

Changes to UK Investment Funds – from 7th August 2019



Investment objective & policy changes – Standard Life Investments Dynamic Distribution Fund (to be renamed ASI Dynamic Distribution Fund)

Investment objective		Investment policy	
Existing	Proposed	Existing	Proposed
<p><u>Objective & Investment Policy</u></p> <p>The objective of the Scheme is to provide a total return from income and capital appreciation over the longer term.</p> <p>The current policy of the Scheme is to invest predominantly in a range of other collective investment schemes managed or operated within or outwith the Standard Life Aberdeen group to achieve a broad exposure to diversified investments, including equities, interest bearing securities and property. The Manager may, from time to time, select collective investment schemes managed or operated outside the Standard Life Aberdeen group. The underlying funds may invest anywhere in</p>	<p>To generate income and some growth over the long term (5 years or more) by investing in a diversified range of Aberdeen Standard Investments funds.</p> <p>Performance Target: To exceed the Investment Association Mixed Investment 20-60% Shares Sector average return over one year (after charges) and to be top quartile over three years.</p> <p>The performance target is the level of performance that the management team hopes to achieve for the fund. There is however no certainty or promise that they will achieve the performance target.</p> <p>The fund targets a yield in excess of the income that would be</p>	<p>See existing investment objective.</p>	<p>Portfolio Securities</p> <ul style="list-style-type: none"> • The fund will invest at least 80% in actively managed Aberdeen Standard Investment funds to obtain broad exposure to a range of diversified investments. • It may invest up to 20% in passively managed funds (including those managed by Aberdeen Standard Life Investments) • At least 30% of the fund will be invested in bonds (loans to a company or government) and cash or money market instruments. • At least in 50% of the fund will be in sterling denominated assets, or in assets for which the impact of currency movements is mitigated (hedged). • The rest of the fund will be invested in a selection of other funds investing in assets classes such as equities (company shares) commercial property and funds that can use a combination of traditional assets (such as equities and bonds) and investment strategies based on derivatives. <p>Management Process</p> <ul style="list-style-type: none"> • The management team use their discretion (active management) to select funds within each asset class and ensure that the strategic asset

the world with the Scheme maintaining a UK focus. The Scheme may also invest in transferable securities issued anywhere in the world.

delivered by a representative basket of assets (composed of 22.5% UK Equities (FTSE All-Share Index), 22.5% Global Equities (MSCI World ex UK) and 55% Sterling Bonds (ICE Bank of America Merrill Lynch Non-Gilts All Maturities).

allocation (long term proportions in each asset class) meets the fund's objectives.

- In addition, they will take tactical asset allocations (changing short term proportions in each asset class) with the aim of improving returns.
- The fund will be subject to constraints which are intended to manage risk such as the fund must not hold more than 60% of its assets in equities. Due to the active nature of the management process, the fund's performance profile may deviate significantly from the Investment Association's Mixed Investment 20-60% Shares Sector Average.

Derivatives and Techniques

- The fund is not expected to invest in derivatives directly however it may invest in other funds which use derivatives more extensively.

Aberdeen Standard Investments is a brand of the investment businesses of Aberdeen Asset Management and Standard Life Investments.

Aberdeen Standard Fund Managers Limited is registered in England and Wales (740118) at Bow Bells House, 1 Bread Street, London EC4M 9HH. Aberdeen Standard Fund Managers Limited is authorised and regulated by the Financial Conduct Authority.

Visit us online aberdeenstandard.com

GB-070619-91122-1

ASL_1362_Changes_To_UK_Investment_Funds_TCM4 0519

