

*Together*

we invest  
for a better  
future

**Standard Life**  **Aberdeen**

**Half year results 2020**

# Forward-looking statements

This document may contain certain 'forward-looking statements' with respect to the financial condition, performance, results, strategy, targets, objectives, plans, goals and expectations of the Company and its affiliates. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts.

Forward-looking statements are prospective in nature and are not based on historical or current facts, but rather on current expectations, assumptions and projections of management about future events, and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements. For example but without limitation, statements containing words such as 'may', 'will', 'should', 'could', 'continue', 'aims', 'estimates', 'projects', 'believes', 'intends', 'expects', 'hopes', 'plans', 'pursues', 'ensure', 'seeks', 'targets' and 'anticipates', and words of similar meaning (including the negative of these terms), may be forward-looking. These statements are based on assumptions and assessments made by the Company in light of its experience and its perception of historical trends, current conditions, future developments and other factors it believes appropriate.

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**Keith Skeoch**  
Chief Executive

# Resilience and financial strength in uncertain environment and volatile markets

## Resilient business performance



Robust investment performance – 68% AUM ahead of benchmark over 3 years

Redemptions now c35%<sup>1</sup> lower than post-merger levels

Measured response from clients and customers – net inflows of £0.1bn<sup>2</sup>

Connectivity, clear communication and shift to common culture supported business resilience

## Focusing on what we can control



Continued focus on financial discipline – adjusted operating expenses down 11%

Remain on track to deliver synergy target

Continued product innovation to meet evolving client and customer needs

Embedding new ways of working to ensure continuing business resilience

## Financial strength



Realisation of £709m from Indian listed investments strengthens balance sheet

Shareholder equity of £5.8bn including £1.8bn of surplus regulatory capital

Interim dividend maintained at 7.3p, £400m share buyback continuing

<sup>1</sup> H1 2020 (annualised) compared to FY 2018, excluding Lloyds Banking Group tranche withdrawals of £24.9bn. <sup>2</sup> Excluding Lloyds Banking Group tranche withdrawals of £24.9bn.

# Purpose-led response to COVID-19

## Colleague safety and wellbeing



Virtually all colleagues swiftly transitioned to home working, key workers supported



Regular pulse surveys 73% feel proud to work for Standard Life Aberdeen<sup>1</sup>



Supporting colleagues in shift to greater organisational agility and resilience

## Serving clients and customers



Rapid move to interacting with clients on a digital basis



Customer service centres remained open to provide support



Providing thought leadership, research and insights to help clients navigate through unprecedented uncertainty

## Supporting communities



Allocating funds to most vulnerable communities



Providing assistance locally

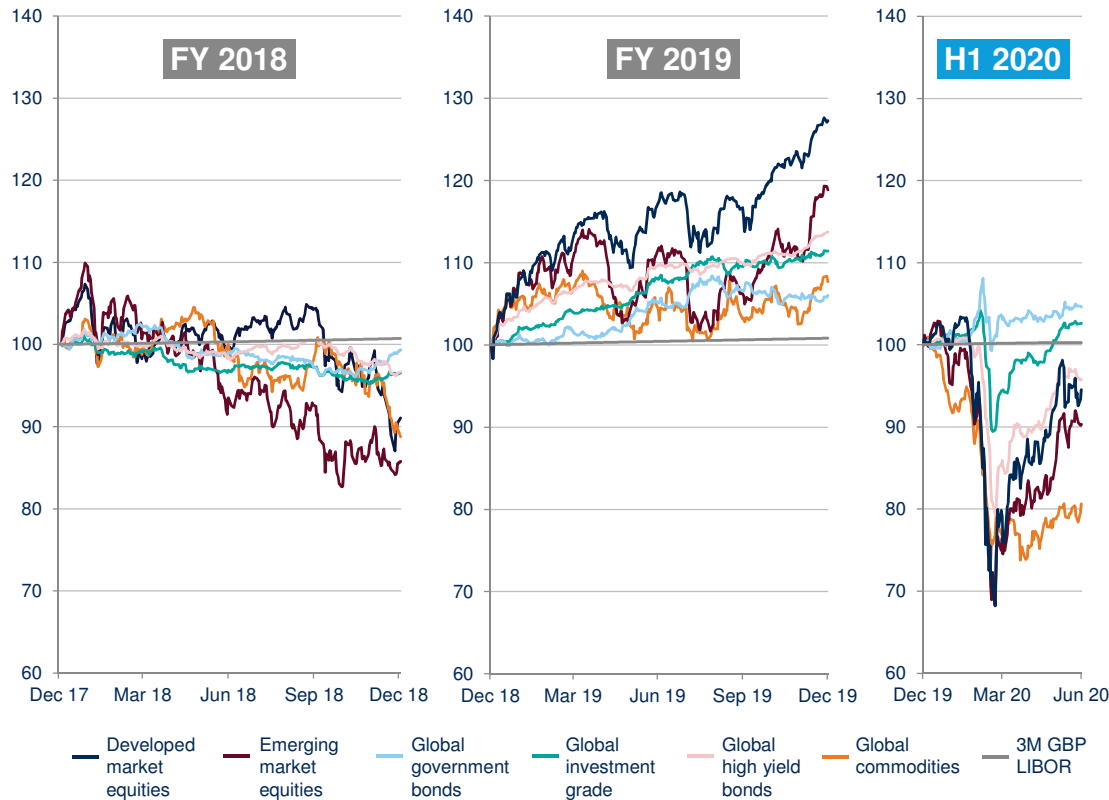


Helping in many ways – employees donation matching

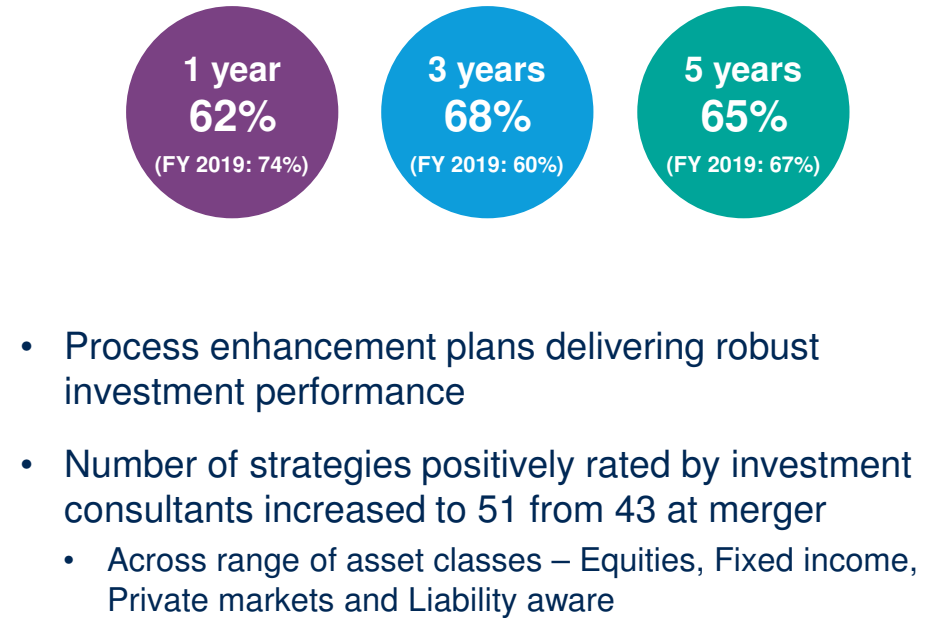
<sup>1</sup> Survey conducted July 2020 as part of return to workplace considerations.

# Robust investment performance

Total return indices<sup>1</sup>



Total AUM ahead of benchmark<sup>2</sup>

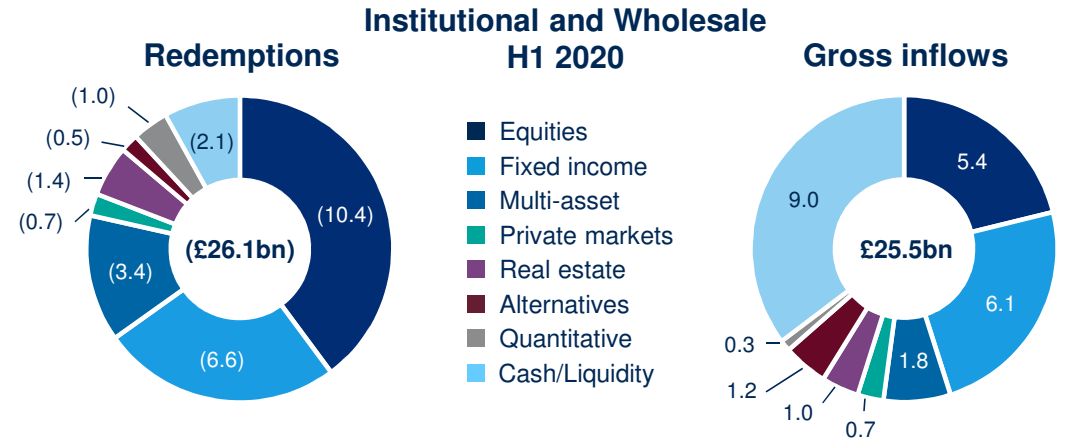
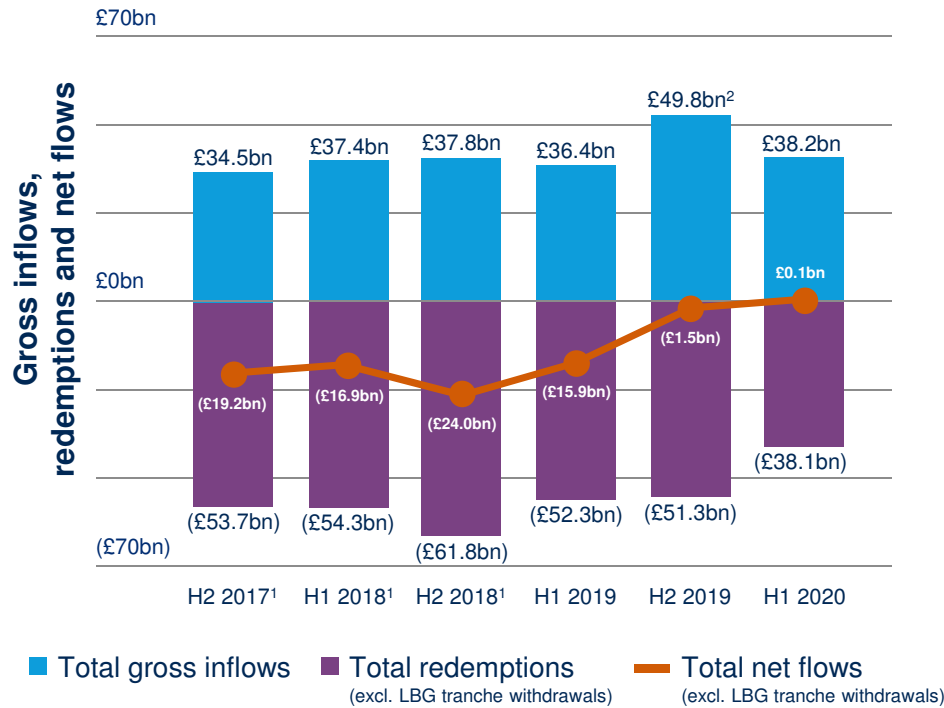


## Return of market volatility creates challenging conditions for the industry

<sup>1</sup> Source: Refinitiv Datastream (rebased). <sup>2</sup> The investment performance calculation covers all funds (including Strategic Insurance Partners) that aim to outperform a benchmark, with certain assets excluded where this measure of performance is not appropriate or expected. Calculations for investment performance are made gross of fees except where the stated comparator is net of fees.

# Improvement in redemptions in volatile markets

First half year of positive net flows since merger  
(excl. LBG tranche withdrawals)



- Robust investment performance driving improvement in redemptions
  - Total redemptions c35%<sup>3</sup> lower than post-merger levels
  - Institutional and Wholesale redemptions £26.1bn (H1 2019: £34.8bn) – annualised 22% of opening assets (H1 2019: 29%)
- Total gross inflows up 5% on H1 2019
  - £9bn of inflows into Institutional and Wholesale Cash/Liquidity – highest in last 3 years

## Lowest redemptions since merger

<sup>1</sup> Not restated to include 1825. <sup>2</sup> Includes £5.5bn from lower margin US advisory mandate. <sup>3</sup> H1 2020 (annualised) compared to FY 2018, excluding Lloyds Banking Group tranche withdrawals of £24.9bn.

# Benefiting from innovation across channels, asset classes and geographies

## Institutional and Wholesale

- £14bn of AUM generated from new funds since merger (average c50bps annual management charge<sup>1</sup>)
- Robust pipeline with mandates awarded but not yet funded c£7bn<sup>2</sup>
- Continued to strengthen ESG franchise – Responsible Investing AUM c£25bn<sup>3</sup>

| Americas               |  | APAC  | EMEA                                    | Global  |
|------------------------|--|---|---|---|
| >\$1bn ETF net inflows | \$625m EMD mandates from 2 State pension plans | China A Shares 2 <sup>nd</sup> largest in world with c\$4bn AUM – \$0.8bn gross inflows in H1 | Launched Responsible Investing campaign | Money Market Funds – ASI ranked #3 for gross and net sales <sup>4</sup> |

### Ongoing evolution of investment capabilities inc. 18 new funds launched in H1 e.g.

|                           |                     |                      |  |                             |                       |
|---------------------------|---------------------|----------------------|--|-----------------------------|-----------------------|
| SRI Global Corporate Bond | Core Private Equity | Focused Equity Funds | Fixed Maturity EM Asia Pacific Bond Fund | Multi-Sector Private Credit | Global Mid-Cap Equity |
|---------------------------|---------------------|----------------------|--|-----------------------------|-----------------------|

## Platforms and Wealth

- Increase in Platform users
  - Adviser firms up to c3,820 (H1 2019: c3,760)
  - Customers up to c420,000 (H1 2019: c405,000)
- ASC won innovation category at PAM Awards 2020
- 1825 endorsed by Personal Finance Society through Pension Transfer Gold Standard

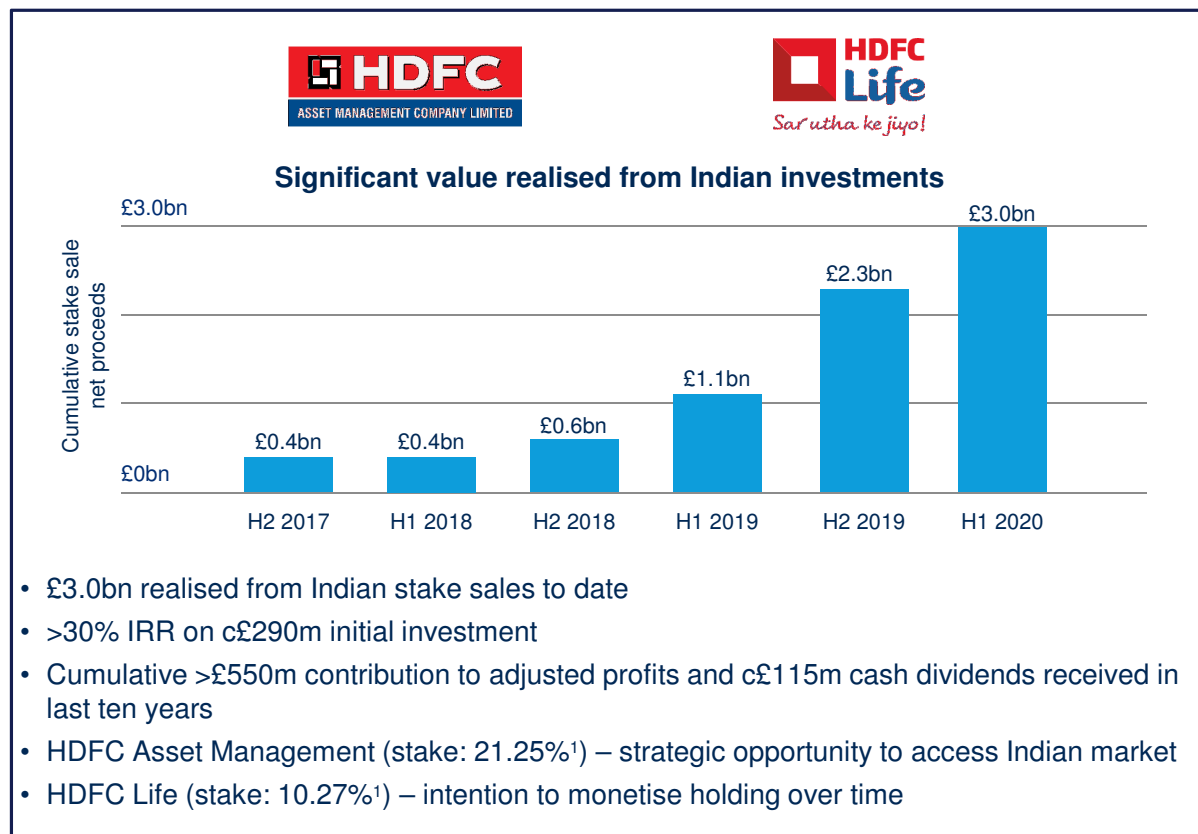
| Increased digitalisation  |   | Attractive pricing for customers                              |   |
|---|---|---|---|
| Enhanced digital offering – Digital Retirement Advice launched and well received by customers | ‘Choices’ app in beta testing – open banking engagement tool aimed at younger savers providing direct access to SLA savings products  | Simplified Wrap pricing structure more attractive to advisers | Drawdown Price Lock resets pricing in retirement helping retain and win customers |

## Leveraging our broad range of capabilities

<sup>1</sup> Annual management charges are earned on products such as mutual funds, and are calculated as a percentage fee based on the assets held. They differ from fee based revenue which is shown net of fees, costs of sale, commissions and similar charges. <sup>2</sup> Comprising lump sum mandates over £10m. <sup>3</sup> Based on our own classification that constitute Responsible Investing funds and interpretation of universal guidance on the various categorisations of approaches. <sup>4</sup> Based on the offshore Money Market Funds market.



# Management of investments to generate value



**Mutually beneficial strategic partnership**

- Cumulative £279m contribution to adjusted profits and £134m cash dividends received
- 14.43% holding in larger business post ReAssure deal
- Access to UK retail customers and potential for further mandates as asset manager of choice

**Strategic exposure to Chinese insurance and pensions market**

- Cumulative £67m contribution to adjusted profits since breakeven in 2014
- Acquisition of SL Asia completed on 30 June 2020 – creates stronger insurance business with licences to serve Mainland China and Hong Kong customers

**Market value of listed stakes £3.4bn<sup>2</sup>**

<sup>1</sup> At 30 June 2020. <sup>2</sup> At 5 August 2020. HDFC Asset Management and HDFC Life translated using an exchange rate of 98.1/£1.

## Together we invest for a better future

- COVID-19 impact on H1 2020 results mainly on revenue
- Our purpose provides a clear focus to steer the business through challenging times
- Our people are engaged around our common purpose and culture
- By focusing on what we can control we have:
  - Improved investment performance
  - Reinforced our operating resilience
  - Created a common culture
  - Improved our financial strength

**Strong foundations created for uncertain times ahead**

*Half year results 2020*

# Financial results

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**Stephanie Bruce**  
Chief Financial Officer

# Analysis of profit

|   | H1 2019<br>£m | H1 2020<br>£m | Change      |
|---|---------------|---------------|-------------|
| Fee based revenue   | 815           | 706           | -13%        |
| Adjusted operating expenses   | (673)         | (601)         | -11%        |
| Adjusted operating profit   | 142           | 105           |             |
| Capital management  | 22            | (13)          |             |
| Asset management associates and joint ventures <sup>1</sup>         | 26            | 22            |             |
| <b>Asset management, Platforms and Wealth</b>                       | 190           | 114           |             |
| Insurance associates and joint ventures <sup>2</sup>                | 90            | 81            |             |
| <b>Adjusted profit before tax</b>                                   | <b>280</b>    | <b>195</b>    | <b>-30%</b> |
| Adjusting items incl. those in respect of goodwill and gain on sale | 348           | (673)         |             |
| Share of associates' and joint ventures' tax credit/(expense)       | 1             | (20)          |             |
| <b>IFRS profit/(loss) before tax</b>                                | <b>629</b>    | <b>(498)</b>  |             |
| <b>Adjusted diluted earnings per share</b>                          | <b>8.9p</b>   | <b>7.0p</b>   |             |

- Capital management reflects investment losses due to market volatility
- Lower share of profit from associates and JVs due to reduced holdings
- Adjusting items of (£0.7bn) of which:
  - Net cash adjusting items of £0.5bn reflect gain on stakes partly offset by restructuring expenses
  - Net non-cash adjusting items of £1.2bn largely relate to impairment charges due to impact of current market levels

**Continued focus on financial discipline – market volatility impacting revenue**

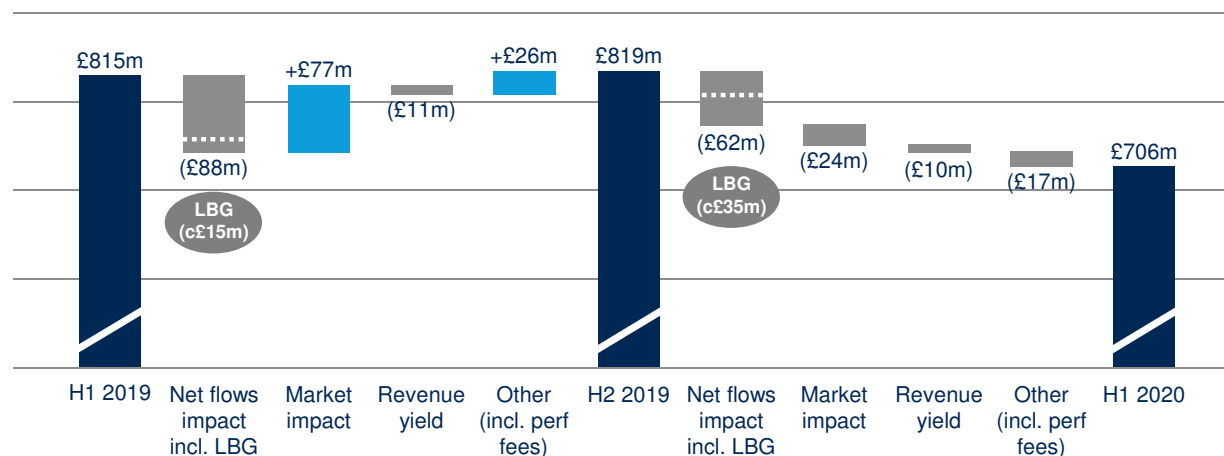
<sup>1</sup> Includes HDFC Asset Management and Virgin Money JV. <sup>2</sup> Includes Phoenix, Heng An Standard Life and HDFC Life.

# Revenue impacted by volatile market conditions

## Fee based revenue

|                              | H1 2019    | H2 2019    | H1 2020    |
|------------------------------|------------|------------|------------|
|                              | £m         | £m         | £m         |
| Institutional and Wholesale  | 513        | 498        | 445        |
| Strategic insurance partners | 166        | 151        | 115        |
| Platforms and Wealth:        |            |            |            |
| - Wrap and Elevate           | 73         | 77         | 69         |
| - Wealth                     | 51         | 56         | 58         |
|                              | 803        | 782        | 687        |
| SL Asia <sup>1</sup>         | 6          | 6          | 7          |
| Performance fees             | 6          | 31         | 12         |
| <b>Fee based revenue</b>     | <b>815</b> | <b>819</b> | <b>706</b> |

## Movement in fee based revenue



- Lower revenue driven by:
  - Impact from prior outflows and changes in client asset preferences
  - c£50m reduction from LBG tranche withdrawals
- Platforms reflect impact of COVID-19 on average UK market levels as well as the reprices in Elevate (Dec 2019) and Wrap (Apr 2020)
- Performance fees benefited from £6m maturing real estate funds (H2 2019: £12m)

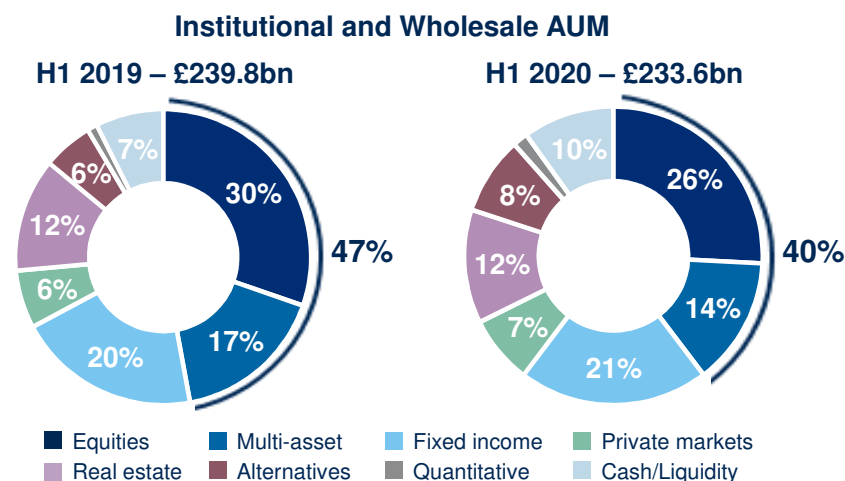
<sup>1</sup> The sale of SL Asia to Heng An Standard Life completed on 30 June 2020.

# Lower revenue yield due to changes in asset class mix

## Fee revenue yield – channels

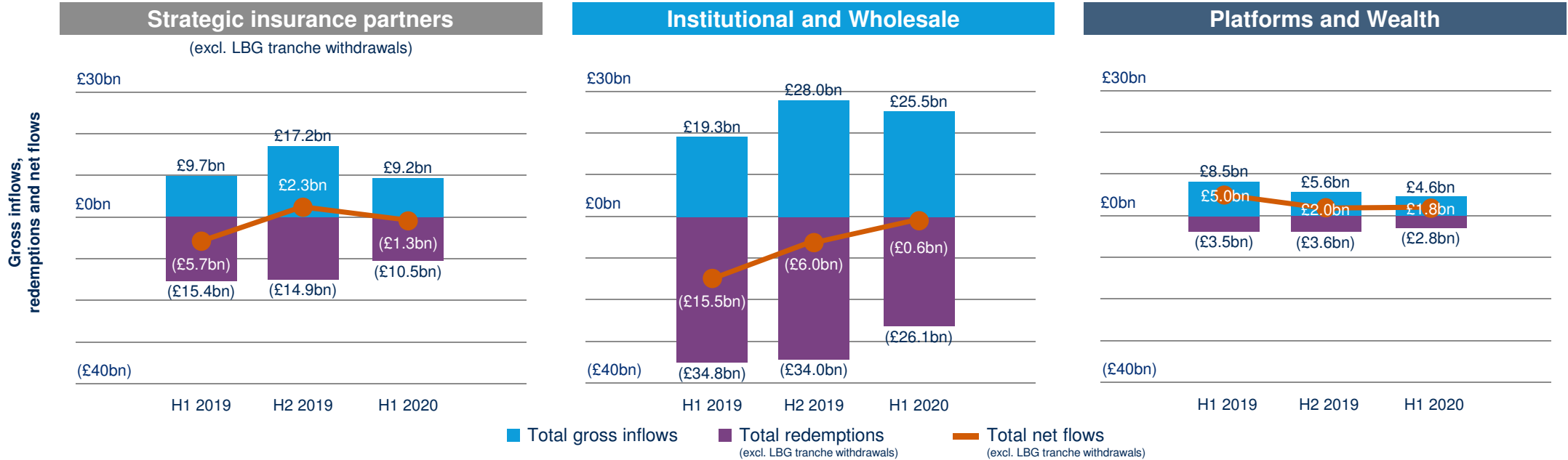
|                                | H1 2019<br>bps | H2 2019<br>bps | H1 2020<br>bps |
|--------------------------------|----------------|----------------|----------------|
| Institutional and Wholesale    | 43.4           | 42.1           | 39.5           |
| Strategic insurance partners   | 12.7           | 11.7           | 11.0           |
| Platforms and Wealth:          |                |                |                |
| - Wrap and Elevate             | 25.6           | 25.0           | 23.1           |
| - Wealth                       | 50.6           | 46.2           | 45.1           |
| <b>Total fee revenue yield</b> | <b>28.6</b>    | <b>27.5</b>    | <b>26.8</b>    |

## Reduced revenue yield due to movements in AUM



- Lower Institutional and Wholesale yield driven by:
  - Equities and Multi-asset AUM down from 47% to 40%, c£20bn reduction
  - Partially offset by improvements in certain asset class yields e.g. Equities and Fixed income yields – up versus H2 2019
- Reduction in Platforms yield due to Elevate and Wrap reprices
- Movement in Wealth yield driven by impact of lower UK markets and inclusion of lower yield assets from Virgin Money

# Net flows by channel



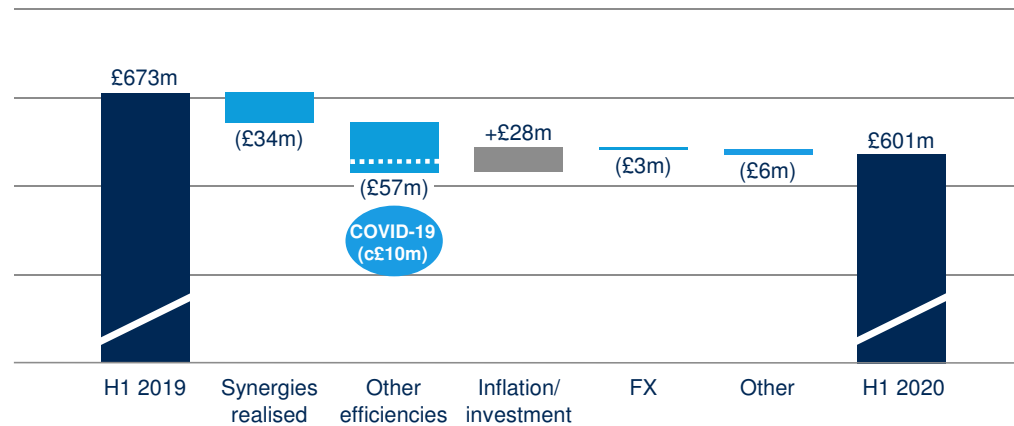
- AUM of £204.1bn (FY 2019: £235.8bn) – reflecting LBG tranche withdrawals (£24.9bn) and lower market levels
- Flows reflect large and lumpy nature of business in this channel
- Phoenix/ReAssure deal provides opportunity for further mandates

- AUM increased to £233.6bn (FY 2019: £233.0bn)
- Improvement in redemptions – 25% lower than H1 2019
- Stronger gross inflows – 32% higher than H1 2019
- Net outflows reduced to £0.6bn

- AUA of £84.4bn (FY 2019: £86.0bn) – reflecting lower market levels
- Encouraging level of Platforms net inflows given impact of COVID-19 on market sentiment and financial markets
- H1 2019 included net inflows of £3.5bn related to Virgin Money JV

# Continued focus on financial discipline

Movement in adjusted operating expenses



- Synergies included lower staff and premises costs arising through the ongoing integration process
- Other efficiencies including a reduction in non-permanent staff and further supplier savings in H1 2020
- Lower impact from inflation/investment in H1 2020
- c£10m savings from lower discretionary costs in period of COVID-19 restrictions – may reverse depending on return to normal business practices
- Cost/income ratio (excl. JVs and associates) increased to 85% (H1 2019: 83%) reflecting impact of lower revenue



# Transformation changes nature of cost base

|                                  | 2019  | 2020  | 2021  | 2022  |
|----------------------------------|-------|-------|-------|-------|
| Annualised run-rate of synergies | £283m | £323m | £350m | £400m |

## Integration and separation drives increased efficiency within cost base

### Investment Platform

- Delivering a single order management system, global middle office provider and data layer
- Creates future-fit operating model for asset management business
- **Drives economies of scale and improved operating leverage**

### Separation from Phoenix Service Agreements

- Delivering technical and operational independence from Phoenix in 2021
- Delivers simplified operating model
- Important enabler of other transformation programmes
- **Results in more cost effective services**

## Other transformation programmes and efficiencies

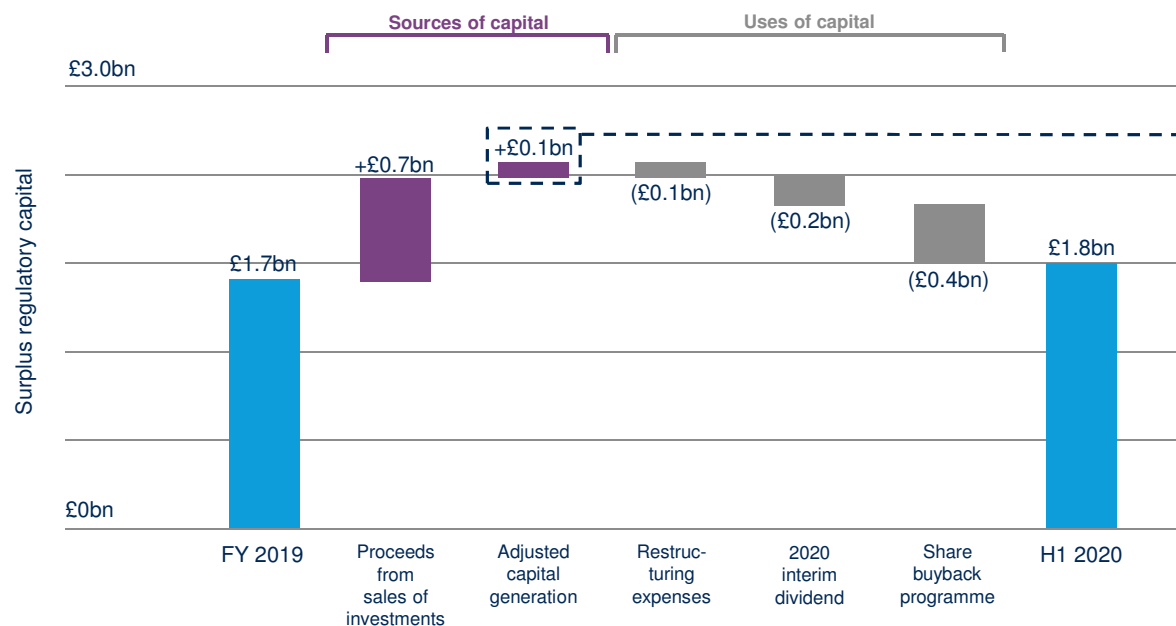
### Platform Experience

- Delivering a revitalised operating model with scale and efficiency enhancements, increasing our focus on client and customer needs
- Supports enhanced adviser and customer experience
- **Improves sub-optimal cost/income ratio in Platforms and Wealth**

### Finance Transformation

- Delivering a digitally-enabled Finance function
- Future-proofs the function for all stakeholders
- **Brings finance cost base in line with industry peers**

# Continued improvement in financial strength



## Adjusted capital generation

|   | £m         |
|---|------------|
| <b>Adjusted profit before tax</b>                   | <b>195</b> |
| Tax on adjusted profit                              | (13)       |
| Share of associates' and JVs' tax expense           | (19)       |
| <b>Adjusted profit after tax</b>                    | <b>163</b> |
| Less staff pension scheme returns                   | (10)       |
| Less associates' and JVs' adjusted profit after tax | (84)       |
| Add Phoenix cash dividend received                  | 34         |
| <b>Adjusted capital generation</b>                  | <b>103</b> |

## Net liquid resources<sup>1</sup>

FY 2019  
**£1.7bn**



H1 2020  
**£1.9bn**

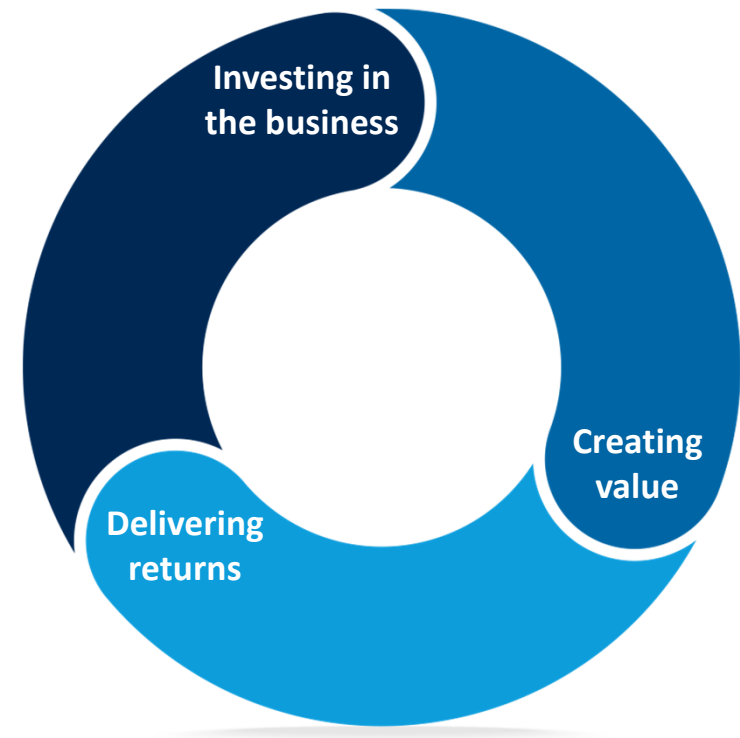
- Surplus regulatory capital increased to £1.8bn
- Realisation of value from HDFC Life and HDFC Asset Management holdings enhanced capital position
- Current share buyback programme recognised through movement in capital surplus

**Majority of £3.4bn<sup>2</sup> of value in listed investments excluded from capital position**

<sup>1</sup> Cash/liquid resources from across the Group adjusted for the impact of the 2020 interim dividend of £0.2bn (FY 2019: final dividend of £0.3bn), less nominal value of debt of £0.8bn (FY 2019: £0.7bn). <sup>2</sup> At 5 August 2020. HDFC Asset Management and HDFC Life translated using an exchange rate of 98.1/£1.

## Resilient business and financial strength

- Underlying business momentum intact despite current environment
- Continued focus on financial discipline
- Financial strength provides resilience in periods of uncertainty
- Maintained interim dividend and share buyback



**Benefit of strong financial position in period of uncertainty and market volatility**

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**Standard Life**  **Aberdeen**

**Keith Skeoch**  
Chief Executive

# Summary

- Delivering strong capital position
- Improving investment performance for clients and customers
- Investing in our people
- Strengthening our leadership team
- Creating a purpose-led common culture

**Strong foundations created for uncertain times ahead**

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# Questions

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# Appendix

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# Adjusted profit before tax by segment

|   | Asset management, Platforms and Wealth |            | Insurance associates and joint ventures |           | Total      |            |
|---|--|------------|---|-----------|------------|------------|
|   | H1 2019                                | H1 2020    | H1 2019                                 | H1 2020   | H1 2019    | H1 2020    |
|   | £m                                     | £m         | £m                                      | £m        | £m         | £m         |
| Fee based revenue   | 815                                    | 706        | -                                       | -         | 815        | 706        |
| Adjusted operating expenses   | (673)                                  | (601)      | -                                       | -         | (673)      | (601)      |
| Adjusted operating profit   | 142                                    | 105        | -                                       | -         | 142        | 105        |
| Capital management  | 22                                     | (13)       | -                                       | -         | 22         | (13)       |
| Share of associates' and joint ventures' profit before tax <sup>1</sup> | 26                                     | 22         | 90                                      | 81        | 116        | 103        |
| <b>Adjusted profit before tax</b>                                       | <b>190</b>                             | <b>114</b> | <b>90</b>                               | <b>81</b> | <b>280</b> | <b>195</b> |

<sup>1</sup> Share of associates' and joint ventures' profit before tax comprises the Group's share of results of HDFC Life, HDFC Asset Management, Phoenix, Heng An Standard Life and Virgin Money JV.



## Associates and joint ventures adjusted profit before tax

|  | Ownership at<br>30 Jun 2020 | H1 2019<br>£m | H1 2020<br>£m |
|--|-----------------------------|---------------|---------------|
| Phoenix <sup>1</sup>   | 19.97%                      | 53            | 57            |
| HDFC Life  | 10.27%                      | 24            | 9             |
| Heng An Standard Life  | 50.00%                      | 13            | 15            |
| <b>Insurance associates and JV adjusted profit before tax</b>            |                             | <b>90</b>     | <b>81</b>     |
| Asset management associate and JV – HDFC Asset Management / Virgin Money | 21.25% / 50.00%             | 26            | 22            |
| <b>Associates and joint ventures adjusted profit before tax</b>          |                             | <b>116</b>    | <b>103</b>    |

<sup>1</sup> Following the completion of its acquisition of ReAssure Group plc our holding in Phoenix changed to 14.43% post 30 June 2020.

# Adjusting items

|  | H1 2019    | H1 2020      |
|--|------------|--------------|
|  | £m         | £m           |
| Adjusted profit before tax   | 280        | 195          |
| Adjusting items:   |            |              |
| - Restructuring and corporate transaction expenses                           | (198)      | (147)        |
| - Gain on sale of stakes in HDFC Life and HDFC Asset Management              | 443        | 651          |
| - Amortisation and impairment of intangible assets                           | (144)      | (1,175)      |
| - Reversal of/(Loss on) impairment of associates and joint ventures          | 243        | (130)        |
| - Investment return variances and economic assumption changes                | (18)       | 124          |
| - Other  | 22         | 4            |
| <b>Total adjusting items</b>   | <b>348</b> | <b>(673)</b> |
| Share of associates' and joint ventures' tax credit/(expense)                | 1          | (20)         |
| <b>Profit/(loss) before tax</b>  | <b>629</b> | <b>(498)</b> |
| Tax credit/(expense)   | 10         | (6)          |
| Profit attributable to non-controlling interests (preference shares)         | (3)        | (5)          |
| <b>IFRS profit/(loss) for the period attributable to equity shareholders</b> | <b>636</b> | <b>(509)</b> |

- Restructuring and corporate transaction expenses largely funding integration and transformation programmes
- Gain on sale of Indian investments of £0.7bn
- Amortisation and impairment of intangible assets largely relates to non-cash impairment charge on goodwill and intangible assets due to impact of current market levels on revenue projections
- Impairment of associates and JVs largely reflects lower market value of our investment in Phoenix at 30 June 2020
- £124m investment return variances and economic assumption changes gain relates to our share of Phoenix adjusting items

# Fee revenue yield by channel and asset class

## Fee revenue yield by channel

|  | Average AUMA |              |              | Fee based revenue |            |            | Fee revenue yield |             |             |
|--|--------------|--------------|--------------|-------------------|------------|------------|-------------------|-------------|-------------|
|  | H1 2019      | H2 2019      | H1 2020      | H1 2019           | H2 2019    | H1 2020    | H1 2019           | H2 2019     | H1 2020     |
|  | £bn          | £bn          | £bn          | £m                | £m         | £m         | bps               | bps         | bps         |
| Institutional and Wholesale            | 238.4        | 234.7        | 226.8        | 513               | 498        | 445        | 43.4              | 42.1        | 39.5        |
| Strategic insurance partners           | 262.7        | 255.9        | 210.7        | 166               | 151        | 115        | 12.7              | 11.7        | 11.0        |
| Platforms and Wealth:                  |              |              |              |                   |            |            |                   |             |             |
| - Wrap and Elevate                     | 57.3         | 61.3         | 60.0         | 73                | 77         | 69         | 25.6              | 25.0        | 23.1        |
| - Wealth <sup>1</sup>                  | 17.9         | 21.2         | 22.6         | 51                | 56         | 58         | 50.6              | 46.2        | 45.1        |
| Eliminations                           | (10.1)       | (10.0)       | (9.9)        | N/A               | N/A        | N/A        | N/A               | N/A         | N/A         |
| <b>Fee revenue yield<sup>1,2</sup></b> | <b>566.2</b> | <b>563.1</b> | <b>510.2</b> | <b>803</b>        | <b>782</b> | <b>687</b> | <b>28.6</b>       | <b>27.5</b> | <b>26.8</b> |
| SL Asia <sup>3</sup>                   |              |              |              | 6                 | 6          | 7          |                   |             |             |
| Performance fees                       |              |              |              | 6                 | 31         | 12         |                   |             |             |
| <b>Fee based revenue</b>               |              |              |              | <b>815</b>        | <b>819</b> | <b>706</b> |                   |             |             |

## Fee revenue yield by asset class

|                                    | Average AUMA |              |              | Fee based revenue |            |            | Fee revenue yield |             |             |
|------------------------------------|--------------|--------------|--------------|-------------------|------------|------------|-------------------|-------------|-------------|
|                                    | H1 2019      | H2 2019      | H1 2020      | H1 2019           | H2 2019    | H1 2020    | H1 2019           | H2 2019     | H1 2020     |
|                                    | £bn          | £bn          | £bn          | £m                | £m         | £m         | bps               | bps         | bps         |
| Equities                           | 73.2         | 70.6         | 61.2         | 243               | 229        | 198        | 66.9              | 64.3        | 65.1        |
| Fixed income                       | 47.0         | 48.2         | 46.8         | 64                | 67         | 68         | 27.6              | 27.5        | 29.2        |
| Multi-asset                        | 41.4         | 37.3         | 32.1         | 86                | 78         | 60         | 41.7              | 41.6        | 37.6        |
| Private markets                    | 15.1         | 15.6         | 16.6         | 32                | 39         | 38         | 43.4              | 49.4        | 46.9        |
| Real estate                        | 29.5         | 29.2         | 27.6         | 71                | 71         | 64         | 48.3              | 48.2        | 46.6        |
| Alternatives <sup>4</sup>          | 12.5         | 13.6         | 18.5         | 10                | 7          | 9          | 16.2              | 10.0        | 9.5         |
| Quantitative                       | 2.4          | 3.1          | 3.7          | 1                 | 1          | 1          | 10.5              | 6.9         | 5.5         |
| Cash/Liquidity                     | 17.3         | 17.1         | 20.3         | 6                 | 6          | 7          | 7.3               | 6.9         | 7.0         |
| <b>Institutional and Wholesale</b> | <b>238.4</b> | <b>234.7</b> | <b>226.8</b> | <b>513</b>        | <b>498</b> | <b>445</b> | <b>43.4</b>       | <b>42.1</b> | <b>39.5</b> |

<sup>1</sup> Fee revenue yield calculation excludes revenue of £7m (H1 2019: £6m; H2 2019: £7m) for which there are no attributable assets. <sup>2</sup> H1 2019 Fee revenue yield restated to include revenue and assets under advice relating to our 1825 advice business.

<sup>3</sup> The sale of SL Asia to Heng An Standard Life completed on 30 June 2020. <sup>4</sup> Alternatives average AUM includes lower margin advisory mandates of c£12bn (H1 2019: c£7bn; H2 2019: c£8bn). At 30 June 2020 the closing AUM of these mandates was c£13bn.

# Movement in AUMA by channel

|   | Opening AUMA      |                   |                   | Gross inflows     |                   |                   | Redemptions       |                   |                   | Net flows         |                   |                   | Market/Other movements         |                   |                   | Corporate actions              |                                |                   | Closing AUMA      |                   |                   |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|--------------------------------|-------------------|-------------------|--------------------------------|--------------------------------|-------------------|-------------------|-------------------|-------------------|
|   | H1<br>2019<br>£bn | H2<br>2019<br>£bn | H1<br>2020<br>£bn | H1<br>2019<br>£bn | H2<br>2019<br>£bn | H1<br>2020<br>£bn | H1<br>2019<br>£bn | H2<br>2019<br>£bn | H1<br>2020<br>£bn | H1<br>2019<br>£bn | H2<br>2019<br>£bn | H1<br>2020<br>£bn | H1<br>2019 <sup>1</sup><br>£bn | H2<br>2019<br>£bn | H1<br>2020<br>£bn | H1<br>2019 <sup>2</sup><br>£bn | H2<br>2019 <sup>3</sup><br>£bn | H1<br>2020<br>£bn | H1<br>2019<br>£bn | H2<br>2019<br>£bn | H1<br>2020<br>£bn |
| Institutional                                     | 166.7             | 169.9             | 160.6             | 13.9              | 13.2              | 14.0              | (20.8)            | (20.5)            | (12.6)            | (6.9)             | (7.3)             | 1.4               | 10.1                           | (2.0)             | 0.5               | -                              | -                              | -                 | 169.9             | 160.6             | 162.5             |
| Wholesale   | 72.5              | 69.9              | 72.4              | 5.4               | 14.8              | 11.5              | (14.0)            | (13.5)            | (13.5)            | (8.6)             | 1.3               | (2.0)             | 5.3                            | 1.2               | 0.7               | 0.7                            | -                              | -                 | 69.9              | 72.4              | 71.1              |
| Strategic insurance partners                      | 255.0             | 269.8             | 235.8             | 9.7               | 17.2              | 9.2               | (15.4)            | (55.9)            | (35.4)            | (5.7)             | (38.7)            | (26.2)            | 20.5                           | 4.7               | (5.5)             | -                              | -                              | -                 | 269.8             | 235.8             | 204.1             |
| Platforms and Wealth:                             |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                                |                   |                   |                                |                                |                   |                   |                   |                   |
| - Wrap and Elevate                                | 54.2              | 59.8              | 62.6              | 3.4               | 3.6               | 3.2               | (2.3)             | (2.4)             | (2.1)             | 1.1               | 1.2               | 1.1               | 4.5                            | 1.6               | (2.5)             | -                              | -                              | -                 | 59.8              | 62.6              | 61.2              |
| - Wealth  | 10.9              | 20.2              | 23.4              | 5.1               | 2.0               | 1.4               | (1.2)             | (1.2)             | (0.7)             | 3.9               | 0.8               | 0.7               | 5.4                            | 0.6               | (0.9)             | -                              | 1.8                            | -                 | 20.2              | 23.4              | 23.2              |
| Eliminations <sup>4</sup>                         | (7.8)             | (10.2)            | (10.2)            | (1.1)             | (1.0)             | (1.1)             | 1.4               | 1.2               | 1.3               | 0.3               | 0.2               | 0.2               | (2.7)                          | (0.2)             | (0.3)             | -                              | -                              | -                 | (10.2)            | (10.2)            | (10.3)            |
| <b>Assets under management and administration</b> | <b>551.5</b>      | <b>579.4</b>      | <b>544.6</b>      | <b>36.4</b>       | <b>49.8</b>       | <b>38.2</b>       | <b>(52.3)</b>     | <b>(92.3)</b>     | <b>(63.0)</b>     | <b>(15.9)</b>     | <b>(42.5)</b>     | <b>(24.8)</b>     | <b>43.1</b>                    | <b>5.9</b>        | <b>(8.0)</b>      | <b>0.7</b>                     | <b>1.8</b>                     | <b>-</b>          | <b>579.4</b>      | <b>544.6</b>      | <b>511.8</b>      |
| <i>LBG tranche withdrawals</i>                    |                   |                   |                   |                   |                   |                   | <i>(41.0)</i>     | <i>(24.9)</i>     |                   | <i>(41.0)</i>     | <i>(24.9)</i>     |                   |                                |                   |                   |                                |                                |                   |                   |                   |                   |
| <i>Flows excluding LBG tranche withdrawals</i>    |                   |                   |                   |                   |                   |                   | <i>(51.3)</i>     | <i>(38.1)</i>     |                   | <i>(1.5)</i>      | <i>0.1</i>        |                   |                                |                   |                   |                                |                                |                   |                   |                   |                   |

<sup>1</sup> Wealth channel market/other movements include 1825 opening assets under advice of £4.0bn. <sup>2</sup> Corporate actions in the Wholesale channel relate to the acquisition of Orion Partners (£0.7bn). <sup>3</sup> Wealth channel corporate actions include £1.8bn of assets under advice following 1825's acquisition of Grant Thornton's wealth advisory business and BDO Northern Ireland's wealth management business. <sup>4</sup> Eliminations remove the double count reflected in the asset management and Platforms and Wealth business.

# Total AUM by asset class

|                  | 30 June 2019                    |                                  |                         |              | 31 December 2019                |                                  |                         |              | 30 June 2020                    |                                  |                         |              |
|------------------|---------------------------------|----------------------------------|-------------------------|--------------|---------------------------------|----------------------------------|-------------------------|--------------|---------------------------------|----------------------------------|-------------------------|--------------|
|                  | Institutional and Wholesale £bn | Strategic insurance partners £bn | Wealth <sup>1</sup> £bn | Total £bn    | Institutional and Wholesale £bn | Strategic insurance partners £bn | Wealth <sup>1</sup> £bn | Total £bn    | Institutional and Wholesale £bn | Strategic insurance partners £bn | Wealth <sup>1</sup> £bn | Total £bn    |
| Equities         | 72.7                            | 48.9                             | -                       | 121.6        | 69.0                            | 50.3                             | -                       | 119.3        | 60.3                            | 46.5                             | -                       | 106.8        |
| Fixed income     | 48.2                            | 95.7                             | -                       | 143.9        | 46.4                            | 88.5                             | -                       | 134.9        | 48.1                            | 72.1                             | -                       | 120.2        |
| Multi-asset      | 40.2                            | 18.9                             | 12.7                    | 71.8         | 34.3                            | 10.2                             | 14.2                    | 58.7         | 32.4                            | 6.2                              | 14.9                    | 53.5         |
| Private markets  | 15.2                            | 0.9                              | -                       | 16.1         | 16.1                            | 0.8                              | -                       | 16.9         | 17.3                            | 0.8                              | -                       | 18.1         |
| Real estate      | 29.9                            | 10.0                             | -                       | 39.9         | 27.9                            | 9.2                              | -                       | 37.1         | 28.8                            | 8.2                              | -                       | 37.0         |
| Alternatives     | 13.2                            | -                                | -                       | 13.2         | 17.7                            | 0.6                              | -                       | 18.3         | 19.7                            | -                                | -                       | 19.7         |
| Quantitative     | 2.6                             | 67.0                             | 3.4                     | 73.0         | 4.2                             | 46.7                             | 3.5                     | 54.4         | 3.8                             | 45.0                             | 3.0                     | 51.8         |
| Cash/Liquidity   | 17.8                            | 28.4                             | -                       | 46.2         | 17.4                            | 29.5                             | -                       | 46.9         | 23.2                            | 25.3                             | -                       | 48.5         |
| <b>Total AUM</b> | <b>239.8</b>                    | <b>269.8</b>                     | <b>16.1</b>             | <b>525.7</b> | <b>233.0</b>                    | <b>235.8</b>                     | <b>17.7</b>             | <b>486.5</b> | <b>233.6</b>                    | <b>204.1</b>                     | <b>17.9</b>             | <b>455.6</b> |

<sup>1</sup> Excludes assets under advice of £5.3bn (30 June 2019: £4.1bn; 31 Dec 2019: £5.7bn).

# Institutional and Wholesale AUM by asset class

|                                    | Opening AUM as at<br>1 Jan 2020 | Gross<br>inflows | Redemptions   | Net flows    | Market and<br>other movements | Corporate<br>actions | Closing AUM as at<br>30 Jun 2020 |
|------------------------------------|---------------------------------|------------------|---------------|--------------|-------------------------------|----------------------|----------------------------------|
|                                    | £bn                             | £bn              | £bn           | £bn          | £bn                           | £bn                  | £bn                              |
| Developed markets equities         | 14.7                            | 2.0              | (2.0)         | -            | (1.6)                         | -                    | 13.1                             |
| Emerging markets equities          | 21.6                            | 0.9              | (4.0)         | (3.1)        | (1.9)                         | -                    | 16.6                             |
| Asia Pacific equities              | 23.3                            | 1.9              | (2.5)         | (0.6)        | (0.2)                         | -                    | 22.5                             |
| Global equities                    | 9.4                             | 0.6              | (1.9)         | (1.3)        | -                             | -                    | 8.1                              |
| <b>Equities</b>                    | <b>69.0</b>                     | <b>5.4</b>       | <b>(10.4)</b> | <b>(5.0)</b> | <b>(3.7)</b>                  | -                    | <b>60.3</b>                      |
| Developed markets credit           | 32.2                            | 3.7              | (4.3)         | (0.6)        | 2.1                           | -                    | 33.7                             |
| Developed markets rates            | 3.3                             | 0.3              | (0.6)         | (0.3)        | 0.2                           | -                    | 3.2                              |
| Emerging markets fixed income      | 10.9                            | 2.1              | (1.7)         | 0.4          | (0.1)                         | -                    | 11.2                             |
| <b>Fixed income</b>                | <b>46.4</b>                     | <b>6.1</b>       | <b>(6.6)</b>  | <b>(0.5)</b> | <b>2.2</b>                    | -                    | <b>48.1</b>                      |
| Absolute return                    | 12.7                            | 0.3              | (1.5)         | (1.2)        | 0.6                           | -                    | 12.1                             |
| Diversified growth/income          | 1.9                             | 0.1              | (0.3)         | (0.2)        | -                             | -                    | 1.7                              |
| MyFolio                            | 15.7                            | 1.3              | (1.1)         | 0.2          | (1.0)                         | -                    | 14.9                             |
| Other multi-asset                  | 4.0                             | 0.1              | (0.5)         | (0.4)        | 0.1                           | -                    | 3.7                              |
| <b>Multi-asset</b>                 | <b>34.3</b>                     | <b>1.8</b>       | <b>(3.4)</b>  | <b>(1.6)</b> | <b>(0.3)</b>                  | -                    | <b>32.4</b>                      |
| Private equity                     | 12.1                            | 0.4              | (0.7)         | (0.3)        | 1.1                           | -                    | 12.9                             |
| Private credit and solutions       | -                               | 0.3              | -             | 0.3          | -                             | -                    | 0.3                              |
| Infrastructure equity              | 4.0                             | -                | -             | -            | 0.1                           | -                    | 4.1                              |
| <b>Private markets</b>             | <b>16.1</b>                     | <b>0.7</b>       | <b>(0.7)</b>  | -            | <b>1.2</b>                    | -                    | <b>17.3</b>                      |
| UK real estate                     | 13.4                            | 0.3              | (0.9)         | (0.6)        | -                             | -                    | 12.8                             |
| European real estate               | 12.1                            | 0.6              | (0.3)         | 0.3          | 0.7                           | -                    | 13.1                             |
| Global real estate                 | 1.0                             | 0.1              | (0.1)         | -            | 0.6                           | -                    | 1.6                              |
| Real estate multi-manager          | 1.4                             | -                | (0.1)         | (0.1)        | -                             | -                    | 1.3                              |
| <b>Real estate</b>                 | <b>27.9</b>                     | <b>1.0</b>       | <b>(1.4)</b>  | <b>(0.4)</b> | <b>1.3</b>                    | -                    | <b>28.8</b>                      |
| <b>Alternatives</b>                | <b>17.7</b>                     | <b>1.2</b>       | <b>(0.5)</b>  | <b>0.7</b>   | <b>1.3</b>                    | -                    | <b>19.7</b>                      |
| <b>Quantitative</b>                | <b>4.2</b>                      | <b>0.3</b>       | <b>(1.0)</b>  | <b>(0.7)</b> | <b>0.3</b>                    | -                    | <b>3.8</b>                       |
| <b>Cash/Liquidity</b>              | <b>17.4</b>                     | <b>9.0</b>       | <b>(2.1)</b>  | <b>6.9</b>   | <b>(1.1)</b>                  | -                    | <b>23.2</b>                      |
| <b>Institutional and Wholesale</b> | <b>233.0</b>                    | <b>25.5</b>      | <b>(26.1)</b> | <b>(0.6)</b> | <b>1.2</b>                    | -                    | <b>233.6</b>                     |

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