

10 June 2021

Investor Name:
Investor Reference:
Designation:

IMPORTANT INFORMATION

Dear Investor,

ABERDEEN STANDARD OEIC V - CHANGES TO ASI UK UNCONSTRAINED EQUITY FUND (TO BE RENAMED ASI UK VALUE EQUITY FUND) INVESTMENT OBJECTIVE AND POLICY

Please read this letter carefully as it contains important information regarding upcoming changes to the above fund. These include:

- Change of name
- Revision of Investment Objective and Policy wording

Full details of all changes can be found at
<https://www.aberdeenstandard.com/en/uk/investor/fund-centre/investor-communications>.

In this letter, when we say 'we' or 'us', we mean Aberdeen Standard Fund Managers Limited – the company that is currently responsible for managing and operating your investment in the ASI UK Unconstrained Equity Fund (the "Fund").

The purpose of this letter is to explain these changes. **You don't need to take any action in response to this letter** but we would encourage you to familiarise yourself with the changes.

Changes to the Fund

Investment objective and policy

We have decided to make amendments to the investment objective and policy of the Fund to clearly articulate the Fund will be applying a "Value" investment approach, going forward. A "Value" investment approach is where the investment team focus on finding companies typically trading at a significant discount to the value of their assets, sales or earnings.

The changes are intended to provide a more defined investment outcome and a clearer understanding of what the Fund does going forward. These changes will not change the risk profile of the Fund.

The transaction costs associated with realigning the Fund are estimated to be between 0.006% and 0.02%, depending on market conditions. These costs are to be borne by the Fund. All other costs in relation to these changes shall be borne by us.

In addition, the performance target of the Fund will be amended to be measured over a 5 year period rather than a 3 year period. A 5 year period is thought to represent a more appropriate market cycle for this Fund.

A comparison of the current investment objective and policy of the Fund with the proposed investment objective and policy is set out in the Appendix and can also be found at www.aberdeenstandard.com/en/uk/investor/fund-centre/investor-communications.

Fund name change

The name of the Fund will change from ASI UK Unconstrained Equity Fund to ASI UK Value Equity Fund, to reflect the changes to the Fund's investment approach.

Timing of Changes

All the changes described in this letter will take effect on **9 August 2021**. We will also update the Prospectus, Factsheet and the Key Investor Information documents to reflect these changes.

Contact Us

If you have any questions on this letter and the changes that will be made to the Fund you can contact us by calling 0345 113 6966 or +44 (0)1268 44 5488 if outside the UK. Lines are open Monday to Friday 9am to 5.30pm. Calls may be monitored and/recorded to protect both you and us and help with our training.

Please note that while we will be able to answer general questions on this letter and the Fund changes, we cannot provide financial advice.

If you do not understand this letter you should seek advice from a person authorised to give investment advice.

Thank you for your continued support of Aberdeen Standard Investments.

Yours faithfully



Aron Mitchell, Director
Aberdeen Standard Fund Managers Limited

APPENDIX

New wording is underlined. Deletions are in strikethrough.

Current Investment Objective	New Investment Objective
<p>Investment Objective To generate growth over the long term (5 years or more) by investing in UK equities (company shares).</p> <p>Performance Target: To achieve the return of the FTSE 350 ex Investment Trusts Equally Weighted Index plus 3% per annum over rolling three year periods (before charges).</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>Performance Comparator: The IA UK All Companies Equity Sector Average.</p> <p>The ACD believes this is an appropriate target/comparator for the fund based on the investment policy of the fund and the constituents of the index/sector.</p>	<p>Investment Objective To generate growth over the long term (5 years or more) by investing in UK equities (company shares).</p> <p>Performance Target: To achieve the return of the FTSE 350 ex Investment Trusts Equally Weighted Index plus 3% per annum over rolling three <u>five</u> year periods (before charges).</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>Performance Comparator: The IA UK All Companies Equity Sector Average.</p> <p>The ACD believes this is an appropriate target/comparator for the fund based on the investment policy of the fund and the constituents of the index/sector.</p>
Current Investment Policy	New Investment Policy
<p>Investment Policy</p> <p>Portfolio Securities</p> <ul style="list-style-type: none"> • The fund will invest at least 70% in equities and equity related securities of companies listed, incorporated or domiciled in the UK or companies that derive a significant proportion of their revenues or profits from UK operations or have a significant proportion of their assets there. • The fund may also invest in other funds (including those managed by Aberdeen Standard Investments), money-market instruments, and cash. <p>Management Process</p> <ul style="list-style-type: none"> • The management team use their discretion (active management) to maintain a concentrated asset mix at sector and stock level. • Their primary focus is on stock selection using research techniques to select individual holdings. • The research process is focused on identifying companies where the management team have a different view of a company's prospects to that of the market, and which align with their views regarding future economic and business conditions. • In seeking to achieve the Performance Target, the FTSE 350 ex Investment Trusts Equally Weighted Index is used as a reference point for portfolio construction and as a basis for setting risk constraints. The expected variation ("tracking error") between the returns of the fund and the index, is not ordinarily expected to exceed 10%. Due to the active nature of the management process, the fund's performance profile may deviate significantly from that of the FTSE 350 ex Investment Trusts Equally Weighted Index. 	<p>Investment Policy</p> <p>Portfolio Securities</p> <ul style="list-style-type: none"> • The fund will invest at least 70% in equities and equity related securities of companies listed, incorporated or domiciled in the UK or <u>having significant operations and/or exposure to the UK companies that derive a significant proportion of their revenues or profits from UK operations or have a significant proportion of their assets there.</u> • The fund may also invest in other funds (including those managed by Aberdeen Standard Investments), money-market instruments, and cash. <p>Management Process</p> <ul style="list-style-type: none"> • The management team use their discretion (active management) to maintain a concentrated asset mix at sector and stock level. • Their primary focus is on stock selection using research techniques to select individual holdings. • The research process is focused on identifying companies where the management team have a different view of a company's prospects to that of the market, and which align with their views regarding future economic and business conditions. <u>follows a "value" investment approach, focussing on finding companies typically trading at a significant discount to the value of their assets, sales or earnings.</u> • <u>The fund employs an all capitalisation approach, investing across the market capitalisation range.</u> • In seeking to achieve the Performance Target, FTSE 350 ex Investment Trusts Equally Weighted Index is used as a reference point for portfolio construction and as a basis for setting risk constraints. The expected variation

Derivatives and Techniques

- The fund may use derivatives to reduce risk, reduce cost and/or generate additional income or growth consistent with the risk profile of the fund (often referred to as "Efficient Portfolio Management").
- Derivative usage for the fund is expected to be very limited. An example of usage would be the fund buying an equity index future to maintain market exposure following a significant inflow into the fund.

Specific Risks

- i. Equity risk
- ii. Concentration risk
- iii. Derivative risk

("tracking error") between the returns of the fund and the index, is not ordinarily expected to exceed 10%. Due to the active nature of the management process, the fund's performance profile may deviate significantly from that of the FTSE 350 ex Investment Trusts Equally Weighted Index.

Derivatives and Techniques

- The fund may use derivatives to reduce risk, reduce cost and/or generate additional income or growth consistent with the risk profile of the fund (often referred to as "Efficient Portfolio Management").
- Derivative usage for the fund is expected to be very limited. An example of usage would be the fund buying an equity index future to maintain market exposure following a significant inflow into the fund

Specific Risks

- i. Equity risk
- ii. Concentration risk
- iii. Small and mid-cap stock risk
- iv. Derivative risk