



Standard Life Diversified Income Fund



Standard Life

There's a lot to look forward to



Fund description

The Standard Life Diversified Income Fund invests in the Aberdeen Global - Diversified Income Fund, a fund that provides true diversification across a wide range of attractive income producing asset classes, while aiming to deliver a sustainable annual return.

To achieve this, the Fund invests across both traditional assets like equities and bonds, as well as alternative asset classes, such as infrastructure projects and social housing projects.

The fund offers access to a broad range of asset classes that investors generally have not been able to access until now.

Why should I consider investing in the Standard Life Diversified Income Fund?

There are a number of reasons why you might consider investing, including:

- **Focus on income generating assets**
The fund has a focus on income-producing investments, and aims to deliver an annual income target of 4.5% p.a gross of charges¹.
- **A truly diversified approach**
Diversification seeks to generate long-term, sustainable investment returns by spreading the investment risk across a wide variety of asset classes, while still offering relatively low overall portfolio volatility.
- **An investment manager you can trust**
The fund is managed by Aberdeen Standard Investments, one of the largest investment companies in the world, managing €587.5 billion² on behalf of clients worldwide.

¹ **This target is not based on past performance, may be subject to change and cannot be guaranteed.**

² Source: Aberdeen Standard Investment, June 2019

Aberdeen Standard Investments is a brand of the investment businesses of Aberdeen Asset Management and Standard Life Investments.

Warning: If you invest in this fund you may lose some or all of the money you invest

Warning: The value of your investment may go down as well as up

Warning: The income you get from this investment may go down as well as up

What does the Diversified Income Fund invest in?^

Some of the asset classes that the Fund invests in include:

Equities

The fund's equity focus is on lower volatility companies that pay above average dividends. The equity portfolio aims to outperform global equities over the long run with around 85% of the volatility.

Property

The fund can invest in property companies including those that specialise in student accommodation and social housing.

Infrastructure

The fund can invest in companies that build, own or manage social infrastructure assets (e.g. schools, hospitals) or renewable energy assets (e.g. solar and wind farms).

Asset Back Securities

These are bonds backed by pools of loans such as residential/commercial mortgages and corporate loans.

Special Opportunities

The fund can invest in a wide range of niche opportunities including aircraft leasing or market place lending.

^This is not an exhaustive list of the fund's underlying asset classes. Please speak with your financial adviser for further information on all of the asset classes that the fund can invest in.

Who is the fund suitable for?

Consider this fund if you

- are comfortable with a medium level of risk
- are looking to invest in a fund with a focus on income-producing assets
- are seeking the potential for long-term capital appreciation
- can take risk with your capital
- would like to invest in a professionally managed, globally diversified multi-asset fund
- have an investment horizon of at least five years

This fund may not be suitable if you

- are a low-risk investor
- do not want to take any risk with your capital
- have an investment horizon of less than five years

Why Aberdeen Standard Investments?

Aberdeen Standard Investments is one of the world's largest investment companies and is the second largest active asset manager in Europe³.

Employing over 1,000 investment professionals, they can draw upon a breadth of investment talent. Their portfolio managers are located across over 20 global investment centres⁴, allowing them to be deeply rooted in every market in which they invest.

The Standard Life Diversified Income fund is managed by Aberdeen Standard Investment's highly experienced Diversified Assets team. The team is dedicated to managing multi-asset portfolios across a broad range of traditional and alternative asset classes⁵.

³Source: Standard Life plc, Aberdeen Asset Management plc, December 2017

⁴Source: Aberdeen Standard Investments, 30 April 2019

⁵Source: Aberdeen Standard Investments, January 2018

Underlying fund performance

Performance to 31 December 2019

	3M	6M	YTD	1 year	3 years	Since launch (01/06/15)	2018	2017	2016
Aberdeen Global – Diversified Income Fund	2.7%	3.5%	8.0%	8.0%	3.4% p.a.	3.3% p.a.	-5.0%	7.7%	8.3%

Source: Aberdeen Standard Investments, December 2019. This data reflects the performance of the euro hedged share class of the underlying Aberdeen Global - Diversified Income Fund and is gross of the annual management charge.

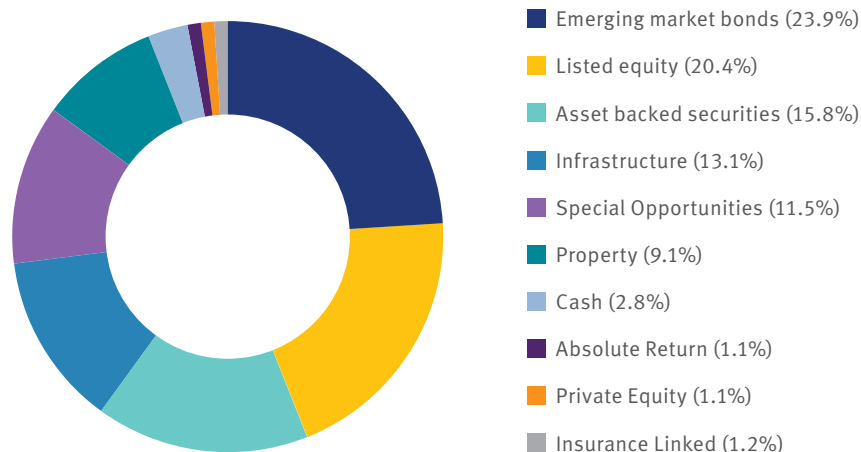
Please talk to your financial adviser about the annual management charge that applies to your policy.

The Standard Life Diversified Income Fund was launched on 02 August 2018.

Warning: Past performance is not a reliable guide to future performance

Underlying fund information**

Asset allocation



Allocation by income

Asset Class	Fund Allocation (%)	Prospective Yield** (%)	Contribution (%)
Listed equity	20.4%	3.2%	0.7%
Private equity	1.1%	0.5%	0.0%
Property	9.1%	4.6%	0.4%
Infrastructure	13.1%	4.1%	0.5%
Asset backed securities	15.8%	5.0%	0.8%
Emerging market bonds	23.9%	6.8%	1.6%
Absolute return	1.1%	0.0%	0.0%
Insurance linked	1.2%	0.9%	0.0%
Special opportunities	11.5%	5.9%	0.7%
Cash	2.8%	0.0%	0.0%
Total	100%		4.7%

^^These are the forecasted annual yields of each of the individual asset classes as at 31 December 2019. **Prospective yields are not an indication of future results.**

**Source: Aberdeen Standard Investment, 31 December 2019.

Warning: These figures are estimates only. They are not a reliable guide to the future performance of this investment

Important things to consider

- The Standard Life Diversified Income Fund (the Fund) invests in the Aberdeen Global - Diversified Income Fund (the Underlying Fund). The aim of the Aberdeen fund is summarised below.
- The value of investments within the Standard Life Diversified Income Fund can fall as well as rise and is not guaranteed – an investor may get back less than they paid in. The Fund and its holdings may use derivatives for the purpose of efficient portfolio management, reduction of risk or to meet its respective investment objective if this is permitted and appropriate. The euro value of overseas assets held in the Fund may rise and fall as a result of exchange rate fluctuations.
- Income received from the Fund will be added to the value of your investment.
- Investors in the Fund may buy and sell units on any normal business day.
- Recommendation: The Fund may not be appropriate for investors that plan to surrender their policy within 5 years.

The aim of the Aberdeen fund is to achieve income combined with capital growth by investing in worldwide Transferable Securities including, but not limited to, equity and equity-related securities, Investment Grade and Sub-Investment Grade Debt and Debt-Related Securities issued by governments, government related bodies, corporations or multilateral development banks, cash, deposits and Money Market Instruments directly or indirectly through the use of Undertakings for Collective Investment in Transferable Securities (UCITS) or other Undertakings for Collective Investments (UCIs).

The Underlying Fund is a global fund insofar as its investments are not confined to or concentrated in any particular geographic region or market.

Warning: This investment may be affected by changes in currency exchange rates

Risk factors

- The Diversified Income Fund is not a guaranteed or capital protected product. There are risks to your invested capital should you choose to invest in this fund. You may receive back less than your original investment.
- Exchange Rates: The Fund may have holdings which are denominated in different currencies and may be affected by movements in exchange rates. Consequently, currency exchange rates may have a positive or negative impact on the value of your investments.
- The Fund invests in equities and equity related securities. These are sensitive to variations in the stock market which can be volatile and change substantially in short periods of time.
- Bonds are affected by changes in interest rates, inflation and any decline in creditworthiness of the bond issuer. The Fund's portfolio may have significant exposure to bonds that typically have lower ratings. Bonds that produce a higher level of income usually also carry greater risk as such bond issuers may not be able to pay the bond income as promised or could fail to repay the capital amount used to purchase the bond. Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
- Contingent convertible bonds can automatically convert into shares or be written down if the financial strength of the issuer falls in a certain way. This may result in substantial or total losses of the bond value.
- Derivatives: The Fund can use derivatives in order to meet its investment objective or to protect from price and currency movements. This may result in gains or losses that are greater than the original amount invested. Derivatives are financial instruments which derive their value from an underlying asset, such as a company share or a bond, and are used routinely in global financial markets. Used correctly, derivatives offer an effective and cost-efficient way of investing in financial markets. However, derivatives can lead to increased volatility of returns in a fund, thus requiring a robust and extensive risk management process.
- Emerging Markets: The Fund invests in emerging markets which tend to be more volatile than mature markets and the value of investments could move sharply up or down. Emerging markets or less developed countries may face more political, economic or structural challenges than developed countries. This may mean your money is at greater risk. The Fund may also invest in Frontier Markets which involve similar risks, but to a greater extent since they tend to be smaller, less developed, and less accessible than other Emerging Markets.

- Investments in Real Estate Investment Trusts (REITs) and companies engaged in the business of real estate may be subject to increased liquidity risk and price volatility due to a variety of factors, including local, regional and national economic and political conditions, interest rates and tax considerations.
- Inflation reduces the buying power or your investment and income.
- Past performance is not a reliable guide to future performance and future performance is not guaranteed. The price of assets and the income from them may go down as well as up and cannot be guaranteed; you may receive back less than their original investment.
- The Fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the Fund.
- The Fund could lose money as a result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

- Fund pricing, switching your funds, transferring or cashing in:

You may be one of many investors in a fund. Sometimes in exceptional circumstances:

- we may change the pricing basis of a fund to reflect cashflows in and out. If it's a property based fund, due to the high transaction charges associated with the assets, this can result in a significant movement of the fund price.
- we may also wait before we carry out your request to switch your funds, transfer or cash in your policy. This delay could be up to a month. But for some funds, the delay could be longer, for example, if it's a property based fund, it may be up to 12 months because property and land can take longer to sell.

If we have to delay switching, transferring or cashing in, we'll use the fund prices on the day the transaction takes place – these prices could be very different from the prices on the day you made the request.

These are processes which aim to maintain fairness between those remaining invested and those leaving a fund.

Find out more

Talk to your financial adviser. They'll give you the information you need. Also, you can call us or visit our website

Call us on (01) 639 7000

Mon-Fri, 9am to 5pm. Calls may be monitored and/or recorded to protect both you and us and help with our training. Call charges will vary.

www.standardlife.ie

For more information on our funds, please visit www.standardlife.ie/funds