

Changes to UK Investment Funds – from 7th August 2019



Investment objective & policy changes – The Notts Trust

Investment objective		Investment policy	
Existing	Proposed	Existing	Proposed
<p><u>Investment Objectives and Policies of the Scheme</u></p> <p>The objective of the Scheme is to provide long-term capital growth. The income yield is of secondary importance. The Manager's policy is to achieve this objective by investing in a portfolio of transferable securities in any sector both geographically and by industry. The Scheme may also invest in collective investment schemes.</p> <p>The Manager may enter into derivative transactions but only for the purposes of hedging and the use of derivatives will not affect the risk profile of the Scheme. The Manager does not envisage entering into hedging transactions to a major extent.</p> <p>Further details on the use of efficient portfolio management techniques can be found in Appendix 2 and 26.8 of the Prospectus.</p>	<p>To generate growth over the long term (5 years or more) by investing in a diversified portfolio of equities (company shares) and bonds (loans to governments or companies).</p> <p>Performance Target: To exceed the ARC Private Client Indices (PCI) Steady Growth Net Return Index per annum after charges over rolling three year periods. 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. The Manager believes this is an appropriate target for the fund since it reflects the risk and return profile that private clients expect and aligns with the investment policy of the fund.</p>	<p>See existing investment objective.</p>	<p>Portfolio Securities</p> <p>The fund invests at least 70% in global equities, corporate investment grade bonds and government bonds issued anywhere in the world.</p> <p>The fund may hold other securities and asset classes (e.g. supranational and other types of bonds and listed real estate) issued anywhere in the world.</p> <p>The fund may also invest in other funds (including those managed by Aberdeen Standard Investments), money-market instruments, and cash.</p> <p>Management Process</p> <p>The management team use their discretion (active management) to identify holdings based on an analysis of global economic and market conditions (for example, interest rates and inflation) and analysis of a company's</p>

prospects and creditworthiness compared to that of the market.

They focus on selecting companies and bonds, and ensuring that the allocation of assets meet the fund's objectives.

In seeking to achieve the Performance Target, a composite index, details of which are provided below, 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 composite index, is not ordinarily expected to exceed 4%. Due to the fund's risk constraints, the intention is that the fund's performance profile will not deviate significantly from that of the composite index over the longer term.

Composite Index: 30% FTSE All-Share Index, 45% FTSE World ex UK Index, 10% FTSE Actuaries UK Conventional Gilts All Stocks Index, 10% ICE Bank of America Merrill Lynch Sterling Non-Gilts, 5% 1 Month GBP LIBOR 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 in the fund is expected to be very limited. Where derivatives are used, this would mainly be to manage expected changes in interest rates, companies share prices, currencies or creditworthiness of corporations or governments.

			The fund may also invest in other funds which may use derivatives extensively although these investments shall be in line with fund's overall risk profile.
--	--	--	---

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

ASI_1362_Changes_To_UK_Investment_Funds_TCM4 0519

