

Balancing risk and reward

Through MyFolio, we aim to strike the right balance between the risk you are willing to take and the rewards you receive in return when investing for the long term. To show you how this could work in practice, we have created these illustrative charts on page two. They are a projection over different periods across each risk level.

Specifically, using the MyFolio Market range as an example, the charts on page two illustrate the range of potential annual returns we expect over 1,3,5,7, 10 and 15 years.

In addition, the dot within each range represents the projected average annual return over that period and corresponds with the figure shown in the box below each chart.

What can you expect?

The charts show that the more risk you are willing to take (moving from portfolios I to V), the greater the reward you might achieve. However, there is also the possibility of greater losses. The chart for each MyFolio risk level also demonstrates the benefits of long-term investing as the expected range of returns narrows the longer you invest. Therefore, the scope for potential loss reduces over the longer term.

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How did we calculate projected returns?

We based the projected returns on current market forecasts and historical investment scenarios. Our statistical simulation of returns suggests that there is a 95% probability that the actual returns could fall within the ranges shown in the charts. However, it is important to remember that these are modelled returns and not guaranteed. The actual returns you would receive might be lower or higher and past performance is not a guide to the future. The projected returns also do not take account of fund or product charges, the cost of advice, or the potential increase in returns resulting from short-term asset allocation changes or fund selection.

We created this document to help you understand your capacity for loss at different risk levels and over different time horizons.

All investments carry some degree of risk – but we take this risk with the aim of growing the value of your assets.

The value of all investments can fall as well as rise and may be worth less than you originally invested.

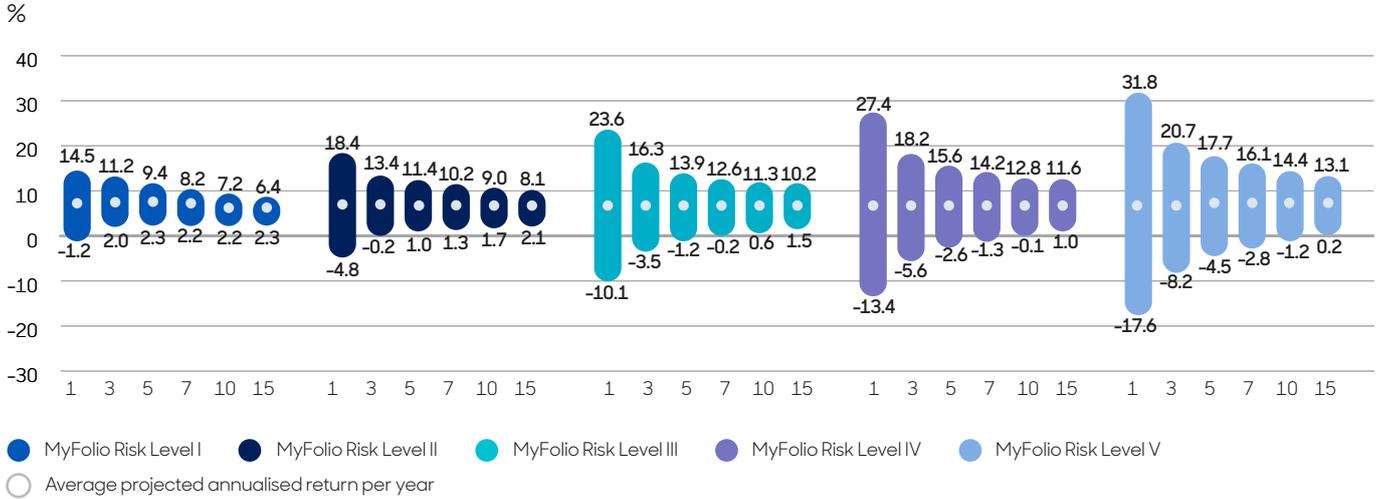
Your financial adviser will assess your attitude to risk by considering:

- your willingness to take risk
- your need to balance risk with potential returns to meet a specific objective
- your ability to accept the risk of incurring losses.



Illustrative risk levels

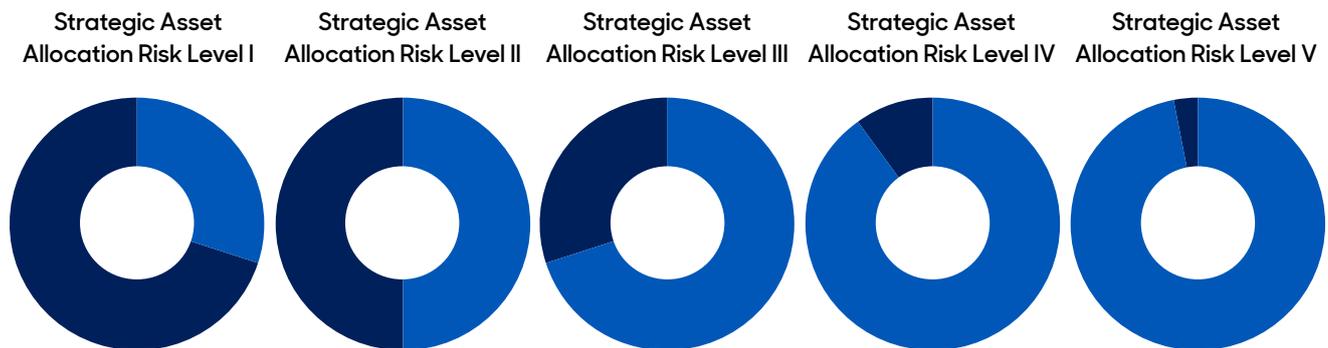
Range of projected returns



Source: Aberdeen Investments, April 2025, based on the long-term strategic asset allocation of the Aberdeen Investments MyFolio Market range. For the purpose of this illustration, our asset allocations have incorporated return estimates created by Aberdeen Investments. Projected returns do not take account fund, potential product charges, the cost of advice, or the potential increase difference in returns resulting from short-term asset allocation changes or fund selection.

Average projected annualised return per year (%)						Average projected annualised return per year (%)						Average projected annualised return per year (%)						Average projected annualised return per year (%)						Average projected annualised return per year (%)					
●						●						●						●						●					
Years						Years						Years						Years						Years					
1	3	5	7	10	15	1	3	5	7	10	15	1	3	5	7	10	15	1	3	5	7	10	15	1	3	5	7	10	15
5.9	5.9	5.4	5.0	4.8	4.6	5.9	5.9	5.5	5.5	5.5	5.5	5.9	6.0	5.5	5.8	6.0	6.2	5.9	5.9	5.6	6.1	6.4	6.7	5.5	5.6	5.2	6.0	6.6	7.0

Source: Aberdeen Investments, April 2025, based on the long-term strategic asset allocation of the MyFolio Market range. For the purpose of this illustration, our asset allocations have incorporated the return estimates created by Aberdeen Investments. There are two main components that form these estimates, a valuation element and a long term view that looks beyond five years. We expect to see higher returns in the short term to make up for the strong market movements we have experienced in 2025 (reflecting what we see as attractive valuations) returning to more normalised levels in the longer term.



- Growth assets are usually seen as more risky, and include funds that typically hold investments like shares in a company including shares in property companies.
- Defensive assets are usually seen as less risky, and include funds that typically hold investments like cash and bonds.

Source: Aberdeen Investments, April 2025, based on the long-term strategic asset allocation of the MyFolio Market range. For the purpose of this illustration, our asset allocations have incorporated the return estimates created by Aberdeen Investments. These outcomes will differ from those derived from Aberdeen Investments own economic forecasts.

Forecasts are not a reliable indicator of future performance

Key risks

- The value of investments and the income from them can fall and investors may get back less than the amount invested.
- The fund invests in securities which are subject to the risk that the issuer may default on interest or capital payments.
- The fund price can go up or down daily for a variety of reasons including changes in interest rates, inflation expectations or the perceived credit quality of individual countries or securities.
- The fund invests in equity and equity related securities. These are sensitive to variations in the stock markets which can be volatile and change substantially in short periods of time.
- The fund invests in emerging market equities and/or bonds. Investing in emerging markets involves a greater risk of loss than investing in more developed markets due to, among other factors, greater political, tax, economic, foreign exchange, liquidity and regulatory risks.
- Commercial property is less liquid than other asset classes such as bonds or equities. Selling property can be a lengthy process so investors in the fund should be aware that they may not be able to sell their investment when they want to.
- Commercial property transaction charges are higher than those which apply in other asset classes. Investors should be aware that a high volume of transactions would have a material impact on fund returns.
- Property valuation is a matter of judgment by an independent valuer and is therefore a matter of the valuer's opinion rather than fact.
- The fund may hold money-market instruments, the value of which may be subject to adverse movements in extreme market conditions.
- The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the fund being leveraged (where market exposure and thus the potential for loss by the fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
- The fund invests in high yielding bonds which carry a greater risk of default than those with lower yields.
- The fund employs a single swinging pricing methodology to protect against the dilution impact of transaction costs. Due to the high transaction charges associated with the fund's assets, a change in the pricing basis will result in a significant movement in the fund's published price.

What is MyFolio?

The MyFolio fund of funds range is a flexible, all encompassing solution that provides you with an investment based on your attitude to risk and preferred style. To achieve this, we have carefully constructed a family of risk-rated portfolios. You simply decide which of the risk profiles and investment styles suits you, and then select the appropriate MyFolio fund.

A range of investment styles

You can choose from a range of investment styles, providing both flexibility and choice.

MyFolio Index – these five funds invests primarily in a range of tracker funds managed by Aberdeen Investments. These underlying funds will, therefore, follow their respective index down as well as up. This fund range primarily invests in Aberdeen Investments trackers and does not undertake any tactical decisions between its annual Strategic Asset Allocation reviews.

MyFolio Enhanced ESG Index – these five funds aim to generate growth over the long term while managed to a defined level of risk. These funds will invest in tracker funds in a manner that seeks to account for long-term environmental and social risks and opportunities and to promote good corporate governance, through investment in other funds.

MyFolio Market – there are five Market funds, one for each risk level. Each fund invests mostly in tracker funds and these tracker funds aim to replicate the performance of an index such as the FTSE All-Share Index or the S&P 500 Index.

MyFolio Enhanced ESG – these five portfolios invest mainly in funds with a specific ESG or impact mandate.

MyFolio Core – this range invests from a broad investment universe that includes internal and external managers and can incorporate both active management and lower-cost Index funds. MyFolio Core includes allocations to diversifying defensive assets which offer a different expected return profile to traditional asset classes, and as such provide further diversification benefits to the range.

MyFolio Multi-Manager – the Multi-Manager portfolios invest in carefully selected funds from some of the leading investment managers in the market. We carry out in-depth research to identify funds we believe to be among the best in the industry.

Important Information

The value of investments, and the income from them, can go down as well as up and an investor may get back less than the amount invested. Past performance is not a guide to future results.

This document relates to the range of MyFolio OEIC funds. For more information on individual Aberdeen Investments MyFolio funds, the risks applicable to them, and their respective benchmarks, please refer to the Key Investor Information Document or the Prospectus.

Please note that the number contained in a Aberdeen Investments MyFolio fund name is not related to the synthetic risk and reward indicator contained in the Key Investor Information Document (KIID).

This material is for informational purposes only. This should not be relied upon as a forecast, research or investment advice. It does not constitute an offer, or solicitation of an offer, to sell or buy any securities or an endorsement with respect to any investment vehicle. The opinions expressed are those of Aberdeen Investments and are subject to change at any time due to changes in market or economic conditions.

Investment objective

All Aberdeen Investments MyFolio funds aim to generate growth over the long term (5 years or more) while being managed to a defined level of risk. Risk level I would aim to be the lowest risk, and risk level V would aim to be the highest risk.

Aberdeen Investments is a global business providing a range of services to help clients and customers plan, save and invest. Aberdeen Group uses different registered legal entities to meet different client and customer needs. Some elements of the Aberdeen Investments client experience may contain previous brand names until all brand name changes have completed.

Specific Risks: All general investment risks apply however for this fund investors should specifically be aware of the following:

- **Credit and High Yield Credit Risk:** A bond or money market security could lose value if the issuer's financial health deteriorates, or in extreme cases could go into default (cease to make timely payments of principal or interest).
- **Interest rate risk:** When interest rates rise, bond values generally fall. This risk is generally greater the longer the duration of a bond investment is.
- **Equity risk:** Equities can lose value rapidly, and typically involve higher (often significantly higher) market risks than bonds or money market instruments. If a company goes through bankruptcy or a similar financial restructuring, its equities may lose most or all of their value.
- **Money Market Instruments Risk:** The value of money-market instruments may be subject to adverse movements in extreme market conditions.

More details of the risks applicable to these funds can be found in the Key Investor Information Document (KIID) and Prospectus, both of which are available on request or at our website [aberdeeninvestments.com](https://www.aberdeeninvestments.com).

For more information visit [aberdeeninvestments.com](https://www.aberdeeninvestments.com)

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AA-070823-166546-11