

Aberdeen Standard Capital Global Impact Strategy

Supporting a global call to action

The world faces many environmental and social challenges. Poverty, pollution, climate change, rising inequalities, and more.

We know that many investors would like to find a way to tackle these problems through their investment choices. Equally, as investment managers, we believe we have a role to play in helping address these issues. To that end, we offer the Global Impact Strategy.

Beyond the financial return

Through this strategy, we aim to have a positive social and environmental impact, while also delivering a positive financial return to clients.

We do this by investing in companies whose activities or products are specifically designed to address the planet's long-term challenges and that have a measurable beneficial impact. These companies may be focused on healthcare, education, agriculture or energy solutions.

While impact investing aims to address the world's problems, it is not a charitable exercise. Rather, it is about balancing impact with the potential for positive financial returns. Before a company can be considered for our impact portfolios, it must first be a compelling investment opportunity.

How we define impact

We use the United Nations' Sustainable Development Goals (SDGs) as a framework to ensure that our efforts are directed to areas of greatest need. These 17 SDGs form the UN's 2030 agenda, designed to address major long-term challenges associated with climate change, growing social inequality, and unsustainable production & consumption.

We believe that supporting the SDGs creates tangible opportunities for companies to contribute positively to society and the environment, while simultaneously enhancing the

long-term financial value of the business. More and more companies are incorporating these goals in their strategies and operational targets.

Enhancing our clients' investments

We have categorised the SDGs into eight 'pillars of impact'. These allow us to focus our investment process on the broad themes that underpin the goals. They also help ensure that exposure is not concentrated in any one area.

Each SDG is defined by a number of key performance indicators (KPIs), which the UN uses to measure ongoing progress. By mapping a company's investment and output to specific KPIs, we can measure its impact contribution to specific goals.

For example, we can assess a company's commitment to sustainable energy by calculating how many of its customers have access to clean energy. Or we could measure it against the size of the company's investment into researching and developing clean energy.

We support companies at the start of their journey of contribution. That is, when they are investing with purpose to have a specific positive impact. We also invest in those already producing a tangible impact through their core businesses. We refer to this as 'impact maturity'. We monitor the portfolio to ensure at least half of it comprises companies that have moved beyond intention and are providing tangible impact.

The global goals



Impact pillars

UN GLOBAL GOALS	PILLARS	SUB-THEMES
1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17	Circular Economy	Resource efficiency Material recovery and reuse
7, 13, 14, 15, 17	Sustainable Energy	Access to energy Clean energy Energy efficiency
2, 3, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17	Food & Agriculture	Access to nutrition Food quality Sustainable agriculture
6, 7, 14, 15, 17	Water & Sanitation	Access to water & hygiene Clean water Water efficiency
3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17	Health & Social Care	Access to healthcare & social care Enhanced healthcare Drug development
1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17	Financial Inclusion	Access to financial services
7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17	Sustainable Real Estate & Infrastructure	Affordable housing Eco-building
4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17	Education & Employment	Access to education and skills development Quality employment and job creation

Supported by a global leader in sustainable investing

As the discretionary investment arm of Aberdeen Standard Investments* (ASI), we have extensive resources at our disposal. In particular, we benefit from the significant insight generated by its central ESG (environmental, social and governance) Investment and Stewardship team. ASI has been embedding ESG for over 25 years and is considered a leader in this field.

Through ASI, we have access to company management on a global basis, providing us with unrivalled insight. Not all discretionary investment managers can offer private and charity clients this institutional-level of capabilities and ESG expertise.

Why invest in this strategy?

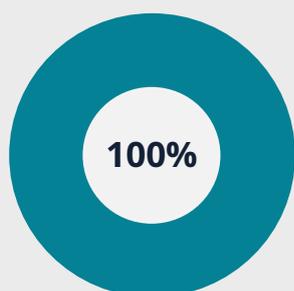
- For clients who want to invest for a better future and potentially achieve a financial return at the same time.
- Choice of three risk levels, with varying degrees of equity exposure (see graphic below).
- Available on either a segregated or pooled basis.
- We actively engage with companies to better understand their business and to encourage best practice.
- Aligned to the United Nations' SDGs.
- Portfolios of our highest-conviction impact stocks – clients can be confident that the companies held in their portfolios are positively impacting the environment and/or society.

Investment philosophy & process

We manage the Global Impact Strategy using the following key principles.

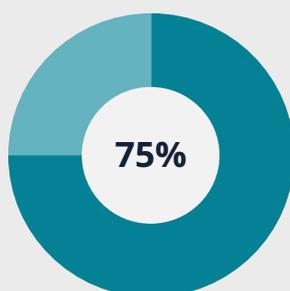
- We aim to support the delivery of measurable, positive environmental and social impact while generating strong financial returns.
- We employ a bottom-up, company-specific investment approach.
- Rigorous peer review of investment ideas is encouraged at every stage.
- We take a forward-looking, long-term approach.
- Active engagement with the companies in which we invest is essential.

Choice of three risk levels



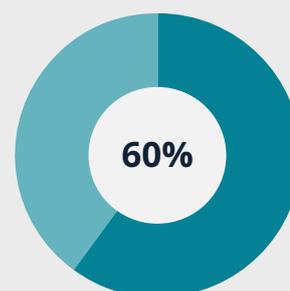
High risk

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Medium-high risk

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Global Equity Impact Strategy 5



Medium risk

Aberdeen Standard Capital
Global Equity Impact Strategy 4

We reduce equity risk by adding in traditional diversifiers such as UK government bonds (gilts) and corporate bonds (credit).

To find out more

Please get in touch with your usual Aberdeen Standard Capital contact or email asc@aberdeenstandard.com.

Visit aberdeenstandardcapital.com/responsibleinvesting

Important Information

Investment involves risk. 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. The details contained here are for information purposes only and should not be considered as an offer, investment recommendation, or solicitation to deal in any investments or funds and does not constitute investment research, investment recommendation or investment advice in any jurisdiction. Aberdeen Standard Capital is the discretionary investment management arm of Aberdeen Standard Investments. Aberdeen Standard Investments is a brand of the investment businesses of Aberdeen Asset Management and Standard Life Investments. No warranty is given as to the accuracy, adequacy or completeness of the information contained in this document and no liability for errors or omissions in such information. Any opinion or estimate contained in this document are made on a general basis.

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