

# Global Equity Strategy Profile Q3 2023

## Strategy summary

The Global Equity Strategy aims to outperform the MSCI World Index by +3% p.a. over rolling three-year periods\*. Our active management approach uses a bottom-up, fundamental stock selection process that is research-intensive and risk aware.

## Investment philosophy

Across our wide range of equity strategies, our approach for every portfolio is driven by three core beliefs:

- Fundamental research delivers insights that can be used to exploit market inefficiencies
- Environmental, social and governance (ESG) assessment and corporate engagement enhance returns
- Disciplined, active investment approaches can deliver strong outcomes for our clients

At the heart of every one of our active equity portfolios is a focus on fundamental research, corporate stewardship and engagement – and bringing our very best ideas to investors. We are dedicated to using our resources, tools and on-the-ground expertise to build a wide range of equity portfolios to meet our clients' diverse investment objectives.

## Our investment approach

- Our Long-Term Quality approach aims to identify high quality stocks at attractive valuations and hold them for the long term
- Seeks out mispricing opportunities where the market underappreciates the quality of a company with a long-term horizon
- Invests in companies with strong balance sheets, experienced management and good long term growth potential trading at attractive valuations
- Large universe coverage and analytical resource mean we can afford to be open minded and structurally unbiased about the opportunities we seek
- Research-intensive, risk-aware analysis results in diversified, fundamentally uncorrelated stock ideas
- Portfolio construction is built from the bottom-up, prioritizing high conviction stock ideas
- Stock selection is the key driver of relative performance over the long term
- Integrated Global Equity team challenges and corroborates insights across regions and sectors

## Key differentiators

- Alpha-generating opportunities are diversified across both developed markets and emerging markets
- High quality approach tends to protect capital during periods of heightened volatility
- Benchmark aware rather than benchmark driven
- Portfolio characterized by higher profitability and lower leverage than benchmark
- High conviction portfolio with high active share

## At a glance

- **Strategy Assets:**  
\$521.4m<sup>1</sup>
- **Strategy Inception:**  
Aug 01 1998
- **Benchmark:**  
MSCI World
- **Number of Holdings:**  
40-60 stocks
- **Portfolio Limits:**  
+/- 35% relative to country  
+/- 15% relative to sector  
30% max emerging markets exposure  
5% max in one stock
- **Predicted Tracking Error:**  
4.04%<sup>2</sup>
- **Predicted Beta:**  
0.88<sup>2</sup>
- **Active Share:**  
83.44%<sup>2</sup>

<sup>1</sup>Source: abrdn as at end Sep 2023. Includes portfolios outside GIPS composite

<sup>2</sup>Source: abrdn based upon the total assets of a single Representative Account

## Why abrdn for equities?

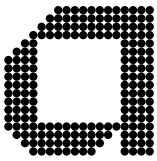
- Enriched local knowledge, with global connectivity – appx. 110 experienced equity professionals in 12 global locations
- Globally consistent research process with continual coverage of 3,000 stocks
- Collaborative culture where conviction is built through idea sharing, peer review and effective debate
- Stewardship and ESG considerations fundamental components of our investment philosophy
- Information sharing across equity, credit, real estate, multi-asset and strategy teams, with support from quant, risk and portfolio construction teams

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Not for use with retail investors.

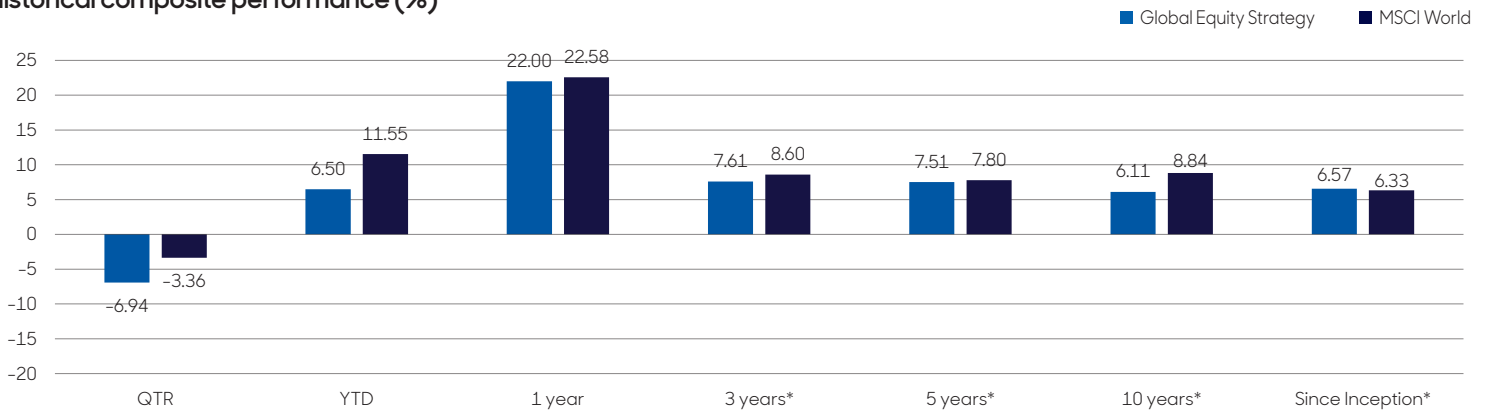
\*Target returns are offered as strategy goals and are not referenced to past performance. There can be no guarantee the target returns will be achieved.





# Global Equity Strategy Profile Q3 2023

## Historical composite performance (%)



	QTR	YTD	1 year	3 years*	5 years*	10 years*	Since Inception*
Global Equity Strategy (gross)	-6.94	6.50	22.00	7.61	7.51	6.11	6.57
MSCI World	-3.36	11.55	22.58	8.60	7.80	8.84	6.33
Global Equity Strategy (net)	-7.15	5.79	20.92	6.65	6.59	5.27	5.76

\*Returns are annualized. Figures may appear not to add due to rounding.

## Composite calendar year returns (%)

Year ending	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Global Equity Strategy (gross)	-16.57	21.54	17.22	25.91	-10.54	25.37	8.71	-11.40	1.45	14.43
MSCI World	-17.73	22.35	16.50	28.40	-8.20	23.07	8.15	-0.32	5.50	27.37
Global Equity Strategy (net)	-17.31	20.46	16.17	24.98	-11.20	24.44	7.90	-12.06	0.70	13.58

Source: abrdn (strategy) and FACTSET (benchmark). Returns are in US Dollars. Performance is gross of fees and does not reflect advisory fees, had such fees been deducted, returns would have been lower. Figures may appear not to add due to rounding. Net performance can be found in the composite presentation at the end of this document. **Past performance is not a guide to future performance.** The information on this page is supplemental to the Composite's GIPS Report contained at the end of this document.

## Top 10 portfolio holdings by market value

Name	Portfolio (%)
Microsoft	4.57
Taiwan Semiconductor	3.32
Astrazeneca	3.22
Boston Scientific	3.15
TJX	3.11
Schneider Electric	3.03
Novo Nordisk	2.96
Amazon.com	2.86
Oversea-Chinese Banking	2.79
AIA Group	2.70
<b>Total</b>	<b>31.71</b>

Source: abrdn, as at end Sep 2023

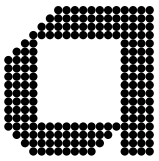
Representative account is a UK registered open-ended investment company for illustrative purposes only. The portfolio profile is current as of the period and may change based on the activity of the portfolio manager. Your portfolio may not have the same characteristics and allocations. The above is supplemental information and supplements the composite presentations (as provided in the GIPS disclosures) which can be found at the end of the document.

A full list of holdings is available upon request. This information should not be considered a recommendation to purchase or sell any security. Your portfolio may not include these securities. This information should not be considered a recommendation to purchase or sell any security. There is no assurance that any securities discussed herein will remain in the portfolio at the time you receive this report or that securities sold have not been repurchased. Securities discussed do not represent the entire portfolio and in the aggregate may represent only a small percentage of the portfolio's holdings.

Foreign securities are more volatile, harder to price and less liquid than U.S. securities. They are subject to different accounting and regulatory standards, and political and economic risks. These risks are enhanced in emerging markets countries.

Diversification does not ensure a profit or protect against a loss in a declining market. Indexes are unmanaged and have been provided for comparison purposes only. No fees or expenses are reflected. You cannot invest directly in an index.





# Global Equity Strategy Profile Q3 2023

## Portfolio weighting by sector

	Portfolio (%)	Benchmark (%)	Relative (%)
Consumer Staples	15.84	7.10	8.75
Health Care	18.54	11.87	6.67
Financials	19.12	15.75	3.36
Materials	4.80	4.50	0.30
Consumer Discretionary	10.65	11.18	-0.53
Real Estate	1.21	2.27	-1.06
Industrials	8.74	10.37	-1.64
Utilities	0.00	2.62	-2.62
Energy	1.84	5.22	-3.37
Communication Services	2.59	7.56	-4.97
Information Technology	14.19	21.56	-7.37

Source: abrdn, USD. Note end weight will not equal 100 as cash weighting is not displayed.

## Portfolio weighting by country

	Portfolio (%)	Benchmark (%)	Relative (%)
Europe ex UK	31.50	12.04	19.46
Developed Asia ex Japan	7.75	2.74	5.01
United Kingdom	8.31	3.71	4.60
Developed Middle East	0.00	0.17	-0.17
Japan	3.34	5.55	-2.20
Canada	0.00	2.86	-2.86
Emerging Markets	6.77	10.78	-4.01
United States	39.86	62.16	-22.30

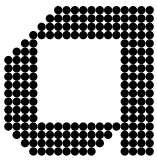
Source: abrdn, USD. Note end weight will not equal 100 as cash weighting is not displayed.

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# Global Equity Strategy Profile Q3 2023

## Composite information

Firm: abrdn Composite Name: Global Equity (All Cap) Composite Inception: Aug 01 1998 As of: Sep 30 2023

Year	Composite Return Gross	Composite Return Net	Benchmark Return	Composite St Dev (%)	Benchmark St Dev (%)	No. of Portfolios*	Dispersion (%)	Market Value at end of Period	Firm Assets (%)	Total Firm Assets (Legacy History)
3 Months	-6.94	-7.15	-3.36			6 (6)	1.51	521,417,161		
Year to date	6.50	5.79	11.55			6 (6)	1.59	521,417,161		
1 Year	22.00	20.92	22.58			6 (6)	1.88	521,417,161		
2 Years p.a.	-1.68	-2.56	-0.51			6 (6)	1.84	521,417,161		
3 Years p.a.	7.61	6.65	8.60	17.99	17.40	6 (6)	2.59	521,417,161		
4 Years p.a.	8.62	7.66	9.19	18.49	18.67	6 (6)	7.23	521,417,161		
5 Years p.a.	7.51	6.59	7.80	17.80	18.33	6 (6)	7.50	521,417,161		
7 Years p.a.	8.35	7.46	9.89	15.65	15.89	6 (6)	8.11	521,417,161		
10 Years p.a.	6.11	5.27	8.84	14.64	14.61	6 (6)	11.47	521,417,161		
Since inception p.a.	6.57	5.76	6.33	16.38	15.81	6 (<=5)		521,417,161		
2022	-16.57	-17.31	-17.73	19.94	20.43	6 (6)	0.62	522,596,624		
2021	21.54	20.46	22.35	16.06	17.05	8 (8)	1.57	731,868,237		
2020	17.22	16.17	16.50	16.69	18.26	9 (9)	5.23	1,054,182,107	0.18	601,184,070,867
2019	25.91	24.98	28.40	10.80	11.13	11 (11)	2.67	1,186,801,229	0.20	599,561,039,999
2018	-10.54	-11.20	-8.20	10.09	10.39	19 (19)	2.02	4,479,199,975	0.74	606,245,078,792
2017	25.37	24.44	23.07	10.98	10.24	23 (23)	1.36	7,214,178,791	1.95	370,088,382,260
2016	8.71	7.90	8.15	11.85	10.94	32 (31)	1.93	9,212,150,637	2.72	338,134,038,404
2015	-11.40	-12.06	-0.32	11.82	10.81	42 (41)	3.97	15,655,886,698	4.08	383,382,349,203
2014	1.45	0.70	5.50	10.90	10.21	55 (45)	1.90	29,296,311,792	6.37	460,247,164,576
2013	14.43	13.58	27.37	13.01	13.52	45 (43)	2.39	31,978,881,305	11.27	283,691,791,514

Note: Where a calendar year return is shown the annualized standard deviation presented is of 36 monthly returns to the calendar year end.

\*throughout period

### Definition of the firm

abrdn (or "the Firm") is defined as all portfolios managed globally by the asset management entities of abrdn plc excluding Private Markets, abrdn Capital and Lloyds Syndicate portfolios. The Firm inception date is 1st January 2018; and includes track records that either were, or were part of, legacy compliant firms, some of which are compliant from earlier dates: Aberdeen Asset Management plc (compliant from 1st January 1996); Standard Life Investments (compliant from 1st January 1996); and Aberdeen Property (compliant from 1st January 2013). Composite returns, start date and composite and firm assets reported prior to acquisitions represent those of the legacy firm which managed the product at the time. Changes in the firm organisation, investment style or personnel have not caused alterations of historical composite performance. Compliant Presentations produced during the period between the annual period end and the date of release to the market of abrdn's financial results will not contain the Firm assets or % of Firm assets for that annual period end. The total Firm assets is material non-public information before the official results release date and to release it in GIPS Compliant Presentations would be against the law; and where laws and/or regulations conflict with the GIPS standards, firms are required to comply with the laws and regulations and make full disclosure of the conflict in the compliant presentation. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organisation, nor does it warrant the accuracy or quality of the content contained herein.

### GIPS compliance

abrdn claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. abrdn has been independently verified for the periods to 31st December 2020. The verification report(s) is/are available upon request. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. Verification does not provide assurance on the accuracy of any specific performance report. The effective date of compliance is 1st January 1996. The inception date of the composite is 31/07/1998 and it was created on 13/04/2006. Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request. Available on request are (a) a complete list of composite descriptions, (b) a complete list of pooled fund descriptions for limited distribution pooled funds and (c) a complete list of broad distribution pooled funds.

### Composite description

This composite comprises accounts with at least 80% invested in equities managed on a discretionary basis. The accounts within this composite invest primarily in companies based in equity markets as defined by Morgan Stanley Capital

International. All composite results include reinvestment of dividends and interest. As of 1st January 2013, the Global Equity (All Cap) - 3% outperformance composite has been renamed Global Equity (All Cap). The composite description was also updated at this time.

### Composite methodology

Returns are time-weighted total rates of return including cash and cash equivalents, income and realised and unrealised gains and losses. Unless otherwise stated, benchmark returns are gross of withholding taxes whilst returns are net of non-recoverable withholding taxes with recoverable tax included on an accruals basis. Composites results are weighted by individual portfolio size, using start of period market values. Annual returns are calculated using geometric linking of monthly returns. Exchange rates used are WMR 16:00 Closing Spot Rates. Composites may contain portfolios of different base currencies, translated into a common currency for composite returns using the exchange rates stated above. A fund becomes eligible for inclusion the first full calendar month after funding. Inclusion may be deferred in cases where it has not been possible to implement the investment strategy. Terminated funds leave composites at the end of the calendar month before official notification of termination is received. Results include all discretionary, fee paying accounts of the Firm.

The dispersion of annual returns is measured by the range of the portfolio returns represented within the composite for the full period. Dispersion is not calculated for composites with less than five accounts for the whole period. Additional information on policies for calculating and reporting returns is available on request.

### Presentation of results

Gross returns are presented before management, performance, custodial and other fees but after all trading expenses. Net returns are calculated after the deduction of a representative management fee. Risk Statistics are presented gross of fees.

### Primary index description

MSCI World.

### Representative fee description

The Composite Representative Fee is 0.8%. A pooled fund following this strategy has a highest institutional investment management fee of 0.8% and an OCF (TER) of 0.89%. A segregated account following this strategy has a highest investment management fee of 0.45%. The fee prior to 1st May 2023 was 0.9%.

### Derivative instruments

The portfolios in this composite may invest in exchange traded futures and options for efficient portfolio management. Derivatives are not used to leverage the portfolios.

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