ul> <p><b>Our progress</b></p> <ul style="list-style-type: none"> <li>Reduced our operational emissions by 62% since 2018. This includes material reductions, influenced by the pandemic, to business travel and energy use in our offices, which helped us to exceed our 50% reduction target by 2025. We expect emission from these sources to increase again in 2022 as travel restrictions ease.</li> </ul>	<p><b>Championing a fair and inclusive society</b></p> <p><b>Our focus</b></p> <ul style="list-style-type: none"> <li>Championing, supporting and driving inclusion.</li> <li>Commitment to, and raising awareness of, a fair wage and stable working hours.</li> </ul> <p><b>Our targets</b></p> <ul style="list-style-type: none"> <li>Board and senior leadership targets of 40% women, 40% men and 20% any gender by 2025.</li> <li>One additional board member who identifies as ethnic minority by 2025.</li> </ul> <p><b>Our progress</b></p> <ul style="list-style-type: none"> <li>Board comprised of 45% women, 55% men at 31 December 2021.</li> <li>Senior leadership comprised of 36% women, 64% men.</li> <li>Top 75 UK Social Mobility Employer 2021.</li> <li>Winner of the European Thought Leadership of the Year Award for our research series 'A Woman's Place: equality in the 21st Century'.</li> <li>Diversity and inclusion is a standing governance agenda item – we use our clients' votes (as an escalation measure) to push for greater diversity by taking action on resolutions, aligned to our established regional expectations.</li> <li>New charity partnerships established with Hello World and the Sarabande Foundation.</li> </ul>	<p><b>Building trust and enhanced transparency</b></p> <p><b>Our focus</b></p> <ul style="list-style-type: none"> <li>Integrity and transparency in how we, and our investee companies, operate.</li> </ul> <p><b>Our progress</b></p> <ul style="list-style-type: none"> <li>Top 3% in our sector for DJSI World and Europe indices – part of the Dow Jones Sustainability Indices.</li> <li>AA score in MSCI ESG Ratings Index, demonstrating our resilience to long-term ESG risks.</li> <li>'Low risk' rating by Sustainalytics.</li> <li>A+ for strategy and governance by PRI.</li> <li>We voted on resolutions relevant to our clients' shares at 7,304 shareholder meetings, and voted on 75,398 resolutions.</li> <li>£447m total tax contribution.</li> <li>98% of colleagues completed training to comply with our global code of conduct.</li> </ul>

Read more at [abrdn.com/annualreport](http://abrdn.com/annualreport)



# Shareholder information

## Important dates for 2022

<b>8 April</b>	Record date for 2021 final dividend
<b>4 May</b>	Last date for DRIP elections for 2021 final dividend
<b>16 May</b>	AGM online and postal voting closes 6pm (UK time)
<b>18 May</b>	Annual General Meeting (AGM)
<b>24 May</b>	2021 final dividend due to be paid
<b>9 August</b>	Half-year results
<b>19 August</b>	Record date for 2022 interim dividend
<b>7 September</b>	Last date for DRIP elections for 2022 interim dividend
<b>27 September</b>	2022 interim dividend due to be paid

## 2022 Annual General Meeting (AGM)

This year our AGM is in Edinburgh at the Edinburgh International Conference Centre. You can read more about the meeting and how to get there in the AGM guide 2022 available at [abrdn.com/agm](https://abrdn.com/agm).

## How do I vote?

You can vote online or by post. You'll find detailed voting instructions in the AGM guide 2022, which we recommend you read.

## Voting online

Visit [abrdnshares.com](https://abrdnshares.com) to vote online. You don't need to have a share portal account to do this – there is an easy 'quick vote' option. You just need your

- Voting ID
- Task ID
- Shareholder Reference Number

You can find all of these on the paper voting form. If you choose to receive e-communications, you can also find your Voting ID and Task ID in the AGM email sent to you. Your shareholder reference number was sent to you in the post in August 2021 when we moved share registrar, or in your welcome letter if you became a new shareholder after this point.

## Voting by post

If you choose to use your paper voting form, please complete it and post it back to us.

## When does voting close?

Online and postal voting closes at 6pm (UK time) on 16 May.

## Your dividend

Your Board is proposing a final dividend of 7.30p. Subject to shareholder approval at the AGM, this would give a total dividend for 2021 of 14.60p. If approved this is due to be paid to shareholders on 24 May. To find out more about our AGM, voting and your dividend visit us online at [abrdn.com](https://abrdn.com).

## Your statements

Your statements for 2022 will be available on the share portal at [abrdnshares.com](https://abrdnshares.com) – log in and go to the 'View your statements' section of the website. They will be available on the following dates:

<b>Q1 statement</b>	12 March 2022
<b>Q2 statement</b>	14 June 2022
<b>Q3 statement</b>	14 September 2022
<b>Q4 statement</b>	14 December 2022

## Don't have a share portal account yet?

If you haven't yet signed up to our share portal, you can do so at [abrdnshares.com](https://abrdnshares.com) now. Having a share portal account provides a convenient and secure way to manage your shares at a time that suits you. Once signed up, you can:

- view your shareholding and recent transactions
- check and update your contact details and dividend payment instructions
- buy and sell shares
- sign up for e-communications.

## Help us save paper

At abrdn we are committed to reducing our carbon footprint across all of our business activities. If you haven't already done so, why not sign up to receive your communications by email instead of by post? You can do this online at [abrdnshares.com](https://abrdnshares.com) or by getting in touch with us using the contact details on the back cover.

## Receive your dividends straight in to your bank account

We want our shareholders to receive their dividends as seamlessly as possible. By moving to bank mandate for your dividend payments you will receive your dividends directly on the payment date, and help us reduce our carbon footprint by reducing the number of cheques we send out in the post.

If you haven't already provided your bank details, you can do this in one of the following ways:

- Update your details directly at [abrdnshares.com](https://abrdnshares.com)
- Download a mandate form from the 'help' section on at [abrdnshares.com](https://abrdnshares.com) and return it to us
- Get in touch with us and we'd be happy to help. You'll find our contact details on the back cover of this document.

## Funds donated to charity

When abrdn moved share registrar at the end of July 2021, our shareholders were sent a welcome pack that included a share dealing form. This allowed shareholders to buy, sell or donate their shares to charity. A number of our shareholders chose to donate their shares to charity (ShareGift). ShareGift works closely with shareholders, public limited companies, solicitors, stockbrokers, financial advisers and charities to create a pool of charitable funds which is then distributed across thousands of charities. The abrdn share dealing programme raised over £400,000 in charitable donations.

# Directors – have your say

Your Directors will be seeking re-election at this year's AGM, with the exception of Catherine Bradley, Hannah Grove, Pam Kaur and Michael O'Brien, who will be seeking election for the first time. Martin Pike and Jutta af Rosenberg will not stand for re-election at the 2022 AGM and will retire at the conclusion of the meeting. Please vote online at [abrdnshares.com](http://abrdnshares.com)



**Sir Douglas Flint CBE**  
Chairman



**Stephen Bird**  
Chief Executive Officer



**Stephanie Bruce**  
Chief Financial Officer



**Jonathan Asquith**  
Non-executive Director  
and Senior Independent  
Director



**Catherine Bradley CBE**  
Non-executive Director



**John Devine**  
Non-executive Director



**Hannah Grove**  
Non-executive Director



**Pam Kaur**  
Non-executive Director



**Brian McBride**  
Non-executive Director



**Michael O'Brien**  
Non-executive Director



**Martin Pike**  
Non-executive Director



**Cathleen Raffaeli**  
Non-executive Director



**Cecilia Reyes**  
Non-executive Director



**Jutta af Rosenberg**  
Non-executive Director



Full biographies  
are available for all  
members of your Board  
in our AGM guide

The guide can be viewed online at [abrdn.com/agm](http://abrdn.com/agm)



## Got a shareholder question? Contact our shareholder services team.

### UK and overseas (excluding Germany and Austria)



+44 (0)371 384 2464<sup>2</sup>



questions@abrdnshares.com



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<sup>2</sup> Calls are monitored/recorded to meet regulatory obligations and for training and quality purposes.  
Call charges will vary.

This information is written for the majority of abrdn plc shareholders, including those who have a share certificate or hold their shares in the abrdn Share Account. Although much of the information will be relevant to all shareholders, some details will not be relevant for everyone.

Please remember that the value of shares can go down as well as up and you may not get back the full amount invested or any income from it. All figures and share price information have been calculated as at 31 December 2021 (unless otherwise stated).

For more information visit [abrdn.com](https://abrdn.com)

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