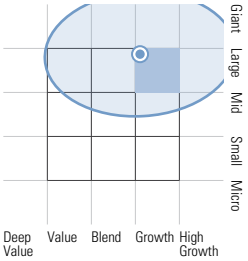
Aberdeen Ethical World Equity Fund I Acc

GB0006833932

Morningstar Analyst Rating
Bronze
24 Mar 2017 00:00, UTC-0500

Morningstar Category	Category Index	Total Assets	Current Yield %	Inception Date	Domicile/ Currency	Morningstar Rating
Global Large-Cap Blend Equity	MSCI World NR USD	149.01 Mil GBP	—	27/05/99	GBR/GBP	★★

Equity Style Map

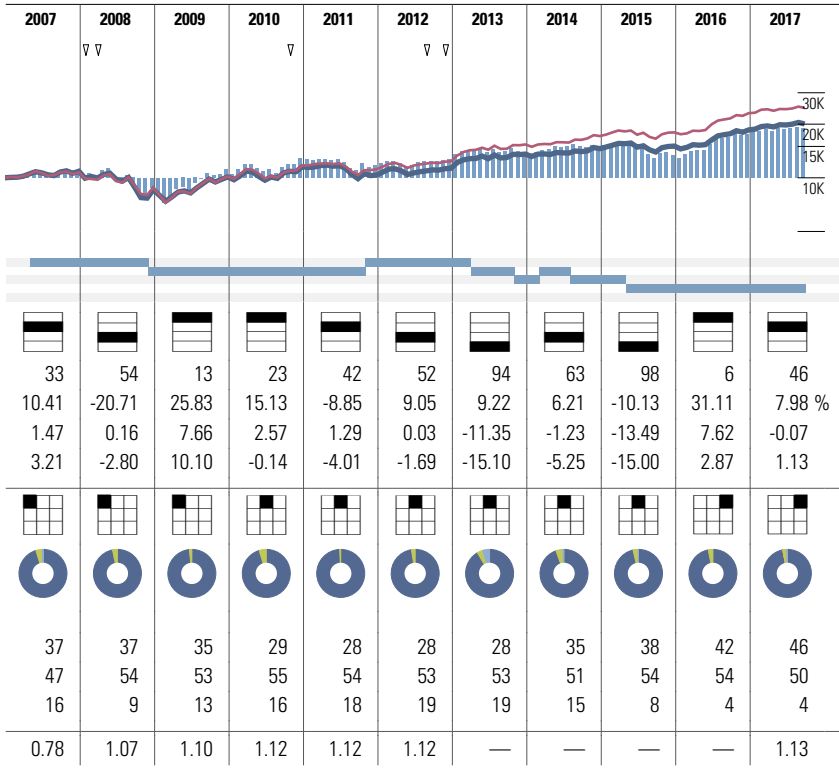


People

Stephen Docherty	05/99
Ann Charles	03/01
Bruce Stout	03/01
Total Named Managers	15

Morningstar Pillars

Process	Positive
Performance	Neutral
People	Positive
Parent	Neutral
Price	Neutral



Performance 30/09/17

Growth of 10,000 Annualized	Value GBP	Ret %
Fund	18,608	5.95
Category	21,181	7.23
Index	24,635	8.75

▼ Full Manager Change
∇ Partial Manager Change

Morningstar Rating

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	
											Quartile Rank in Category
33	54	13	23	42	52	94	63	98	6	46	Percentile Rank in Category
10.41	-20.71	25.83	15.13	-8.85	9.05	9.22	6.21	-10.13	31.11	7.98 %	Total Return GBP
1.47	0.16	7.66	2.57	1.29	0.03	-11.35	-1.23	-13.49	7.62	-0.07	+/- Category
3.21	-2.80	10.10	-0.14	-4.01	-1.69	-15.10	-5.25	-15.00	2.87	1.13	+/- Index

Process

Equity Style Box

Asset Allocation
● Stock ● Bond ● Cash ● Other

											Equity Supersectors
37	37	35	29	28	28	28	35	38	42	46	Cyclical
47	54	53	55	54	53	53	51	54	54	50	Sensitive
16	9	13	16	18	19	19	15	8	4	4	Defensive
0.78	1.07	1.10	1.12	1.12	1.12	—	—	—	—	1.13	**Price** TER/OGC

Analyst View

Muna Abu-Habsa, Director

Despite its recent woes, we think this remains a strong choice for global equity exposure.

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Morningstar Analyst Rating
Morningstar evaluates mutual funds based on five key pillars, which its analysts believe lead to funds that are more likely to outperform over the long term on a risk-adjusted basis.

Analyst Rating Spectrum

Gold Silver Bronze Neutral Negative

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23 Mar, 2017 | The strength of the team and the clarity of the investment process underpinning this fund make it a strong choice for investors seeking global equity exposure.

The fund is managed by an experienced and well-resourced global equity team, headed by Stephen Docherty, whom we regard highly. A unique feature of their approach is that there are no quantitative filters; instead, they compile a global buy list of stocks recommended by their regional colleagues. Companies that fall out on environmental, social, or governance grounds are replaced, where a suitable alternative can be found.

The team constructs a diversified portfolio, but not according to the conventional classifications of the MSCI World Index. The ethical mandate also results in structural underweightings in certain sectors that screen poorly. The clearest example is healthcare, as firms involved with animal testing are completely excluded. The screens are more lenient towards other unethical practices, such as weapons manufacturing, provided that only a small proportion of firm revenue is derived from such activities.

Although the fund has historically performed well through time, the benchmark-agnostic approach applied here can lead to extended periods of relative underperformance. Indeed, we have seen evidence of this between 2013 and 2015, when the fund significantly underperformed both the category average and its MSCI World Index in part because of the team's preference for emerging- over developed-markets stocks as well as the significant underweighting to the US. In addition, investors should note that the portfolio biases resulting from the ethical screens can exacerbate this. During the market sell-off in 2011, for example, the team struggled to find worthy replacements for more-resilient tobacco and pharma stocks. That being said, the structural biases have not inhibited the fund over the long term, and it has outperformed peers since launch in 1999, which is particularly impressive for a fund with an ethical constraint. The fund retains its Morningstar Analyst Rating of Bronze.

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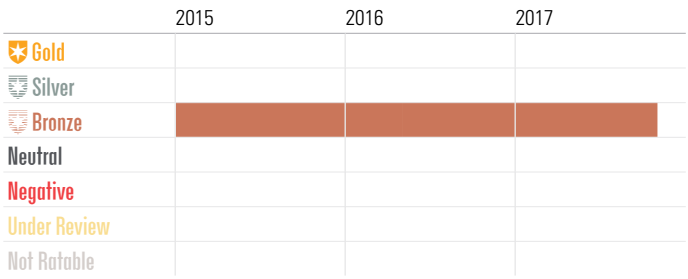
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Morningstar has identified five key areas that we believe are crucial to predicting the future success of funds: People, Parent, Process, Performance, and Price. Each pillar is evaluated when assessing a fund as well as the interaction between the pillars, which we believe is crucial to understanding a fund's overall merit.

People

The overall quality of a fund's investment team is a significant key to its ability to deliver superior performance relative to its benchmark and/or peers. Evaluating a fund's investment team requires that analysts assess several relevant items including how key decisions are made.

Parent

We believe the parent organization is of utmost importance in evaluating funds. The fund's management set the tone for key elements of our evaluation, including capacity management, risk management, recruitment and retention of talent, and incentive pay. Beyond these operational areas, we prefer firms that have a culture of stewardship and put investors first to those that are too heavily weighted to salesmanship.

Process

We look for funds with a performance objective and investment process (for both security selection and portfolio construction) that is sensible, clearly defined, and repeatable. In addition, the portfolio should be constructed in a manner that is consistent with the investment process and performance objective.

Performance

We do not believe past performance is necessarily predictive of future results, and this factor accordingly receives a relatively small weighting in our evaluation process. In particular, we strive not to anchor on short-term performance. However, we do believe that the evaluation of long-term return and risk patterns is vital to determining if a fund is delivering to our expectations.

Price

To reflect actual investor experience, price is evaluated within the context of the relevant market or cross-border region—for example, the United States, Australia, Canada, or Europe. In recognition of differences in scale and distribution costs in various markets, the level at which a fund is penalised for high fees or rewarded for low fees can vary with region. In Europe, for example, funds are penalised if they land in the most expensive quintile of their Morningstar category and are rewarded if they land in the cheapest quintile. The assessment is made using annual expense ratios, but in the case of funds with performance fees, expenses are evaluated excluding any performance fees and then the structure of the performance fee is evaluated separately.

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Gold
Represents funds that our analyst has the highest-conviction in for that given investment mandate. By giving a fund a Gold rating, we are expressing an expectation that it will outperform its relevant performance benchmark and/or peer group within the context of the level of risk taken over the long term (defined as a full market cycle or at least five years). To earn a Gold rating, a fund must distinguish itself across the five pillars that are the basis for our analysis.

Silver
Represents funds our analyst has high-conviction in, but not in all of the five pillars. With those fundamental strengths, we expect these funds will outperform their relevant performance benchmark and/or peer group within the context of the level of risk taken over the long term (defined as a full market cycle or at least five years).

Bronze
Represents funds that have advantages that clearly outweigh any disadvantages across the pillars, giving analyst the conviction to award them a positive rating. We expect these funds to beat their relevant performance benchmark and/ or peer group within the context of the level of risk taken over a full market cycle (or at least five years).

Neutral
Represents funds in which our analysts don't have a strong positive or negative conviction. In our judgment, these funds are not likely to deliver standout returns, but they aren't likely to seriously underperform their relevant performance benchmark and/or peer group either.

Negative
Represents funds that possess at least one flaw that our analysts believe is likely to significantly hamper future performance, such as high fees or an unstable management team. Because of these faults, we believe these funds are inferior to most competitors and will likely underperform their relevant performance benchmark and/or peer group, within the context of the level of risk taken, over a full market cycle.

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