

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, you should consult your stockbroker, solicitor, accountant, bank manager or other independent financial adviser authorised under the Financial Services and Markets Act 2000 if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.**

If you have sold or otherwise transferred all your Shares in UK Commercial Property REIT Limited (the “**Company**”), you should pass this document at once to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee. If you have sold or otherwise transferred only part of your holding of Shares, you should retain these documents and consult the stockbroker, bank or other agent through whom the sale was effected.

The Company is an authorised closed-ended investment company which has been granted an authorisation declaration by the Commission in accordance with section 8 of the Protection of Investors (Bailiwick of Guernsey) Law, 2020, and Rule 6.2 of the Authorised Closed-Ended Collective Investment Schemes Rules and Guidance 2021 (the “**Rules**”). Notification of the proposals outlined in this document has been given to the Commission pursuant to the Rules. Neither the Commission nor the States of Guernsey Policy Council has reviewed this document and neither of them takes any responsibility for the financial soundness of the Company or for the correctness of any of the statements made or opinions expressed with regard to it.

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## **UK COMMERCIAL PROPERTY REIT LIMITED**

*(An investment company incorporated in Guernsey with registered number 45387)*

### **RECOMMENDED PROPOSALS TO APPROVE THE CONTINUATION OF THE COMPANY**

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**Your attention is drawn to the letter from the Chair of the Company set out in Part 1 of this document which recommends that you vote in favour of the Resolution to be proposed at the Extraordinary General Meeting referred to below.**

Notice of an Extraordinary General Meeting of the Company to be held at 10.30 a.m. on 25 October 2022 at the offices of Dickson Minto at Broadgate Tower, 20 Primrose Street, London EC2A 2EW (the “**EGM**”) is set out at the end of this document. A Form of Proxy for use in conjunction with the EGM is enclosed. Whether or not you propose to attend the EGM, you are requested to complete the Form of Proxy in accordance with the instructions printed on it, and return it to the Registrar at, Computershare Investor Services (Guernsey) Limited, c/o The Pavilions, Bridgwater Road, Bristol BS99 6ZY as soon as possible, but in any event so as to be received no later than at 10.30 a.m. on 21 October 2022. Completion and posting of the Form of Proxy will not prevent a Shareholder from attending and voting in person at the EGM.

There are special arrangements for persons holding Shares through the abrdn Investment Trusts Share Plan, ISA and/or Investment Plan for Children (the “**Savings Schemes**”). These are explained in the Form of Direction which such holders will receive with this document. To be valid, this Form of Direction must be completed and returned, in accordance with the instructions thereon, to the Registrars’ address listed above as soon as possible but in any event not later than 10.30 a.m. on 14 October 2022. Holders of Shares through these Savings Schemes should not complete a Form of Proxy.

Dickson Minto W.S., which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting for the Company and no one else in connection with the matters described in this document and will not be responsible to any person other than the Company for providing the protections afforded to clients of Dickson Minto W.S. nor for providing advice in relation to such matters.

Dated 5 October 2022

## PART 1

### LETTER FROM THE CHAIR

# UK COMMERCIAL PROPERTY REIT LIMITED

*(An investment company incorporated in Guernsey with registered number 45387)*

#### *Directors*

Ken McCullagh (*Chair*)  
Michael Ayre  
Chris Fry  
Fionnuala Hogan  
Margaret Littlejohns

#### *Registered Office*

PO Box 255  
Trafalgar Court  
Les Banques  
St. Peter Port  
Guernsey  
GY1 3QL

5 October 2022

Dear Shareholder,

### **Recommended proposals to approve the continuation of the Company**

#### **Introduction and background**

UK Commercial Property REIT Limited is a real estate investment company with the objective of providing Shareholders with an attractive level of income together with the potential for capital and income growth from investing in a diversified portfolio of UK commercial properties.

As at 30 June 2022, the Company's Property Portfolio was valued at approximately £1.71 billion. Over the past few years the Company has taken advantage of its ability to invest in a diversified range of sectors and to proactively manage its portfolio to deliver strong capital performance as well as income growth and security. It has built a strong position in both urban and big box industrial and logistics, has a growing portfolio of living assets through student housing and hotel investments and it is generally well positioned to deliver future earnings growth through active asset management initiatives and the completion of its committed developments. The Company has recently increased its, fully covered, dividend and paid an additional special dividend in order that Shareholders can benefit from the recent growth in NAV that has not been reflected in the Company's share price performance.

The Company's discount control policy provides that, if the market price of the ordinary shares of 25 pence each in the Company (the "**Shares**") is more than 5 per cent. below the published net asset value ("**NAV**") for a continuous period of 90 dealing days or more beginning after the date of the second anniversary of the Company's most recent continuation vote in relation to the discount control policy, the Directors will convene an extraordinary general meeting to be held within three months, to consider an ordinary resolution for the continuation of the Company. The most recent continuation vote in relation to the discount control policy was held on 18 March 2020.

I am writing to you to convene the EGM to put to you the ordinary resolution for the continuation of the Company (the "**Resolution**"), to set out the reasons why the Board, whose Directors have committed to vote their aggregate Shares in favour of the continuation, is recommending Shareholders vote in favour of the Resolution. I also wanted to advise you that Phoenix, collectively the Company's largest Shareholders, accounting for approximately 43 per cent. of the Company's issued share capital, have also committed to support the continuation.

#### **Continuation vote**

The Company announced on 10 August 2022, in its Net Asset Value announcement (the "**NAV Announcement**"), that the closing market price of the Shares had been more than 5 per cent. below the published NAV for more than 90 continuous days up to 29 July 2022.

The Board, together with the Investment Manager, is of the belief that the prices at which the Shares have been trading do not reflect the value of the Property Portfolio, nor the strength and depth of its asset and tenant base, nor its potential for earnings growth.

The Board therefore believes it is in the best interests of Company as a whole to continue and for the Investment Manager to continue implementing the Company's investment strategy, including the completion of the Company's committed developments which will add significant rental income to the Property Portfolio.

Accordingly, this document sets out further details of the EGM to consider the Resolution. If the Resolution is passed, the Company will not hold another continuation vote pursuant to the discount control policy, unless the closing market price of the Shares is more than 5 per cent. below the published NAV for a continuous period of 90 dealing days or more beginning after the date of the second anniversary of the passing of the Resolution.

### **Performance of the Company**

As at 30 June 2022, the Property Portfolio was valued at approximately £1.71 billion. Since launch the Company's direct portfolio has outperformed its benchmark producing annualised total returns of 6.6 per cent. versus the 5.5 per cent. of the Company's Benchmark, being the MSCI UK Balanced Portfolios Quarterly Property Index (the "**Benchmark**") (as at 30 June 2022, being the latest published information).

Over the past few years the Company has taken advantage of its status as a diversified real estate investment company (a REIT) and therefore its ability to opportunistically pick and choose the timings and nature of its investments and range of sectors and to proactively manage its portfolio towards income growth and security whilst delivering strong NAV growth. The Board was pleased to announce the payment of a special dividend of 1.92p per Share in August and an increase in the second quarter's dividend by a further 6.3 per cent. to 0.85p per Share as the Board recognises the importance of income to Shareholders. The Board was also keen to return part of the strong gains that have been realised from capital allocation and asset management initiatives so that all Shareholders would be able to benefit from the recent growth in NAV (being 10.7 per cent. for the first half of 2022 resulting in a NAV total return for the same period of 12.3 per cent.) that has not been reflected in the Company's share price performance.

In addition to providing the Board with the ability to pay increased dividends, this NAV growth also compares favourably against the Company's Benchmark performance.

Since the launch of the Company up to 30 June 2022 (being the most recent quarter end), the Company's NAV total return per Share (with dividends re-invested) has delivered an annualised NAV total return of 6.3 per cent., significantly ahead of the Benchmark level of 5.5 per cent. The Company has also outperformed the Benchmark over 1, 3, 5 and 10 years at property portfolio level and in terms of NAV total return.

### **Investment outlook**

The UK economy was recovering well from the impact of the Covid-19 Pandemic. This was however curtailed with the invasion of Ukraine by Russia which has impacted global markets and has created further uncertainty, particularly in relation to the cost of energy. The Board is also acutely aware of the broader economic challenges ahead including rising inflation and interest rates. However it believes, together with its Investment Manager, that the Company's portfolio is well placed to face, over the longer term, this market uncertainty both in terms of the diversity and quality of the asset and tenant base and the strength of the Company's lowly leveraged balance sheet.

The Company has a prime property portfolio that is diversified by tenant, sector and geography, and importantly is overweight in the industrial sector, which is anticipated to continue to deliver strong earnings growth. Conversely the Property Portfolio is underweight to the retail sector and office sector as it is anticipated that these sectors will continue to face challenges with a squeeze on consumer spending and a continued polarisation of the office sector between the very best properties and the rest. In terms of occupancy levels, the Company has a very low void rate of 1.5 per cent. as at 30 June 2022. This also provides good visibility of future income and demonstrates both the attractiveness of the

portfolio to tenants and the Investment Manager's ability to secure rents, with a strong focus on capturing the Property Portfolio's revisionary potential whilst also driving value. Rent collection rates have also now normalised to pre-pandemic levels with 99 per cent. received for the year to 30 July 2022.

The Company is also financially strong with prudent, low cost, flexible gearing. At 13.7 per cent., the Company's gearing continues to be one of the lowest in its AIC peer group which averaged 20 per cent. as at 30 June 2022.

In the light of the above, the Board is of the view that the Company, with its defensive characteristics and strong balance sheet, remains an attractive investment proposition and is well placed to face, over the longer term, the projected oncoming economic headwinds and general slowdown in the market.

### **Investment strategy**

The Board and Investment Manager aim to maintain the Company's strategy of delivering an attractive level of income, together with the potential for capital and income growth, through investment in a diversified UK commercial property portfolio. The Company's priorities are to grow earnings whilst protecting current revenue streams, to maintain and create value through active asset management and to remain alive to any opportunities that may arise to make accretive acquisitions.

The Company is generally well positioned to focus on earnings growth with a significant reversion of 19 per cent. within the portfolio (being the difference between the portfolio's aggregate rent payable and the aggregate estimated rental values of the assets at 30 June 2022) based upon the Company's external valuations. In addition the Company has just completed a student housing development in Edinburgh and is currently developing four further assets which, in aggregate, have the potential to add approximately £9.6 million of additional income to its portfolio once they are all completed. The four further developments comprise:

- (i) a student housing development which is situated in Exeter which is due to be completed shortly;
- (ii) two industrial developments which are situated in Bolney, Sussex and Precision Park, Leamington Spa and are due to be completed within the next six months; and
- (iii) the Hyatt Hotel which is situated in Leeds city centre in a prime location close to the main railway station which has its opening date scheduled for mid-2024.

Within its 2021 Annual Report and Accounts, the Company provided an overview of its long-term ESG goals of being Net Zero Carbon by 2030 for landlord emissions and Net Zero Carbon on all portfolio emissions by 2040. The Board and the Investment Manager are fully committed to meeting these ambitious targets which are overlaid across all processes and decisions taken on the Property Portfolio as they believe they are in the interests of the Company and Shareholders. Additionally the Company's assets are well placed to comply with future Minimum Energy Efficiency Standards Legislation, with 73 per cent. of the Property Portfolio (by estimated rental value) already meeting the anticipated minimum rating of C required by 2027.

Following its strategy of exiting risk assets and those in need of non value enhancing capital expenditure, the Company planned and executed a number of strategic sales in 2021. It has continued with this strategy this year with the sale of an office building in Birmingham for £26.48 million which had relatively poor ESG credentials and required significant capital investment. In addition, as stated within the NAV Announcement, the Company has conservative gearing of 13.7 per cent. which also has an attractive blended interest rate of 2.79 per cent. Of its drawn debt, approximately 75 per cent. is held on fixed rate facilities with long-term expiries in 2027 and 2030. The Company's exposure to short-term interest rate rises is therefore lessened. Overall the Board has set an upper limit of 25 per cent. LTV on borrowings which the Board and the Investment Manager believe is prudent. Taking into account its full development commitments and the proceeds of the sale of the Birmingham office, the Company had, as at 30 June 2022, cash resources of £24 million available for investment. The Company expects to strategically utilise this, alongside the proceeds of any future sales, to make further acquisitions when market conditions are supportive. To this end the Company's revolving credit facility has been increased from £150 million, as at 30 June 2022, to £180 million to support future acquisitions as opportunities arise. In investing these resources, the Investment Manager will principally target best in class offices and alternative asset classes such as further living assets or data centres including more

operational real estate assets that are expected to deliver resilient rental incomes. When looking at opportunities to deploy capital, the Investment Manager has increased its focus on durable income accretive to recurring dividend cover with the potential for growth.

Overall, the Board is aware that the recent growth in NAV and dividend increases have not been reflected in the Company's share price performance. However, it is confident that for the reasons stated above, the Company's robust balance sheet position and the continued strong portfolio management work being undertaken by the Investment Manager, the Company is well positioned in this uncertain environment to continue to deliver value for shareholders.

### **Discount control policy and share buy backs**

It is the intention of the Board that the Company's share buy back authority may be used to purchase Shares (subject to the income and cash flow requirements of the Company) if the level of discount to NAV at which the Shares are trading represents an opportunity to generate risk adjusted returns in excess of that which could be achieved by investing in real estate opportunities at a particular time. The Board believes this is an appropriate discount control policy for the Company as it focuses on long term risk adjusted returns for Shareholders (weighing-up buybacks versus real estate opportunities, be it new assets or capital expenditure in the existing portfolio) and is well suited to a Company investing in an illiquid asset class. The Company has not bought back any Shares in the past 12 months.

### **Extraordinary General Meeting**

The Extraordinary General Meeting has been convened for 10.30 a.m. on 25 October 2022 to be held at the offices of Dickson Minto at Broadgate Tower, 20 Primrose Street, London EC2A 2EW. All Shareholders are entitled to attend, speak and vote on the Resolution to be proposed at the EGM, which will be proposed as an ordinary resolution.

If the Resolution is not passed, the Directors will convene a further extraordinary general meeting of the Company to be held within six months of the date of the EGM to consider the winding up of the Company or a reconstruction of the Company, which will offer all Shareholders the opportunity to realise their investment.

If the Resolution is passed, the Directors would not intend to convene another extraordinary general meeting to consider the continuation of the Company in relation to the discount control policy, unless the closing market price of the Shares is more than 5 per cent. below the published NAV for a continuous period of 90 dealing days or more beginning after the date of the second anniversary of the EGM.

### **Action to be taken**

Shareholders will find enclosed a Form of Proxy for use at the EGM. Whether or not you propose to attend the EGM, you should complete the Form of Proxy and return it to Computershare Investor Services (Guernsey) Limited, c/o The Pavilions, Bridgwater Road, Bristol BS99 6ZY, as soon as possible, but in any event not later than 10.30 a.m. on 21 October 2022. Completion and return of a Form of Proxy will not prevent Shareholders from attending and voting in person at the EGM, should they so wish.

If you hold your Shares through the Savings Schemes, you are instead requested to complete and return the accompanying Form of Direction in accordance with the instructions printed thereon so as to be received by the Registrars as soon as possible but in any event by no later than 10.30 a.m. on 14 October 2022.

### **Shareholder voting intentions**

Phoenix, collectively the Company's largest Shareholders, have irrevocably undertaken to vote in favour of the Resolution.

Phoenix collectively hold, directly and indirectly, in aggregate approximately 43 per cent. of the issued Shares.

**Recommendation**

The Board, which has been advised by Dickson Minto W.S., considers that the continuation of the Company is in the best interests of the Shareholders as a whole. Accordingly, the Board unanimously recommends all Shareholders to vote in favour of the Resolution to be proposed at the EGM.

The Directors, who in aggregate have an interest in 399,871 Shares (being approximately 0.03 per cent. of the issued share capital), intend to vote their entire beneficial holdings in favour of the Resolution.

Yours faithfully

**Ken McCullagh**  
*Chair*

## PART 2

### RISK FACTORS

**The risk factors set out below are those which are considered to be material but are not the only risks relating to the Company, the Shares or the continuation of the Company. There may be additional risks that the Company does not consider to be material or of which the Company is not aware.**

#### **Risks relating to the Shares**

An investment in the Shares is only suitable for investors who are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses which may arise therefrom (which may be equal to the whole amount invested). Such an investment should be seen as long term in nature and complementary to existing investments in a range of other financial assets and should not form a major part of an investment portfolio.

There is no guarantee that the Company's investment objective will be achieved or provide the returns sought by the Company. Past performance of the Company, and of its investments managed by the Investment Manager, are not necessarily indicative of future performance.

The market value of, and the income derived from, the Shares can fluctuate and may not always reflect the Net Asset Value per Share. There is no guarantee that the discount control policy will achieve its objective.

#### **Risks relating to the liquidity of the Shares**

In the event that the Resolution is passed, the Directors will not be required to propose a continuation vote to Shareholders in relation to the discount control policy, unless the closing market price of the Shares is more than 5 per cent. below the published NAV for a continuous period of 90 dealing days or more beginning after the date of the second anniversary of the passing of the Resolution. Furthermore, the Company does not have a fixed winding up date and therefore, unless Shareholders vote to wind up the Company, Shareholders will only be able to realise their investment through the market. Although the Shares are listed on the Official List and traded on the Main Market, it is possible that there may not be a liquid market in the Shares and Shareholders may have difficulty in selling them.

#### **Risks relating to taxation**

Any change (including a change in interpretation) in tax legislation, either in Guernsey or the United Kingdom, could have a material adverse effect on the Company's business, financial condition, results of operations, future prospects or the price of the Shares. In particular, an increase in the rates of stamp duty land tax could have a material impact on the price at which UK land can be sold, and therefore on asset values.

Loss of the Company's tax status as a UK REIT could result in higher corporation tax on its income and chargeable gains on the sale of properties which would reduce the amounts available to distribute to Shareholders

#### **Risks relating to property and property-related assets**

The value of the Company's assets and its income may be impacted by both global events (e.g. pandemics, wars, terrorist attacks and oil price disruption) and the general macro-economic climate in the UK (e.g. levels of GDP employment, inflation, interest rate movements and changes in the cost of debt), including the specific conditions of the UK real estate property market. Declines in the performance of the economy or the property market could have a negative impact on the Company's financial condition, business, prospects and results of operations.

Although the Company has, and aims to maintain, a portfolio diversified by sector and tenant, all of the Company's assets are, and will be, invested in UK property. In addition to the impact from the general economic climate, the property markets and valuations and prevailing rental rates in the UK may also be affected by factors such as an excess supply of properties, a fall in the general demand for rental

property, reductions in tenants' and potential tenants' space requirements, the availability of credit and changes in laws and governmental regulations (both domestic and international), including those governing homelessness, real estate usage, zoning and taxes and energy efficiency, all of which are outside of the Company's control. Any property market recession or future deterioration in the property market could, inter alia: (i) make it harder for the Company to locate new tenants for its properties, (ii) lead to an increase in tenant defaults (iii) lead to a lack of finance available to the Company; (iii) cause the Company to realise its investments at lower valuations than commercially desirable; and (iv) delay the timings of the Company's realisations.

Investments in property are relatively illiquid. Such illiquidity may affect the Company's ability to vary its portfolio or dispose of or liquidate part of its portfolio in a timely fashion and at satisfactory prices in response to changes in economic, real estate market or other conditions

Returns from an investment in property depend largely upon the amount of rental income, or operating revenue, generated from the property and the expenses incurred in the development or redevelopment and management of the property, as well as upon changes in its market value. Dividends payable by the Company will be dependent on the income from the properties it owns. Failure by tenants to comply with their rental obligations could affect the ability of the company to pay dividends to Shareholders.

The Company's properties are subject to environmental risk, both in the form of an extreme environmental event (e.g. flooding) or future changes in environmental legislation which may lead to increased operating costs as climate change accelerates. Failure by the Company to meet its set net zero carbon targets could adversely affect the Company's reputation and ultimately lead to a reduction in the value of its investments that are less energy efficient.

Structural changes in society, in particular the use of technology, are also changing the processes and habits of businesses and consumers which in turn is impacting occupiers' current and future requirements for property and leading to greater disparity in the performance of different property sectors.

The Company may undertake the development or refurbishment of property which is subject to construction, cost, and potentially planning risk associated with the development of commercial real estate which could affect the valuation and rental income of the Company.

Properties are inherently difficult to value due to the individual nature of each property and, in times of stress when there may be fewer transactions completed in the property market, it can be more difficult to discover comparable valuations. The estimated valuations, audited by the Company's independent valuer, may not always reflect actual sale prices of the properties that could be achieved by the Company in the future.

#### **Other risks relating to the operation of the Company**

The Company currently has a relatively low gearing level and uses its borrowings to seek to enhance equity returns and to enable the Company to pursue its investment objectives. Where the value of the Company's investments is rising, the use of borrowings should enhance the NAV per Share, but where their value is falling it will diminish the NAV per Share.



## PART 3

### DEFINITIONS

**“2021 Annual Reports and Accounts”** means the Company’s published, audited annual reports and accounts for the financial year ended 31 December 2021;

**“AIC”** means the Association of Investment Companies;

**“Articles”** means the articles of incorporation of the Company, as amended from time to time;

**“Associate”** has the meaning given to it in the listing rules made by the Financial Conduct Authority under Part VI of the UK Financial Services and Markets Act 2000 as amended from time to time;

**“Benchmark”** means the MSCI UK Balanced Portfolios Quarterly Property Index which the Company has adopted as its benchmark;

**“Board”** or **“Directors”** means the current directors of the Company;

**“Commission”** means the Guernsey Financial Services Commission;

**“Company”** means UK Commercial Property REIT Limited;

**“EGM”** means the extraordinary general meeting of the Company to be held at the offices of Dickson Minto at Broadgate Tower, 20 Primrose Street, London EC2A 2EW at 10.30 a.m. on 25 October 2022;

**“ESG”** means environment, social and governance;

**“Form of Direction”** means the form of direction for use by persons holding Shares through the Savings Schemes;

**“Form of Proxy”** means the form of proxy for use at the EGM;

**“Group”** means the Company and any other direct or indirect subsidiaries of the Company from time to time;

**“IFRS”** means International Financial Reporting Standards as adopted in the European Union;

**“Investment Manager”** means abrdn Fund Managers Limited;

**“LTV”** means loan to value;

**“Main Market”** means the London Stock Exchange plc’s main market for listed securities;

**“NAV”** or **“Net Asset Value”** means the net asset value of a Share calculated under IFRS;

**“NAV Announcement”** means the announcement released by the Company on 10 August 2022 in relation to the Company’s NAV as at 30 June 2022;

**“Official List”** means the Official List of the Financial Conduct Authority;

**“Phoenix”** Phoenix SPV1 Limited, Phoenix SPV2 Limited, Phoenix SPV3 Limited, Phoenix SPV4 Limited, subsidiary undertakings of Phoenix Life Limited and Phoenix Life Assurance Limited;

**“Property Portfolio”** means the portfolio direct real estate assets of the Company from time to time;

**“Registrars”** means Computershare Investor Services (Guernsey) Limited;

**“Resolution”** means the ordinary resolution in relation to the continuation of the Company which is being proposed at the EGM;

**“Rules”** means the Authorised Closed-Ended Collective Investment Schemes Rules and Guidance 2021;

**“Savings Schemes”** means the abrdn Investment Trusts Share Plan, ISA and/or Investment Plan for Children;

**“Shareholders”** means holders of Shares;

**“Shares”** means ordinary shares of 25 pence each in the capital of the Company; and

**“United Kingdom”** or **“UK”** means the United Kingdom of Great Britain and Northern Ireland.

# UK COMMERCIAL PROPERTY REIT LIMITED

*(An investment company incorporated in Guernsey with registered number 45387)*

## NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of UK Commercial Property REIT Limited (the “**Company**”) will be held at 10.30 a.m. on 25 October 2022 at the offices of Dickson Minto at Broadgate Tower, 20 Primrose Street, London EC2A 2EW to consider and, if thought fit, pass the following resolution:

### ORDINARY RESOLUTION

THAT the continuation of the Company be approved.

By Order of the Board

Trafalgar Court  
Les Banques  
St. Peter Port  
Guernsey  
GY1 3QL

5 October 2022

#### Notes:

1. A member who is entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend, speak and vote instead of him or her. A proxy need not be a member of the Company. More than one proxy may be appointed provided that each proxy is appointed to exercise the rights attached to different shares.
2. A Form of Proxy is enclosed for use at the Extraordinary General Meeting. The Form of Proxy should be completed and sent, together with the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, so as to reach the Registrars at Computershare Investor Services (Guernsey) Limited, c/o The Pavilions, Bridgwater Road, Bristol BS99 6ZY, not later than 10.30 a.m. on 21 October 2022. There are special arrangements for persons holding shares through the abrdn Investment Trust Share Plan, ISA and the abrdn Investment Plan for Children, which are outlined in note 10 below.
3. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual and by logging on to the website [www.euroclear.com](http://www.euroclear.com). CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST Sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
4. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a “**CREST Proxy Instruction**”) must be properly authenticated in accordance with Euroclear UK & Ireland Limited’s specifications, and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the Company’s Registrar (ID 3RA50) no later than 10.30 a.m. on 25 October 2022 (or in the event the meeting is adjourned no later than 48 hours (excluding non-working days) before the time of the adjourned meeting). For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Application Host) from which the Company’s Registrars are able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
5. CREST members and, where applicable, their CREST Sponsors, or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider(s), to procure that his CREST Sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST Sponsors or voting system provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

6. The Company may treat as invalid a CREST Proxy instruction in the circumstances as may be set out in or pursuant to the Uncertificated Securities (Enabling Provisions) (Guernsey) Law, 2005 and the Uncertificated Securities (Guernsey) Regulations, 2009.
7. The completion and return of the Form of Proxy will not preclude you from attending the meeting. If you have appointed a proxy and attend the meeting in person your proxy appointment will remain valid and you may not vote at the meeting in person unless you have provided a hard copy notice to revoke the proxy to Computershare Investor Services (Guernsey) Limited, c/o The Pavilions, Bridgwater Road, Bristol BS99 6ZY not less than 48 hours (excluding any part of a day that is not a Working Day) prior to the commencement of the meeting as set out above.
8. In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to Computershare Investor Services (Guernsey) Limited. In the case of a member who is an individual, the revocation notice must be under the hand of the appointer or of his attorney duly authorised in writing. In the case of a member which is a company, the revocation notice must be executed under its common seal or under the hand of an officer of the company or an attorney duly authorised. Any power of attorney or any other authority under which the revocation notice is signed (or a notarially certified copy of such power or authority) must be included with the revocation notice. The revocation notice must be received by Computershare Investor Services (Guernsey) Limited not less than 24 hours (excluding any part of a day that is not a Working Day) before the time fixed for the holding of the meeting, or any adjourned meeting. If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.
9. The right to appoint a proxy does not apply to persons whose shares are held on their behalf by another person and who have been nominated to receive communications from the Company ("**Nominated Persons**"). Nominated Persons may have a right under an agreement with the member who holds the shares on their behalf to be appointed (or to have someone else appointed) as a proxy. Alternatively, if Nominated Persons do not have such a right, or do not wish to exercise it, they may have a right under such an agreement to give instructions to the person holding the shares as to the exercise of voting rights. Nominated Persons should contact the registered member by whom they were nominated in respect of these arrangements
10. A Form of Direction is enclosed for persons holding shares through the abrdn Investment Trust Share Plan, ISA and/or Investment Plan for Children. The Form of Direction should be completed and sent, together with the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, so as to reach the Company's Registrar at the address listed in note 2 not later than 10.30 a.m. on 14 October 2022. Holders of shares through these Saving Schemes should not complete a Form of Proxy.
11. To have the right to attend and vote at the Extraordinary General Meeting (and also for the purposes of calculating how many votes a member may cast on a poll) a member must first have his or her name entered on the register of members not later than close of business on 21 October 2022. Changes to entries in the register after that time shall be disregarded in determining the rights of any member to attend and vote at such Extraordinary General Meeting.
12. As at 5.00 p.m. on 4 October 2022, the Company's issued share capital comprised 1,299,412,465 Shares with a total of 1,299,412,465 voting rights.
13. Any person holding 3 per cent. or more of the total voting rights in the Company who appoints a person other than the Chair as his proxy will need to ensure that both he and such other party complies with their respective disclosure obligations under the Financial Conduct Authority's Disclosure Guidance and Transparency Rules.