

9 May 2017

Following the announcement of the proposed merger between Aberdeen Asset Management plc and Standard Life plc, I would like to update you on several important developments regarding the proposed governance, leadership and naming of the Combined Group.

Today we published the Scheme Circular (www.aberdeen-asset.com/aam.nsf/aam/standardlife) in relation to the proposed merger outlining how we will combine the businesses to create a world-class investment company.

Standard Life has today published a similar document that will be sent to their shareholders as well as a Prospectus for the issue of new shares to be issued as part of the Scheme. These documents are available via the Standard Life website (www.standardlife.com).

These documents set out the proposed management and governance structure of the combined business including:

- The composition of the Board of the Combined Group, which draws on Executive and Non-Executive directors of both companies.
- The composition of the Executive Committee of the Combined Group which is composed of Executives from both companies.
- The composition of a new Asset Management Committee which is composed of Executives from both companies, responsible for the operational management of the combined asset management business.

Following the merger, Standard Life plc will be renamed Standard Life Aberdeen plc. We also currently intend to bring the investment businesses of the Standard Life Group and the Aberdeen Group into a single investment sub-group. The holding company of the investment sub-group would be named Aberdeen Standard Life Investments Limited.

We have agreed with Standard Life that the Combined Group will include, and operate under, branding drawn from both the Aberdeen Group and the Standard Life Group. The brand strategy for the Combined Group as a whole, including the investment business, is currently being developed.

Also within these documents there are details of the integration planning. Both companies are experienced at successfully integrating businesses and we have established a specialist team responsible for the project. A key priority of the integration will be to ensure our fund management teams continue to be focused on managing our clients' investments. We will also focus on retaining the talent within the Combined Group during this transition period.

We believe that the proposed merger is in the best interests of our clients. By combining Aberdeen and Standard Life's investment capabilities we are creating an enlarged business with the breadth and depth of resource to create a world-class investment company. We expect this to lead to improved performance, choice, and enhanced service.

In terms of the next steps, both Aberdeen Asset Management and Standard Life shareholders need to approve the merger and the relevant meetings will take place on 19 June. The merger also needs to be approved by the Financial Conduct Authority in the UK and by other regulators and competition authorities around the world. The proposed merger is on track to complete in Q3 2017 with a target date of 14th August 2017.

We are continuing to work on the investment leadership for our combined capabilities during and after the merger, which we plan to manage with minimum disruption to our clients. We are committed to maintaining our focus on performance and service throughout and will be in touch with further information as soon as possible. Please do not hesitate to contact your Aberdeen representative if you have any questions at all.

I firmly believe the Combined Group will be better placed to help clients achieve their investment goals today and for years to come. Thank you for your continued support.

Martin Gilbert
Chief Executive