

This document is important and requires your immediate attention.

If you are in any doubt as to the action you should take, you are recommended to seek your own independent financial advice immediately from a stockbroker, bank manager, solicitor, accountant or other independent financial or legal adviser authorised under the Financial Services and Markets Act 2000, if you are in the United Kingdom, or from another appropriately authorised independent financial adviser if you are in a territory outside the United Kingdom.

PRIVATE AND CONFIDENTIAL

Dear [Name]

**Aberdeen Deferred Share Plan 2009 and the recommended all-share merger of Standard Life plc and Aberdeen Asset Management PLC**

***THIS PACK AND ITS CONTENTS ARE IMPORTANT. PLEASE TAKE THE TIME TO READ THEM***

As you know, Aberdeen Asset Management PLC (*Aberdeen*) and Standard Life plc (*Standard Life*) announced on 6 March 2017 that they had reached agreement on the terms of a recommended all-share merger of Aberdeen and Standard Life (the *Merger*). We are writing to explain how the Merger will affect the Deferred Share Awards (the *Awards*) that were granted to you under the Aberdeen Deferred Share Plan 2009 (or its predecessor) (the *DSP*).

**Your actions**

You are not required to take any further action with respect to the Awards. However, it is important that you read through everything in this pack.

If you hold other options or awards granted under Aberdeen share plans you are also being written to separately about the effect of the Merger on such options or awards. Please read those letters carefully.

**The Merger**

The Merger will result in Aberdeen and its subsidiaries becoming wholly owned subsidiaries of Standard Life.

The Merger will take place through what is called a “scheme of arrangement” (the *Scheme*). This is a procedure that is subject to approval by Aberdeen Shareholders and the Court. Standard Life Shareholders will also need to approve the Merger. Further information on the Scheme is set out in the Scheme Document dated 9 May 2017 sent to Aberdeen Shareholders. A copy of the Scheme Document is available on the Aberdeen website at <http://ir.aberdeen-asset.com>. If you would like a hard copy of the Scheme Document, please contact Equiniti’s Shareholder Helpline on 0333 207 6542 (if calling from within the UK) or +44 121 415 0826 (if calling from outside the UK) between 8.30 a.m. and 5.30 p.m. (London time) Monday to Friday (excluding English and Welsh public holidays). Calls from outside the UK will be charged at the applicable international rate. Different charges may apply to calls made from mobile telephones and calls may be monitored or recorded for security and training purposes. Alternatively you can submit a request in writing to Equiniti, Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA, United Kingdom.

You should read this letter and its Appendices together with the Scheme Document. A brief explanation of some of the terms used in this letter is given in Appendix B.

## **What are the terms of the Merger?**

The terms of the Merger are set out in full in the Scheme Document. However, in summary, Aberdeen Shareholders will be entitled to receive the following for each Aberdeen Share they own (which is known as the consideration):

### **0.757 Standard Life Shares in exchange for each Aberdeen Share**

## **When is the Merger likely to take place?**

The Merger is currently expected to become effective in the third quarter of 2017. The expected timeline is set out in Appendix A.

## **How does the Merger affect your Awards?**

### Vested Awards

If your Award has vested already, you can continue to exercise your Awards during the normal exercise period to acquire Aberdeen Shares. Specifically, you may choose to exercise your Awards in the following manner:

- i. exercise the Awards to acquire Aberdeen Shares net of tax and/or social security charges and sell all such shares in the market prior to the Merger;
- ii. exercise the Awards to acquire a number of Aberdeen Shares net of tax and/or social security charges prior to the Merger. For each Aberdeen Share you acquire and continue to hold at the time of the Merger, you will receive 0.757 Standard Life Shares pursuant to the terms of the Merger; or
- iii. exercise the Awards after the Effective Date (i.e., completion of the Merger). Each Aberdeen Share you acquire will be automatically exchanged for 0.757 Standard Life Shares (net of tax and/or social security charges).

Note that if you wish to exercise the Awards and vote the resulting Aberdeen Shares on the Scheme, you must exercise the Awards before 1 June 2017.

Remember that any Awards that remain unexercised after the normal exercise period will automatically lapse.

### Unvested Awards

Any unvested Awards will be automatically exchanged for equivalent awards over Standard Life Shares. They will not vest as a result of the Merger.

This means that if the Merger is approved by Aberdeen Shareholders and Standard Life Shareholders, and the Court approves the Scheme, your Awards will be exchanged for new deferred share awards over Standard Life Shares (the *New Awards*). You do not need to take any action to obtain the New Awards.

The New Awards will continue to be subject to the rules of the DSP and the Award Certificate, except that any reference to Aberdeen will be read as referring instead to Standard Life.

Subject to the rules, the New Awards will normally vest at the same time as your original Awards were due to vest. On the vesting of the New Awards you will be able to acquire Standard Life Shares instead of Aberdeen Shares.

If the Merger does not happen because Aberdeen Shareholders or Standard Life Shareholders do not approve the Merger, or the Court does not approve the Scheme, your Awards will continue just as they are, subject to the rules of the DSP and your Award Certificate.

A more detailed explanation of the way in which your Awards will be affected and the terms of the New Awards is set out in Appendix A to this letter, including the implications for your Awards if you leave employment.

For details of the Awards you hold, you should refer to the summary of all your share plan interests which can be found via the shareplans website, <https://aberdeen-asset.schemetrack.net>.

### **Can I opt out of the Scheme and retain my existing Awards?**

No. Your Awards were granted subject to the rules of the DSP, which provide (at rule 11) that, in the event of a transaction such as the Scheme, your Awards will be automatically treated in the way described above. Therefore, in accepting your Awards on those terms, you are taken to have agreed with Standard Life to your Awards being dealt with in this way in the context of the Scheme.

### **Attachments to this letter**

The following are provided as attachments to this letter:

- Appendix A explaining how the Merger affects your Awards.
- Appendix B explaining some key definitions.

### **What if you have questions?**

If you have any questions that relate to your Awards, please contact HR Reward Team on [aam-reward@aberdeen-asset.com](mailto:aam-reward@aberdeen-asset.com) by email or Estera on [aamebt@estera.com](mailto:aamebt@estera.com) by telephone +44 1534 844987. Please note that no legal, tax or financial advice on your Awards and/or the Merger can be provided.

Nothing in this pack constitutes financial advice to any holder of shares or share options in Aberdeen or Standard Life.

If there is a conflict between the information in this letter and appendices and the rules of the DSP or any relevant legislation, the rules and the legislation will prevail. References in this letter to any time and date are to UK time.

You are advised to seek your own independent financial and/or tax advice regarding your personal circumstances in relation to your Awards.

Yours faithfully



Kerry Christie  
Global Head of Human Resources

For and on behalf of Aberdeen Asset  
Management PLC

Yours faithfully



Sandy Begbie  
Chief People Officer

For and on behalf of Standard Life plc

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The Aberdeen Directors, whose names are set out in the Scheme Document, each accept responsibility for the information contained in this letter except for that information for which the Standard Life Directors accept responsibility. To the best of the knowledge and belief of the Aberdeen Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this letter for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Standard Life Directors, whose names are set out in the Scheme Document, each accept responsibility for the information contained in this letter relating to Standard Life plc and the Standard Life Directors. To the best of the knowledge and belief of the Standard Life Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this letter for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

This is a strictly privileged and confidential communication between Aberdeen, Standard Life and individual participants in Aberdeen's employee share plans. This communication contains information addressed only to a specific individual and is not intended for distribution to, or use by, any person other than the named addressee. This communication (i) is provided for informational purposes only, (ii) should not be construed in any manner as any solicitation or offer to buy or sell any securities or any related financial instruments, and (iii) should not be construed in any manner as a public offer of any securities or any related financial instruments. If you are not the named addressee, you should not disseminate, distribute or copy this communication. Please notify the sender immediately if you have mistakenly received this communication.

The information contained in this letter does not constitute financial product advice and has been prepared without reference to individual investment objectives, financial situation, taxation position or particular needs. If you are in doubt as to what you should do, you should consult your legal, investment, taxation or other professional adviser.

## Appendix A

### Impact of the Merger on the Awards

#### 1. The impact on your Awards

##### Vested Awards

If your Award has vested already, you can continue to exercise the Award during the normal exercise period to acquire a number of Aberdeen Shares.

Specifically, you may choose to exercise your Awards in the following manner:

- i. *Prior to the Merger.* Exercise the Awards to acquire Aberdeen Shares (net of tax and/or social security charges) prior to the date on which the Court sanctions the scheme (known as the Court Order) and sell all such shares in the market prior to the Merger;
- ii. *Participate in the Merger.* Exercise the Awards prior to the date of the Court Order by logging into your account via the shareplans website, <https://aberdeen-asset.schemetrack.net> and following the instructions. You will acquire a number of Aberdeen Shares net of tax and/or social security charges. For each Aberdeen Share you acquire and continue to hold at the time of the Merger, you will receive 0.757 Standard Life Shares pursuant to the terms of the Merger. As soon as possible after the Effective Date, you will receive cash in lieu of any fractional Standard Life Shares resulting from the exchange, if such cash amount exceeds £3; or
- iii. *Post-Merger.* Exercise the Awards after the Effective Date (i.e., completion of the Merger) and at any time before the expiry of the exercise period of the Awards. Each Aberdeen Share you acquire will be automatically exchanged for 0.757 Standard Life Shares (net of tax and/or social security charges). You will receive cash in lieu of any fractional Standard Life Shares resulting from the exchange, if such cash amount exceeds £3.

Note that if you wish to exercise the Awards and vote the resulting Aberdeen Shares on the Scheme, you must exercise the Awards before 1 June 2017.

##### Unvested Awards

Any unvested Awards will be automatically exchanged for New Awards over Standard Life Shares. They will not vest as a result of the Merger.

Your New Award will be over 0.757 Standard Life Shares for each Aberdeen Share your existing Award is currently over. As with your existing Award, the New Award will have a nil-cost exercise price. Any fractional entitlement to Standard Life Shares will be rounded down to the nearest whole number of shares.

Subject to the rules of the DSP and the terms of your Award Certificate applicable to your Award, which will apply to your New Award (except that any reference to Aberdeen in the rules will be read as referring instead to Standard Life), you will be

able to exercise your New Award and acquire Standard Life Shares at any time during the exercise period following the normal vesting date of your Award.

At this point you will be able to either keep your Standard Life Shares (and be a shareholder in Standard Life) or sell them. You will need to take some action to exercise your New Award when it vests and you will receive more information about that from Standard Life at the appropriate time.

If the Merger does not happen because Aberdeen Shareholders or Standard Life Shareholders do not approve the Merger, or the Court does not approve the Scheme, all of your Awards will continue just as they are, subject to the rules of the DSP and your Award Certificate.

*What will I get as a holder of a New Award?*

The automatic exchange of your Awards for New Awards will happen upon the Merger completing. This is currently expected to be in the third quarter of 2017.

After the Effective Date, a new award certificate to show the number of Standard Life Shares over which your New Award has been granted will be delivered to you.

## **2. Tax**

The Merger will not have any impact on the tax treatment of your Awards. The exchange of your Award for a New Award will not result in any tax or social security charges.

## **3. Leaving employment before or after the Effective Date**

### Leaving Aberdeen before the Effective Date with unvested Awards

The leaver arrangements under the DSP will apply in the normal way before the Merger completes. This means that if you leave employment and do not qualify as a good leaver under the DSP rules your unvested Awards will lapse on the date that your employment ceases or is deemed to have ceased so they cannot be exercised or exchanged for New Awards.

If you leave Aberdeen before the Merger completes as a good leaver (for example because of ill health, redundancy or retirement), your unvested Awards will be exchanged for New Awards and they will vest at the normal time, unless Aberdeen determines that the unvested Awards will vest on the date that your employment ceases.

### Leaving Aberdeen and Standard Life after the Effective Date with unvested New Awards

If your employment were to be transferred from Aberdeen or one of Aberdeen's subsidiaries to a member of the Standard Life group there would be no effect on your New Award and it would continue to vest at the normal time.

If you were to leave or give notice of your intention to leave the Aberdeen group and the Standard Life group after the Merger completes, but before the New Award vests,

unless you qualify as a good leaver under the DSP rules, you would lose your New Award and would not acquire Standard Life Shares.

If you were to leave the Aberdeen group and the Standard Life group as a good leaver after the Merger completes, but before the New Award vests, the New Award will vest at the normal time, unless Standard Life determines that the New Award will vest on the date that your employment ceases.

#### Leaving employment with Awards or New Awards that have already vested

If at the time you leave employment you hold a vested Award or New Award, as applicable, then it will remain exercisable in accordance with the DSP rules and the relevant Award Certificate.

#### **4. Making your decisions**

**Action by 8 am on 28 July 2017 (being 2 weeks before the expected Court Order):** If you wish to exercise your vested Awards prior to the date of the Court Order and participate in the Scheme, you should exercise your Awards by logging into your account at <https://aberdeen-asset.schemetrack.net> and following the instructions. If you do not wish to exercise prior to the Court Order, you may exercise your Awards after the Effective Date and at any time before the expiry of the exercise period of your Awards.

You do not need to make any decision or take any action in relation to your Awards. Any unvested Awards will be exchanged automatically for New Awards, and any vested Awards will remain exercisable during the normal exercise period.

#### **5. Expected timeline of principal events**

The dates given below are indicative only and are based on Aberdeen's and Standard Life's current expectations and may be subject to change.

<b>Date</b>	<b>Event</b>
1 June 2017 (being 2 weeks before the voting record time)	Date by which to exercise vested Awards to vote the resulting Aberdeen Shares on the Scheme
19 June 2017	Standard Life Shareholder meeting to approve the Merger
19 June 2017	Aberdeen Shareholder meetings to approve the Scheme and the resolutions in connection with the Scheme
28 July 2017 (2 weeks before the expected Court Order)	Last date you may exercise vested Awards to participate in the Scheme
11 August 2017	The expected Court Order
14 August 2017 (the expected Effective Date)	Unvested Awards are exchanged for New

	Awards over Standard Life Shares
28 August 2017 (14 days after the expected Effective Date)	Date by which new award certificates will be issued in respect of New Awards over Standard Life Shares

**6. Statement of the Aberdeen Directors**

The Aberdeen Directors, who have been so advised by each of J.P. Morgan Cazenove and Credit Suisse International, consider the terms of the proposals described above to be fair and reasonable in the context of the Merger. In providing its advice to the Aberdeen Directors, each of J.P. Morgan Cazenove and Credit Suisse International has taken into account the commercial assessments of the Aberdeen Directors.

## **Appendix B**

### **A brief explanation of some definitions**

***Aberdeen*** means Aberdeen Asset Management PLC;

***Aberdeen Directors*** means the directors of Aberdeen from time to time, other than Mr Akira Suzuki, a non-executive director of Aberdeen appointed by MUTB;

***Aberdeen Shareholders*** means the registered holders of Aberdeen Shares from time to time;

***Aberdeen Shares*** means ordinary shares of 10 pence each in the capital of Aberdeen;

***Awards*** means Deferred Share Awards granted under the DSP;

***Award Certificate*** means a document which sets out the terms of the Awards;

***Court*** means the Court of Session at Edinburgh;

***Court Order*** means the date on which the Court sanctions the Scheme under Part 26 of the UK Companies Act 2006;

***DSP*** means the Aberdeen Deferred Share Plan 2009, as amended from time to time;

***Effective Date*** means the date on which the Scheme becomes effective in accordance with its terms;

***Scheme*** means the procedure by which Standard Life will become the holder of the entire issued and to be issued ordinary share capital of Aberdeen;

***Scheme Document*** means the document setting out the terms of the Scheme dated 9 May 2017 sent to Aberdeen Shareholders;

***Standard Life*** means Standard Life plc;

***Standard Life Shareholders*** means the registered holders of Standard Life Shares from time to time; and

***Standard Life Shares*** means the ordinary shares of 12 2/9 pence each in the capital of Standard Life.