

December 2017

Fund Guide

End Consumers

Aberdeen Standard
Investments

Standard Life Investments has not considered the suitability of investment against your individual needs and risk tolerance. To help you understand this fund, please read the Key Investor Information Document or Prospectus, or seek assistance from your professional adviser. If you are in any doubt as to whether this fund is suitable for you, you should seek advice. An adviser is likely to charge for advice. We are unable to provide investment advice.

Standard Life Investments Global Smaller Companies Fund

Portfolio in numbers

6,000+

global small-caps
to choose from

200

companies under
constant analyst
coverage

400+

company meetings
each year

50-60

best ideas portfolio
of stocks

10%

top of its
peer group

Fund Profile

Through the Fund, we aim to find tomorrow's winning companies today. We do so by seeking to invest in high-quality smaller companies that are growing.

What makes us different?

Our seven-strong small-cap team has a tried and tested investment process, and our suite of small-cap funds (global, UK and Europe) have all delivered top-quartile performance (top 25% of their peer groups) over three years. Our excellent resources and highly experienced team gives you the opportunity to invest in this under-researched and under-owned asset class. The team continuously shares and debates investment ideas. This peer review means only the ideas in which we have the strongest belief make it into the portfolio and we have personal conviction in our decisions.

Fund Focus



The Fund typically holds 50-60 companies that we believe have the potential to deliver the best returns.



Smaller companies have historically outperformed larger companies. Smaller companies are typically those businesses that constitute the bottom 15% by market capitalisation.



While smaller companies are traditionally more risky than their larger equivalents, we are able to mostly offset this by investing in high-quality companies.



Global small-caps account for 70% of the world's equity market - meaning we have over 6,000 stocks to choose from.



Performance of the UK OEIC vehicle of the Global Smaller Companies Fund (whose investment strategy the SICAV mirrors) has been excellent and in the top 10% of its peer group.

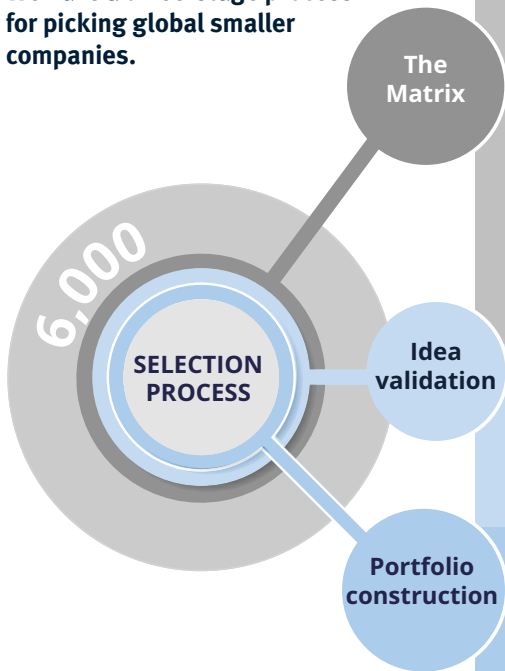


The Fund provides a different source of returns from large-cap stocks, and therefore provides excellent diversification.

What is our investment process?

In general, we focus on a company's quality, growth, value and momentum characteristics, prioritising high-quality business models with recurring revenues and strong cashflows.

We have a three-stage process for picking global smaller companies.



Our quantitative screening tool, **the Matrix**, helps to reduce the 6,000+ global small-cap universe to a more manageable size. The Matrix electronically tracks **13 factors**, such as valuation and earnings growth, which our backtesting has found can help to predict share price performance.

We then assess stocks according to scores from each of these factors and produce a **final rating**.

The result is a list of around **800 companies** that we believe have the potential to perform over the longer term. After this process, we have a 'best ideas' list of around 100 stocks upon which to focus further analysis.

Meetings with companies (over 400 a year) and additional analysis allows us to cross-check the veracity of our investment thesis, and assess the strength of a company's business model. Team-based **peer review** is key to determine how much we like a company and identify risks.

The fund manager then chooses the **best 50-60 stocks** and takes meaningful positions, holding stocks for a long enough period to give them the opportunity to deliver on their potential.

Diversification across the asset base

At Aberdeen Standard Investments we are responsible for approximately £570 billion* of assets managed on behalf of clients globally. The breadth of our expertise can be seen by the diverse range of investments we are entrusted to manage.

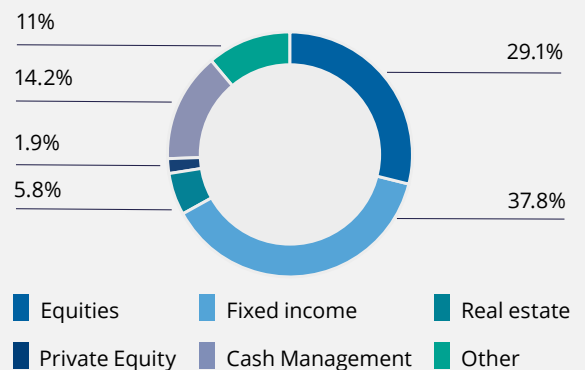
Our global reach

A presence in 49 locations keeps us close to our client-base.

Strategic partnerships and joint ventures

UK	Lloyds Bank, Phoenix
North America	John Hancock, Manulife
Asia	Bosera, Heng An Standard Life, Mitsubishi UFJ Trust & Banking, Sumitomo Mitsui Trust Bank
India	HDFC AMC
Australia	Challenger

Assets under Management – by asset class**



** Data as at 30 June 2017, Source: Standard Life plc, Aberdeen Asset Management PLC

* Data as at 30 September 2017, Source: Standard Life plc, Aberdeen Asset Management plc

Aberdeen Standard Investments is a brand of the investment businesses of Aberdeen Asset Management and Standard Life Investments. Unless otherwise indicated, this document refers only to the investment products, teams, processes and opinions of Standard Life Investments as at the date of publication.

The value of an investment in the Fund is not guaranteed and can go down as well as up. You may get back less than you invested. Past performance is not a guide to the future.

Standard Life Investments Limited is registered in Scotland (SC123321) at 1 George Street, Edinburgh EH2 2LL. Standard Life Investments Limited is authorised and regulated in the UK by the Financial Conduct Authority. Calls may be monitored and/or recorded to protect both you and us and help with our training. Standard Life Investments Global SICAV is an umbrella type investment company with variable capital registered in Luxembourg (no. B 78.797) at 2-4, rue Eugène Ruppert, L-2453 Luxembourg, Grand Duchy of Luxembourg. www.standardlifeinvestments.com © 2017 Standard Life Aberdeen, images reproduced under licence

Visit us online
aberdeenstandard.com