

March 2022

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.
IF IN DOUBT PLEASE SEEK PROFESSIONAL ADVICE.**

Dear Policyholder

Notification of changes to the underlying funds of :

- 1. P33 Aberdeen Standard SICAV I All China Equity**
- 2. R11 Aberdeen Standard SICAV I Emerging Markets Smaller Companies**
- 3. P54 Aberdeen Standard SICAV I Indian Equity**

We are writing to you as your policy or contract holds units in one or more of the Friends Provident International Limited ("FPIL") mirror funds named above (the "Affected Mirror Funds").

We have received notification from the Board of Directors of Aberdeen Standard SICAV I ("Abrdn") of the following upcoming changes to the underlying funds of the Affected Mirror Funds. These changes will take effect from **11 April 2022** (the "Effective Date").

Abrdn, through its investment managers, has stated that it is committed to continuously reviewing its range of funds to ensure that they continue to meet client requirements as they develop and change over time. Recently, it has identified a clear increase in client focus on Environmental, Social and Governance ("ESG") issues and wider sustainability. Integrating ESG considerations is a key part of Abrdn's investment process and it is looking to make changes to the underlying funds of the Affected Mirror Funds to further promote the underlying funds' ESG characteristics.

Summary of changes

The underlying funds will incorporate negative screening based on ESG factors and societal norms. In addition, securities with the highest ESG risks will be screened out via Abrdn's proprietary ESG house score along with quantitative and qualitative inputs and asset class specific screens. Finally, the underlying funds of the Affected Mirror Funds will have explicit portfolio ESG targets, as set out in the revised Prospectus. A brief summary of the objectives can be seen **Appendix 1**.

From the Effective Date, the underlying funds will be classified as Article 8 under the EU's Sustainable Finance Disclosure Regulation ("SFDR"), changing from Article 6. Article 8 funds are those that promote social and/or environmental characteristics, invest in companies that follow good governance, give binding commitments but do not have a sustainable investment objective. In order to comply with their new investment mandate, the underlying fund portfolios may need rebalancing; the costs associated with rebalancing are detailed in **Appendix 2**.

Currently the underlying funds may use financial derivative instruments for hedging purposes only, and not for investment purposes. From the Effective Date, the underlying funds may utilise financial derivative instruments for hedging and/or investment purposes, or to manage foreign exchange risks, subject to the conditions and within the limits laid down by applicable laws and regulations. The net derivative exposure may be up to 50% of the net asset value of the underlying funds.

The name of the underlying fund of **P33 - Aberdeen Standard SICAV I All China Equity** is being updated to include the new Sustainability focus; the Affected Mirror Fund name will be amended to **P33 - Aberdeen Standard SICAV I All China Sustainable Equity (USD)** from the Effective Date.

You do not need to take any action as a result of this letter if you wish to remain invested in the Affected Mirror Funds. Should you wish to select alternative fund(s), you are free to do so, without charge. This can be done online through the FPI Portal - simply log in at <https://portal.fpinational.com>.

We recommend that you seek the advice of your usual financial adviser before making any investment decisions.

Factsheets for the available FPIL mirror funds can be found via our interactive Fund Centre research tool on our website www.fpinational.com/fundcentre. Full details on the underlying funds of the mirror funds can be found in the fund prospectus, which is available on request.

Getting in touch

If you have any questions regarding your policy, please get in touch by calling us on +44 1624 821212, or by email at customer.services@fpiom.com.

If you have any questions regarding the operation of the FPIL funds or the underlying funds, please contact our Investment Marketing team at Fundqueries.Intl@fpiom.com.

Yours sincerely



Chris Corkish
Investment Marketing Manager

Fund prices may fluctuate and are not guaranteed. Investment involves risks. Past performance should not be viewed as a reliable guide of future performance.

Please refer to the principal brochure of the scheme for details including charges and risk factors.

Should Friends Provident International be unable to meet its liabilities to its policyholders, they will receive the protection of the Life Assurance (Compensation of Policyholders) Regulations 1991 of the Isle of Man. However investors should be aware that specific investor protection and compensation schemes that may exist in relation to collective investments and deposit accounts are unlikely to apply in the event of failure of such an investment held within insurance contracts.

Appendix 1

Affected Mirror Fund 1	Before the Effective Date	From the Effective Date
FPIL Mirror Fund name	P33 - Aberdeen Standard SICAV I All China Equity	P33 - Aberdeen Standard SICAV I All China Sustainable Equity (USD)
Underlying fund name	Aberdeen Standard SICAV I – All China Equity Fund	Aberdeen Standard SICAV I - All China Sustainable Equity Fund
Underlying fund objective	The Fund's investment objective is long term total return to be achieved by investing at least two-thirds of the Fund's assets in equities and equity-related securities of companies with their registered office in China; and/or, of companies which have the preponderance of their business activities in China; and/or of holding companies that have the preponderance of their assets in companies with their registered office in China.	The Fund's investment objective is long term total return to be achieved by investing at least 90% of the Fund's assets in equities and equity-related securities of companies listed, incorporated or domiciled in China; or companies that derive a significant proportion of their revenues or profits from Chinese operations or have a significant proportion of their assets there.

Affected Mirror Fund 2	Before the Effective Date	From the Effective Date
FPIL Mirror Fund name	R11 - Aberdeen Standard SICAV I Emerging Markets Smaller Companies	No change
Underlying fund name	Aberdeen Standard SICAV I – Emerging Markets Smaller Companies Fund	No change
Underlying fund objective	The Fund's investment objective is long term total return to be achieved by investing at least two-thirds of the Fund's assets in equities and equity-related securities of Smaller Companies with their registered office in an Emerging Market country; and/or, of Smaller Companies which have the preponderance of their business activities in an Emerging Market country; and/or, of holding companies that have the preponderance of their assets in Smaller Companies with their registered office in an Emerging Market country.	The Fund's investment objective is long term total return to be achieved by investing at least 70% of the Fund's assets in smaller capitalisation equities and equity-related securities of companies listed, incorporated or domiciled in Emerging Market countries or companies that derive a significant proportion of their revenues or profits from Emerging Market countries operations or have a significant proportion of their assets there.

Affected Mirror Fund 3	Before the Effective Date	From the Effective Date
FPIL Mirror Fund name	P54 - Aberdeen Standard SICAV I Indian Equity	No change
Underlying fund name	Aberdeen Standard SICAV I - Indian Equity Fund	No change
Underlying fund objective	The Fund's investment objective is long term total return to be achieved by investing at least two-thirds of the Fund's assets in equities and equity-related securities of companies with their registered office in India; and/ or, of companies which have the preponderance of their business activities in India; and/or, of holding companies that have the preponderance of their assets in companies with their registered office in India.	The Fund's investment objective is long term total return to be achieved by investing at least 70% of the Fund's assets in equities and equity-related securities of companies listed, incorporated or domiciled in India companies that derive a significant proportion of their revenues or profits from Indian operations or have a significant proportion of their there.

Appendix 2

Underlying fund name of Affected Mirror Funds 1-3	Estimated rebalancing costs (% of AUM of the underlying fund as at 31/12/21)
P33 - Aberdeen Standard SICAV I All China Sustainable Equity (USD)	0.12%
R11 - Aberdeen Standard SICAV I Emerging Markets Smaller Companies	0.00%
P54 - Aberdeen Standard SICAV I Indian Equity	0.23%