



SCOTTISH WIDOWS LIFE FUNDS

INVESTOR'S GUIDE

SCOTTISH WIDOWS

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LIFE FUNDS ACCESS

INTRODUCTION TO THE SCOTTISH WIDOWS LIFE FUND RANGE

WITH A COMPREHENSIVE RANGE OF FUNDS FROM READY-MADE INVESTMENT PORTFOLIOS TO SPECIALIST FUNDS, SCOTTISH WIDOWS HAS A WIDE CHOICE OF FUNDS TO MATCH DIFFERENT INVESTMENT NEEDS. FOR A FULL LIST OF THE SCOTTISH WIDOWS PRODUCTS WITH ACCESS TO THESE FUNDS, PLEASE REFER TO PAGES 42 – 44 OF THIS GUIDE.

OUR RANGE IS GROUPED INTO THE FOLLOWING CATEGORIES:

1. SCOTTISH WIDOWS LIFE FUNDS, MANAGED BY ABERDEEN ASSET MANAGEMENT

The Scottish Widows funds are all managed by a subsidiary of Aberdeen Asset Management plc ('Aberdeen').

Aberdeen Asset Management is a global asset manager. Based in 25 countries, Aberdeen manages assets for both institutional and retail clients from 38 offices around the world. As at 30th June 2016, Aberdeen managed assets of over £301.4 billion.

For the majority of the funds, Scottish Widows is responsible for defining the fund objectives and determining how the funds should be run. In some cases, Aberdeen defines the fund objectives and determines how the funds should be run.

Source: Aberdeen, November 2016

2. SCOTTISH WIDOWS WITH-PROFITS FUNDS

We offer three with-profits funds, available for investment through specific products. For full details, please read page 4.

3. SW LIFE FUNDS, MANAGED BY OTHER FUND MANAGERS

The SW funds are managed by selected and well-established fund managers. These fund managers define the SW funds' objectives and determine how they should be run.

Covering a wide range of asset classes, geographical locations, sectors and management styles, our carefully selected SW life funds provide building blocks to create bespoke investment portfolios.

SCOTTISH WIDOWS LIFE FUNDS, MANAGED BY ABERDEEN ASSET MANAGEMENT



THE MANAGER

Aberdeen Asset Management is a global asset manager. Based in 25 countries, Aberdeen manages assets for both institutional and retail clients from 38 offices around the world. As at 30th June 2016, Aberdeen managed assets of over £301.4 billion.

As a pure asset manager, without the distractions of other financial services activities, they are able to concentrate all their resources on their core business. They believe this is key to their performance. Assets are only managed for third parties, not their own balance sheet, which allows them to focus on their clients' interest first and foremost.

For the majority of the funds, Scottish Widows is responsible for defining the fund objectives and determining how the funds should be run. In some cases, Aberdeen defines the fund objectives and determines how the funds should be run.

Source: Aberdeen, November 2016

Funds available	ABI classification sector	Fund short code
Scottish Widows Adventurous Solution Fund	Specialist	AD
Scottish Widows Balanced Portfolio Fund	Specialist	FX
Scottish Widows Balanced Solution Fund	Specialist	BA
Scottish Widows Cash Fund	Money Market	CA
Scottish Widows Cautious Managed Fund	Mixed Investment 20% – 60% Shares	CM
Scottish Widows Cautious Portfolio Fund	Specialist	FW
Scottish Widows Cautious Solution Fund	Specialist	CS
Scottish Widows Consensus Fund	Mixed Investment 40% – 85% Shares	CN
Scottish Widows Corporate Bond Fund	Sterling Corporate Bond	CB
Scottish Widows Defensive Managed Fund	Mixed Investment 0% – 35% Shares	DM
Scottish Widows Defensive Solution Fund	Specialist	DS
Scottish Widows Discovery Solution Fund	Specialist	DI
Scottish Widows Diversified Assets Fund*	Mixed Investment 20% – 60% Shares	DV
Scottish Widows Dynamic Property Fund	Global Property	DP
Scottish Widows Dynamic Solution Fund	Specialist	DY
Scottish Widows Emerging Markets Fund*	Global Emerging Markets Equities	EM
Scottish Widows Environmental Fund	UK All Companies	EN
Scottish Widows Ethical Fund	UK All Companies	EF
Scottish Widows European Fund	Europe excluding UK Equities	EE
Scottish Widows European Real Estate Fund*	Global Property	RE
Scottish Widows Fixed Interest Fund	UK Gilts	FI

*Aberdeen defines this fund's objective and determines how this fund is run.

SCOTTISH WIDOWS FUNDS MANAGED BY ABERDEEN (CONTINUED)

Funds available	ABI classification sector	Fund short code
Scottish Widows Fundamental Index Emerging Markets Equity Fund	Specialist	DK
Scottish Widows Fundamental Index Global Equity Fund	Adventurous	DG
Scottish Widows Fundamental Index UK Equity Fund	Adventurous	DE
Scottish Widows Fundamental Low Volatility Index Emerging Markets Equity Fund	Specialist	VM
Scottish Widows Fundamental Low Volatility Index Global Equity Fund	Adventurous	VL
Scottish Widows Fundamental Low Volatility Index UK Equity Fund	Adventurous	VU
Scottish Widows Global Equity Fund	Global Equities	GL
Scottish Widows High Income Bond Fund	Sterling High Yield	HY
Scottish Widows Indexed Stock Fund	UK Index-Linked Gilts	IS
Scottish Widows International Fund	Global Equities	IN
Scottish Widows Japanese Fund	Japan Equities	JE
Scottish Widows Mixed Fund	Mixed Investment 40% – 85% Shares	MX
Scottish Widows Multi-Manager Global Real Estate Fund*	Global Property	MR
Scottish Widows Multi-Manager International Equity Fund*	Global Equities	ME
Scottish Widows Multi-Manager UK Equity Focus Fund*	UK All Companies	MF
Scottish Widows Multi-Manager UK Equity Growth Fund*	UK All Companies	MP
Scottish Widows Multi-Manager UK Equity Income Fund*	UK Equity Income	MU
Scottish Widows North American Fund	North America Equities	US
Scottish Widows Opportunities Portfolio Fund	Global Equities	FZ
Scottish Widows Progressive Portfolio Fund	Specialist	FY
Scottish Widows Property Fund	UK Direct Property	PY
Scottish Widows SafetyPlus® Fund	Protected/Guaranteed	FA
Scottish Widows Strategic Income Bond Fund	Sterling Strategic Bond	SI
Scottish Widows Strategic Solution Fund	Specialist	SS
Scottish Widows UK Equity Fund	UK All Companies	EQ
Scottish Widows UK Equity Index Fund	UK All Companies	IX
Scottish Widows UK Opportunities Fund*	UK All Companies	OP
Scottish Widows UK Real Estate Fund	UK Property Securities	PR

*Aberdeen defines this fund's objective and determines how this fund is run.

Please see pages 42–44 for more details on the funds available for our life products.

SCOTTISH WIDOWS WITH-PROFITS FUNDS

We offer three with-profits funds, which are available for investment through specific products (please see page 44).

Please note that for each of the three funds, the value of the units isn't directly linked to the market value of the investments. What you get back from investing in these funds depends mainly on the investment profits and losses of the funds and the decisions we make about their distribution, and is only guaranteed in certain circumstances. If units are cashed in at other times, we may apply market value reductions. You could get back less than you invested. Please note that future bonus rates are not guaranteed.

For more information on these three funds, please see the relevant with-profits guides (Scottish Widows Unitised With-Profits Fund (ref 44623), Scottish Widows With-Profits Growth Fund (ref 44622), Scottish Widows With-Profits Income Fund (ref 44621)).

SCOTTISH WIDOWS UNITISED WITH-PROFITS FUND

Our Unitised With-Profits Fund may be suitable for investors who require a combination of long-term growth potential and a measure of security.

Fund	Fund aim
Scottish Widows Unitised With-Profits Fund	The fund invests in a balanced portfolio of UK and overseas shares, fixed interest and index-linked stocks, property and, where appropriate, cash deposits. However, the value of the units isn't directly linked to the market value of those investments. Instead, it depends on the bonuses and (in some circumstances) Market Value Reductions that Scottish Widows decides.

SCOTTISH WIDOWS WITH-PROFITS GROWTH AND WITH-PROFITS INCOME FUNDS

The Scottish Widows With-Profits Growth Fund has been designed primarily to help you grow your investment.

The Scottish Widows With-Profits Income Fund is structured to deliver income to you from the outset while aiming to maintain the long-term value of your original investment. The level of natural income withdrawals will vary.

Please note that these funds are only available to invest in through our Flexible Options Bond.

Fund	Fund aim
Scottish Widows With-Profits Growth Fund	The aim of the fund is to help your investment to grow. The core assets of the fund are invested mainly in UK and overseas equities and property, together with some bonds and, where appropriate, cash deposits. There are also some valuable guarantees built into the fund.
Scottish Widows With-Profits Income Fund	The aim of the fund is to deliver income to you from the beginning of your investment whilst still aiming to maintain the long-term value of the investment. The core assets of this fund are invested mainly in corporate bonds and property, with some cash deposits. There are also some valuable guarantees built into the fund.

SW LIFE FUNDS, MANAGED BY OTHER FUND MANAGERS

For investors who aim to enhance returns by accessing a particular investment style, we offer a broad range of funds from well-established fund managers. These include balanced managed funds, for investors who may prefer a ready-made investment portfolio, and a large number of specialist funds suitable for investors with specific investment requirements. Not all funds are available to all products; please see pages 42–44 for more details on the funds available for each of our products.



THE MANAGER

Allianz Global Investors is a diversified active investment manager with a strong parent company and a culture of risk management. With 25 offices worldwide, they provide global investment and research capabilities with consultative local delivery. They have more than €469 billion in AUM for individuals, families and institutions worldwide and employ over 540* investment professionals.

At Allianz Global Investors, they follow a two-word philosophy: Understand. Act. It describes how they look at the world and how they behave. They aim to stand out as the investment partner their clients trust by listening closely to understand their challenges, then acting decisively to provide them with solutions that meet their needs.

Data as at 30th June 2016 (*Data as at 31st March 2016)

*Source: Allianz Global Investors, September 2016

Funds available	ABI classification sector	Fund short code
SW Allianz European Equity Dividend Fund	Europe including UK Equities	AE



THE MANAGER

Artemis is a UK-based fund manager, offering a range of funds which invest in the UK, Europe, the US and around the world. Independent and owner-managed, Artemis opened for business in 1997. Its aim was, and still is, exemplary investment performance and client service. All Artemis' staff share these two precepts – and the same flair and enthusiasm for fund management.

The firm now manages some £23.8 billion* across a range of funds, two investment trusts, a hedge fund, a venture capital trust and both pooled and segregated institutional portfolios.

Artemis' fund managers invest in the funds that they and their colleagues manage. This has been a key tenet of Artemis' approach to investment since the firm started. It means that their fund managers' interests are directly aligned with those of their investors.

*Source: Artemis as at 31st October 2016

Funds available	ABI classification sector	Fund short code
SW Artemis UK Select Fund*	UK All Companies	RA
SW Artemis UK Smaller Companies Fund	UK Smaller Companies	RB
SW Artemis US Select Fund	North America Equities	RN

*Previously called the SW Artemis UK Growth Fund.



THE MANAGER

Aviva Investors is a global asset manager focussed on delivering specific investor outcomes.

They start by really listening to their clients, to understand their investment aspirations and concerns. Knowing what's important to their clients enables them to provide strategies and funds that focus on meeting their real needs and build relationships for the long term.

They are a global business managing over £318bn in assets as at 30th June 2016. They take a collaborative approach, acting as a single team to bring together the breadth and depth of their resources around the world with their local expertise for the benefit of their clients. They value creativity and empower their investment teams to find and execute great ideas. In-depth research and robust risk management underpin every investment decision they make.

At Aviva Investors, their entire organisation is united behind one common goal – to deliver the specific outcomes that matter most to today's investor.

Source: Aviva Investors, September 2016

Funds available	ABI classification sector	Fund short code
SW Aviva Investors High Yield Bond Fund	Sterling High Yield	VY
SW Aviva Investors Multi-Strategy ('AIMS') Target Income Fund	Targeted Absolute Return	VV
SW Aviva Investors Strategic Bond Fund	Sterling Strategic Bond	VS



THE MANAGER

Baillie Gifford is a global, independent investment management firm with £147.5 billion under management and advice (as at 30th September 2016). It manages investments globally for pension funds, institutions, charities and retail investors. Baillie Gifford is wholly owned by its 41 working partners (as at 30th June 2016). The partnership structure enables it to recruit and retain some of the best people in the industry and to focus entirely on investment management as its core business.

Baillie Gifford is an active fund manager. The firm has a highly analytical, research-driven approach and it builds portfolios from the bottom up. At the individual company level Baillie Gifford seeks to invest in companies with strong prospects for growth.

Source: Baillie Gifford, November 2016

Funds available	ABI classification sector	Fund short code
SW Baillie Gifford Multi-Asset Growth Fund	Specialist	C3



THE MANAGER

BlackRock helps people around the world, as well as the world's largest institutions and governments, pursue their investing goals. They offer:

- A comprehensive set of innovative solutions, including mutual funds, separately managed accounts, alternatives and iShares® ETFs
- Global market and investment insights
- Sophisticated risk and portfolio analytics

They work only for their clients, who have entrusted them with managing £3.93 trillion*, earning BlackRock the distinction of being trusted to manage more money than any other investment firm in the world.

*Assets under management as at 30th September 2016

Source: BlackRock, November 2016

Funds available	ABI classification sector	Fund short code
SW BlackRock Managed Fund	Mixed Investment 40% – 85% Shares	XA
SW BlackRock UK Fund†	UK All Companies	XB
SW BlackRock UK Smaller Companies Fund	UK Smaller Companies	XC
SW BlackRock UK Special Situations Fund	UK All Companies	XH

†Previously called the SW BlackRock UK Dynamic Fund.



Your success. Our priority.

THE MANAGER

Columbia Threadneedle Investments is a leading global asset management group that provides a broad range of actively managed investment strategies and solutions for individual, institutional and corporate clients around the world.

With more than 2000 people including over 450 investment professionals based in North America, Europe and Asia, they manage £361 billion of assets across developed and emerging market equities, fixed income, asset allocation solutions and alternatives.

Their priority is the investment success of their clients. They aim to deliver the investment outcomes their clients expect through an investment approach that is team-based, performance-driven and risk-aware. Their culture is dynamic and interactive. By sharing their insights across asset classes and geographies they generate richer perspectives on global, regional and local investment landscapes.

Source: Columbia Threadneedle, November 2016

Funds available	ABI classification sector	Fund short code
SW Threadneedle UK Social Bond Fund	Sterling Corporate Bond	YL



THE MANAGER

Fidelity International was founded in 1969. Since then, it has remained true to one simple goal: to achieve outstanding investment returns for its clients. This is recognised by numerous awards which reflect the performance of its funds, the quality of its research, its customer service and its technical innovation.

Building out from its first offices in Tokyo and London, it now serves individuals, institutions and multinational corporations and their advisers in all major financial centres across Asia Pacific, Europe and the Middle East. It is one of the largest fund management groups in the UK.

Assets totalling over £223 billion (as at 30th September 2016) are managed from worldwide locations including London, Bermuda, Milan, Paris, Tokyo, Mumbai, Seoul, Singapore, Melbourne, Sydney, Shanghai, Taipei and Dubai.

Source: Fidelity International, November 2016

Funds available	ABI classification sector	Fund short code
SW Fidelity American Fund	North America Equities	ZE
SW Fidelity European Fund	Europe excluding UK Equities	ZD
SW Fidelity Global Special Situations Fund	Global Equities	ZL
SW Fidelity Managed Fund	Mixed Investment 40% – 85% Shares	ZA
SW Fidelity MoneyBuilder Income Fund	Sterling Corporate Bond	ZO
SW Fidelity Asia Fund*	Asia Pacific excluding Japan Equities	ZH
SW Fidelity 50:50 Special Situations Fund	Global Equities	ZC
SW Fidelity Special Situations (2006) Fund	UK All Companies	ZK

*Previously called the SW Fidelity South-East Asia Fund.



THE MANAGER

Henderson Global Investors is a global asset manager focused on delivering excellent investment performance and service to their clients.

When Henderson was founded in 1934, the company was not named after a fund manager, an executive or an office location – rather, it was named after its first client. Eighty years of continuous service have nurtured a trusting relationship with clients – and the group continues to serve the Henderson family to this day.

Henderson is now an independent asset manager with assets under management of more than £95.0bn, more than 1000 employees and offices in 19 cities around the world.

Source: Henderson Group plc, at 30th June 2016

Funds available	ABI classification sector	Fund short code
SW Henderson Cautious Managed Fund*	Mixed Investment 20% – 60% Shares	NM
SW Henderson Fixed Interest Monthly Income Fund	Sterling Strategic Bond	NF
SW Henderson Global Equity Income Fund**	Global Equities	NI
SW Henderson UK Property Fund	UK Direct Property	NS

* This was previously called the SW Henderson Managed Distribution Fund.

** This was previously called SW Henderson Higher Income Fund.



THE MANAGER

Insight Investment is a specialist asset manager at the forefront of designing investment solutions to meet their clients' needs. Launched in 2002, Insight is responsible for assets under management of over £400 bn (as at 30th September 2015) across a number of strategies. It manages money for the most sophisticated institutional investors in the world including leading pension funds, sovereign wealth funds, insurance groups, local government, charities, other financial institutions and private investors.

BNY Mellon Investment Management is the global investment management arm of BNY Mellon, one of the world's major financial services groups with operations in 35 countries serving more than 100 markets.

At BNY Mellon Investment Management, their goal is to build and manage investment strategies that address the ever changing needs of their clients. With over US\$1.6 trillion assets under management (as at December 2015) we are rapidly becoming a trusted investment manager of choice for investors globally.

Source: Insight Investment, September 2016

Funds available	ABI classification sector	Fund short code
SW Insight Global Absolute Return Fund	Specialist	GR



THE MANAGER

Invesco Perpetual is one of the largest independent investment managers in the UK, managing £93.48bn in assets¹ on behalf of consumers and professional investors. Invesco Perpetual's highly-regarded investment management team is focused on finding attractive investment opportunities in all market conditions. Central to their approach is a belief in active fund management; building portfolios based on thorough research and analysis to identify the investment opportunities they consider most likely to provide strong long-term returns.

Invesco Perpetual forms part of Invesco Ltd., one of the world's leading independent investment management organisations dedicated to helping investors worldwide achieve their financial ambitions.

¹ Total assets managed by Invesco Perpetual's Henley based investment centre as at 31st October 2016.

Source: Invesco Perpetual, November 2016

Funds available	ABI classification sector	Fund short code
SW Invesco Perpetual Corporate Bond Fund	Sterling Corporate Bond	VH
SW Invesco Perpetual Distribution Fund	Mixed Investment 20% – 60% Shares	VJ
SW Invesco Perpetual Global Bond Fund	Global Fixed Interest	VI
SW Invesco Perpetual High Income Fund	UK Equity Income	VC
SW Invesco Perpetual Managed Fund	Mixed Investment 40% – 85% Shares	VA



THE MANAGER

Investec Asset Management is a specialist provider of active investment products and services. Established in South Africa in 1991, the firm has been built from a small start up, into an international business managing approximately £93 billion (as at 31st October 2016). Its clients include some of the world's largest private and public sector pension funds and range from foundations and central banks to intermediated and direct investors.

The business has grown largely organically from domestic roots in Southern Africa to a position where it proudly serves a growing international client base from the Americas, the UK, Continental Europe, Asia, the Middle East, Australia and Africa. It employs in excess of 160 investment professionals.

The firm seeks to create a profitable partnership between clients, shareholders and employees and its aim is to exceed its clients' investment and client service expectations and to manage their money to the highest possible standard.

Investec Asset Management is a significant component and independently managed entity within the Investec Group, which is listed in London and Johannesburg.

Source: Investec, November 2016

Funds available	ABI classification sector	Fund short code
SW Investec Cautious Managed Fund*	Mixed Investment 20% – 60% Shares	IC
SW Investec Diversified Growth Fund	Specialist	ID

* Previously called the SW Investec Total Return Fund.



THE MANAGER

J.P. Morgan Asset Management is one of the largest and best-known names in investment management. They are also part of JPMorgan Chase & Co, which is one of the world's most respected financial services companies. With a history stretching back more than 150 years, and with offices spanning the globe, they have long-standing investment experience and outstanding expertise across every key investment market and in all the world's major economic regions. As of 30th June 2016, JPMorgan Chase & Co has assets under management of £1.29 trillion.

Source J.P. Morgan Asset Management, November 2016

Funds available	ABI classification sector	Fund short code
SW JPM Global Macro Balanced Fund*	Specialist	YB
SW JPM Emerging Markets Fund	Global Emerging Markets Equities	YF
SW JPM Europe Dynamic (ex UK) Fund	Europe excluding UK Equities	YC
SW JPM Natural Resources Fund	Commodity/Energy	YD

* Previously called the SW JPM Cautious Managed Fund.



THE MANAGER

Jupiter was founded in 1985 and has since become one of the UK's most respected investment management groups. Jupiter manages investments across a range of UK and offshore mutual funds, multi-manager products, institutional mandates and Investment Trust Companies. Jupiter currently manages some £40.4 billion (as at 30th September 2016) worth of assets.

Skilled equity investment is central to Jupiter's strength and reputation, complemented by a growing capability in fixed income, global convertibles and absolute return funds. In recent years, Jupiter has launched a number of funds, which includes the emerging markets sector.

In June 2010 Jupiter listed on the London Stock Exchange. Since then many of their fund managers and employees continue to hold shares in the Company and, in addition, they encourage their fund managers to invest their own money into Jupiter funds, helping to create what they believe to be a stable environment in which the interests of their fund managers and other employees are aligned with those of their customers.

Source: Jupiter, November 2016

Funds available	ABI classification sector	Fund short code
SW Jupiter Distribution Fund	Mixed Investment 20% – 60% Shares	JD
SW Jupiter Income Fund	UK Equity Income	JI
SW Jupiter UK Growth Fund	UK All Companies	JG



THE MANAGER

Liontrust is a specialist fund management business that was launched in 1995, was listed on the London Stock Exchange in 1999 and has £5.3 billion in assets under management (as at 8th July 2016). They have six fund management teams investing in UK, Continental European, Asian and Global Equities and a seventh team managing Multi-Asset model portfolios. All their fund managers are independent thinkers, have the courage of their convictions in making investment decisions and have the freedom to manage their portfolios according to their own distinct investment processes and market views. Their rigorous investment processes ensure the way their fund managers run money is predictable and repeatable.

Source: Liontrust, September 2016

Funds available	ABI classification sector	Fund short code
SW Liontrust UK Smaller Companies Fund	UK Smaller Companies	LK



THE MANAGER

Newton Investment Management Limited (Newton) is one of BNY Mellon Investment Management's specialist asset managers. BNY Mellon Investment Management is the global investment management arm of BNY Mellon, one of the world's major financial services groups.

BNY Mellon Investment Management's multi-boutique model encompasses the investment skills of a number of world class specialist investment managers in its UK range, including Newton, Standish, The Boston Company, Walter Scott and Insight Investment. With over \$1.7 trillion in assets under management (as of 30th September 2016), BNY Mellon Investment Management holds a number of market leading positions globally.

Newton is one of the pioneers of global thematic investing and this philosophy has been fundamental in the delivery of compelling performance in rising and falling markets. The firm terms its investment approach as 'active stock and bond selection within a global framework'. This approach involves the skills of active fund management on a daily basis and recognises that no one market in the world operates independently from activities and developments in others around the world.

Source: The Bank of New York Mellon, September 2016.

Funds available	ABI classification sector	Fund short code
SW Newton Global Equity Fund*	Global Equities	TE
SW Newton UK Income Fund**	UK Equity Income	TC
SW Newton International Bond Fund	Global Fixed Interest	TG
SW Newton Managed Fund	Mixed Investment 40% – 85% Shares	TA

* This was previously called the SW Newton International Growth Fund.

** This was previously called the SW Newton Higher Income Fund.



THE MANAGER

Nordea Asset Management (NAM, AuM £170bn*), is part of the Nordea Group, the largest financial services group in Northern Europe (AuM £253bn*). NAM offers European and global investors exposure to a broad set of investment funds. They serve a wide range of institutional clients, such as pension funds, and distributors, which include banks, asset managers, independent financial advisors and insurance companies.

Nordea Asset Management has a presence in Cologne, Copenhagen, Frankfurt, Helsinki, London, Luxembourg, Madrid, Milan, New York, Oslo, Paris, Sao Paulo, Singapore, Stockholm, Vienna and Zurich. Nordea's local presence goes hand in hand with the objective of being accessible and offering the best service to clients.

Nordea's success is based on a sustainable and unique multi-boutique approach that combines the expertise of specialised internal boutiques with exclusive external competences allowing them to deliver alpha in a stable way for the benefit of their clients. NAM solutions cover all asset classes from fixed income and equity to multi asset solutions, and manage local and European as well as US, global and emerging market products.

*Source: Nordea, 30.06.2016

Funds available	ABI classification sector	Fund short code
SW Nordea 1-GBP Diversified Return Fund	Specialist	NV



THE MANAGER

Payden & Rygel is a wholly employee-owned global investment management firm, offering investment solutions to institutional clients around the world. They have US\$100bn assets under management, covering the full range of fixed income sectors as well as income oriented global equity strategies. They expect to deliver excellent risk-adjusted returns while avoiding negative surprises and they look to achieve this through a collaborative, team based approach to investing. Individuals are incentivised to share ideas and thereby generate added value across a broad range of mandates. Top-down, thematic positioning, sector rotation and individual issue selection are all important in achieving the best outcomes. They employ state-of-the art risk measurement and management procedures, but believe that their most important risk control is the considered judgment of their experienced investment professionals.

Source: Payden & Rygel, September 2016

Funds available	ABI classification sector	Fund short code
SW Payden Absolute Return Bond Fund	Flexible Investment	AZ



THE MANAGER

Established in 1988, Royal London Asset Management (RLAM) is one of the UK's leading fund management companies, providing investment management solutions for a wide range of clients.

Their size and scale means they can offer clients access to the major asset classes, including UK and overseas equities, government bonds, investment grade and high yield corporate bonds, multi asset, property and cash. Their experienced team of investment specialists manages over £93 billion of assets (at 30/06/2016).

They have a proven track record of delivering high quality investment management services and pride themselves on the breadth and quality of their investment options.

Source: Royal London, September 2016

Funds available	ABI classification sector	Fund short code
SW Royal London UK Equity Income Fund	UK Equity Income	RI



THE MANAGER

At Schroders, asset management is their business and their goals are completely aligned with those of their clients – the creation of long-term value.

They manage £375.0 billion (€433.5 billion/\$487.1 billion) on behalf of institutional and retail investors, financial institutions and high net worth clients from around the world, invested in a broad range of asset classes across equities, fixed income, multi-asset and alternatives.

They employ over 4000 talented people worldwide operating from 37 offices in 27 different countries across Europe, the Americas, Asia and the Middle East, close to the markets in which they invest and close to their clients.

Schroders has developed under stable ownership for over 200 years and long-term thinking governs their approach to investing, building client relationships and growing their business.

Source: Schroders, all data as at 30th September 2016

Funds available	ABI classification sector	Fund short code
SW Schroder Gilt & Fixed Interest Fund	UK Gilts	UI
SW Schroder Global Cities Real Estate Fund*	Global Property	UY
SW Schroder Income Maximiser Fund	UK Equity Income	UN
SW Schroder Managed Fund	Mixed Investment 40% – 85% Shares	UA
SW Schroder Tokyo Fund	Japan Equities	UE
SW Schroder UK Alpha Plus Fund	UK All Companies	UP
SW Schroder UK Mid 250 Fund	UK All Companies	UJ
SW Schroder US Smaller Companies Fund	North America Equities	UF

*Previously called the SW Schroder Global Securities Real Estate Fund.



THE MANAGER

Veritas is a UK based boutique manager of Asian and Global Equity funds. Veritas opened for business in 2003 remaining an independent owner managed partnership ever since. Their focus is on protecting and growing the real value of clients capital. The partnership now manages £12bn (as at 30th June 2016) across their pooled funds and segregated institutional accounts. They believe their partnership ownership structure coupled with partners investing their own capital in Veritas' own funds alongside those of their clients, on the same commercial terms, allows members of the partnership to align interests directly with those of their clients.

Source: Veritas, August 2016

Funds available	ABI classification sector	Fund short code
SW Veritas Asian Fund	Asia Pacific excluding Japan equities	VT



THE MANAGER

Woodford Investment Management (Woodford) was established in 2014 – the opportunity for Neil Woodford to distil his 30 years of experience and learning into a business founded on his own principles.

In establishing their business, they have had an unrivalled opportunity to build a stable and successful business that their clients can have complete confidence in and that provides certainty in a world of uncertain outcomes. Their ambition was not to be just another fund management company but to create something different and better for investors. At its simplest, their business has been built with a complete focus on the long-term management of their clients' money and this has resulted in a dynamic environment in which fund managers can focus solely on investing and delivering the performance their investors expect.

Simplicity, transparency and openness are at the heart of their culture, and all areas of the business – from investment and operations to distribution – are united by a shared and complete focus on client outcomes and the goal of exceptional long-term performance.

Their proposition has been well received by the market and they are delighted by the support received from all types of investor. Assets under management have grown steadily since launch to £15bn (source Northern Trust, as at 31st May 2016), and their current product range includes both open-ended and closed-ended funds and institutional mandates.

Source: Woodford, September 2016

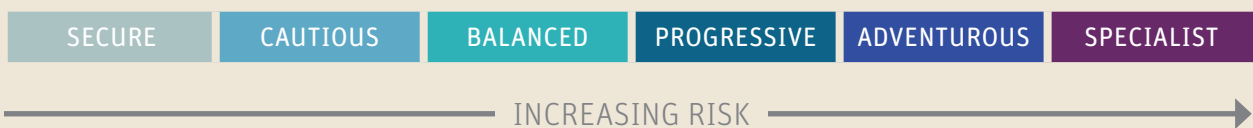
Funds available	ABI classification sector	Fund short code
SW Woodford Equity Income Fund	UK Equity Income	WK

INVESTMENT APPROACHES

While there are a number of ways to evaluate risk, we use the following definitions to help you decide on the appropriate investment approach for you.

Please be aware that we review the investment approach definitions and the investment approach for the funds regularly, so these may change. You can find information on current investment approaches and notification of any changes at www.scottishwidows.co.uk/investmentapproaches

SECURE	CAUTIOUS	BALANCED	PROGRESSIVE	ADVENTUROUS	SPECIALIST
These investments provide safety to the amount invested and can be expected to offer relatively low growth over the medium to long-term. They cannot fall in actual value, but can fall in 'real' value due to the effects of inflation.	These investments are expected to have a relatively modest risk to the capital value and/or income. They have the potential to provide income, and/or, over the medium to long-term, relatively modest capital growth. The capital value may fluctuate, although some products may offer an element of capital protection.	These investments carry a risk of loss to capital value but have the potential for capital growth and/or income over the medium to long-term. Typically they do not have any guarantees and will fluctuate in capital value.	These investments are expected to have a relatively significant risk of loss to capital value, but with the potential of relatively more capital growth over the medium to long-term. They do not offer any guarantees and will fluctuate in capital value.	These investments carry a relatively much higher risk of capital loss but with the potential for relatively higher capital growth over the medium to long-term. They may be subject to a considerable level of fluctuation in capital value. They do not offer any guarantees.	These investments carry a very high risk of capital loss, but with the potential for a higher return over the long-term. They are very volatile and are only suitable for clients who can afford to, and are prepared to, risk the entire capital value. They do not offer any guarantees.



INVESTMENT PERIODS

We categorise investment periods as follows:

Short-term: up to 5 years, **Medium-term:** between 5 and 10 years, **Long-term:** over 10 years.

SCOTTISH WIDOWS LIFE FUNDS INVESTMENT APPROACHES

CAUTIOUS
Scottish Widows Cash Fund
Scottish Widows Cautious Managed Fund
Scottish Widows Cautious Portfolio Fund
Scottish Widows Cautious Solution Fund
Scottish Widows Corporate Bond Fund
Scottish Widows Defensive Solution Fund
Scottish Widows Fixed Interest Fund
Scottish Widows SafetyPlus® Fund
SW Fidelity MoneyBuilder Income Fund
SW Invesco Perpetual Corporate Bond Fund
SW Schroder Gilt & Fixed Interest Fund
SW Threadneedle UK Social Bond Fund

BALANCED
Scottish Widows Balanced Portfolio Fund
Scottish Widows Balanced Solution Fund
Scottish Widows Defensive Managed Fund
Scottish Widows Discovery Solution Fund
Scottish Widows Diversified Assets Fund
Scottish Widows Strategic Income Bond Fund
Scottish Widows Unitised With-Profits Fund
Scottish Widows With-Profits Income Fund
SW Aviva Investors Multi-Strategy ('AIMS') Target Income Fund
SW Aviva Investors Strategic Bond Fund
SW Baillie Gifford Multi-Asset Growth Fund
SW Henderson Fixed Interest Monthly Income Fund
SW Insight Global Absolute Return Fund
SW Invesco Perpetual Distribution Fund
SW Invesco Perpetual Global Bond Fund
SW Investec Diversified Growth Fund
SW JPM Global Macro Balanced Fund*
SW Jupiter Distribution Fund
SW Newton International Bond Fund
SW Payden Absolute Return Bond Fund

*Previously called the SW JPM Cautious Managed Fund.

PROGRESSIVE
Scottish Widows Consensus Fund
Scottish Widows Dynamic Solution Fund
Scottish Widows Dynamic Property Fund
Scottish Widows High Income Bond Fund
Scottish Widows Indexed Stock Fund
Scottish Widows Mixed Fund
Scottish Widows Opportunities Portfolio Fund
Scottish Widows Progressive Portfolio Fund
Scottish Widows Property Fund
Scottish Widows Strategic Solution Fund
Scottish Widows With-Profits Growth Fund
SW Aviva Investors High Yield Bond Fund
SW BlackRock Managed Fund
SW Fidelity Managed Fund
SW Henderson Cautious Managed Fund
SW Henderson UK Property Fund
SW Invesco Perpetual Managed Fund
SW Investec Cautious Managed Fund
SW Newton Managed Fund
SW Nordea 1 – GBP Diversified Return Fund
SW Schroder Managed Fund

ADVENTUROUS
Scottish Widows Adventurous Solution Fund
Scottish Widows Environmental Fund
Scottish Widows Ethical Fund
Scottish Widows European Fund
Scottish Widows European Real Estate Fund
Scottish Widows Fundamental Index Global Equity Fund
Scottish Widows Fundamental Index UK Equity Fund
Scottish Widows Fundamental Low Volatility Index Global Equity Fund
Scottish Widows Fundamental Low Volatility Index UK Equity Fund
Scottish Widows Global Equity Fund
Scottish Widows International Fund
Scottish Widows Multi-Manager Global Real Estate Fund
Scottish Widows Multi-Manager International Equity Fund
Scottish Widows Multi-Manager UK Equity Focus Fund
Scottish Widows Multi-Manager UK Equity Growth Fund

ADVENTUROUS (continued)
Scottish Widows Multi-Manager UK Equity Income Fund
Scottish Widows North American Fund
Scottish Widows UK Equity Fund
Scottish Widows UK Equity Index Fund
Scottish Widows UK Opportunities Fund
Scottish Widows UK Real Estate Fund
SW Allianz European Equity Dividend Fund
SW Artemis UK Select Fund*
SW Artemis UK Smaller Companies Fund
SW Artemis US Select Fund
SW BlackRock UK Fund
SW BlackRock UK Smaller Companies Fund
SW BlackRock UK Special Situations Fund
SW Fidelity American Fund
SW Fidelity European Fund
SW Fidelity Global Special Situations Fund
SW Fidelity Special Situations (2006) Fund
SW Fidelity 50:50 Special Situations Fund
SW Henderson Global Equity Income Fund
SW Invesco Perpetual High Income Fund
SW JPM Europe Dynamic (ex UK) Fund
SW Jupiter Income Fund
SW Jupiter UK Growth Fund
SW Liontrust UK Smaller Companies Fund
SW Newton Global Equity Fund
SW Newton UK Income Fund
SW Royal London UK Equity Income Fund
SW Schroder Global Cities Real Estate Fund **
SW Schroder Income Maximiser Fund
SW Schroder UK Alpha Plus Fund
SW Schroder UK Mid 250 Fund
SW Woodford Equity Income Fund

*Previously called the SW Artemis UK Growth Fund.

**Previously called the SW Schroder Global Securities Real Estate Fund.

SPECIALIST
Scottish Widows Emerging Markets Fund
Scottish Widows Fundamental Index Emerging Markets Equity Fund
Scottish Widows Fundamental Low Volatility Index Emerging Markets Equity Fund
Scottish Widows Japanese Fund
SW Fidelity Asia Fund*
SW JPM Emerging Markets Fund
SW JPM Natural Resources Fund
SW Schroder Tokyo Fund
SW Schroder US Smaller Companies Fund
SW Veritas Asian Fund

*Previously called the SW Fidelity South-East Asia Fund.

We may change the selection of funds that we make available. Please be aware that the definitions or investment approach rating for specific funds may change in the future.

DETAILS OF THE FUND AIMS AND IMPORTANT INFORMATION

The Scottish Widows unit-linked funds aim to provide long-term growth in the price of units. This is generated by a combination of capital growth as well as income that is added to the fund.

A proportion of each unit-linked fund may be held in cash to provide liquidity or while awaiting suitable investments.

The Scottish Widows unit-linked funds can invest in other unit-linked funds or in collective investment schemes (for example open-ended investment companies (OEICs) or unit trusts) to achieve exposure to meet the stated fund aims.

Some funds may use derivatives (contracts which have a value linked to the price of another asset) to help reduce risk or reduce cost, or to help generate extra capital or income. This is normally referred to as Efficient Portfolio Management (EPM). It is not intended that this will cause the risk profile of these funds to change, but using derivatives might not achieve the described outcomes and may result in greater fluctuations in the values of these funds.

The funds may engage in 'securities lending'. This is where a fund lends out some of its assets with an agreement that the borrower will return them after a limited period. The borrower pays a fee which is added to the fund after the costs associated with the lending have been deducted. The fund receives other assets and possibly a cash payment as security during the lending period for the assets lent. There is a risk that the borrower may be unable to return the fund's assets and, if this happens, the other assets would be sold. If the sale proceeds and any other payments due to the fund were not enough to replace the assets lent, the fund would go down in value.

The individual aims of the Scottish Widows life funds currently available are shown on pages 22–39.

There are charges associated with investing in the funds. The charges can be different for different funds and can change. For details of the charges, please contact your financial adviser or Scottish Widows.

Full terms and conditions are available on request from Scottish Widows. Charges, terms and limits may change.

The value of an investment is not guaranteed and can go up and down depending on investment performance (and currency exchange rates where a fund invests overseas) and you may get back less than you invested.

There may be restrictions on the amount you can invest in certain funds. Please contact us for details of any restrictions that apply. We may change the selection of funds that we make available.

We reserve the right to delay a request to sell your units in certain circumstances. The period of delay will not be more than six months if the units to be cancelled include units which relate to a fund which holds directly or indirectly assets in the form of real or heritable property. It will not be more than one month in all other cases. This may happen in exceptional circumstances where, for example, there is an unusually high demand for units to be cashed in. For more details please see the relevant Policy Provisions for your investment with us.

ABI SECTOR INFORMATION

ABI sectors are designed by the Association of British Insurers. They aim to group funds with similar characteristics and can help investors compare funds. However, they are not designed to reflect the risk level of funds. For more information about how we classify the risk level of the funds in this guide, please see page 13.

The Mixed Investment Shares sectors reflect the maximum and minimum amount of a fund that can be invested in shares. Please note that fund managers may often invest at or near the maximum amount in shares.

Funds in the Mixed Investment Shares sectors can hold a range of other investments in addition to shares (for example bonds, property and cash) and may use a range of different investment strategies.

The Mixed Investment Shares sectors group together funds that are broadly similar (on the basis of their shares content) for comparison purposes. To give fund managers flexibility, the criteria for each sector overlap. So funds may sometimes meet the requirements for more than one sector.

UK shares are investments in companies quoted on the UK stock market. Overseas shares are investments in companies quoted on non-UK stock markets.

Where any of the following general risks apply to a fund, they will be indicated beside the aims of the fund shown in the next section. Any specific risks associated with a fund will also be shown here.

- DV** The fund uses derivatives and forward transactions for specific investment purposes, as well as for hedging and other efficient portfolio management purposes. Their use may lead to higher volatility.
- EM** This fund invests in emerging markets so might invest in stockmarkets which are generally less well regulated than those in the UK. This may result in a greater risk that the value of the units might go down. The investments in these markets might also be bought and sold infrequently therefore resulting in large changes in their prices.
- EQ** This fund invests in company shares (often referred to as 'equities'). Investing in company shares generally has the potential for higher capital growth over the longer term than investing in say, corporate bonds and other fixed interest securities. However there might be considerable fluctuations in equity prices and there is a greater risk that the value of the investment will fall.
- FI** Some of the securities in which this fund invests might default or their credit rating might fall. The value of those investments will usually fall should an issuer default or receive a reduced credit rating. Fluctuations in interest rates are likely to affect the value of the securities held by the fund. If long-term interest rates rise, the value of the units is likely to fall and vice versa.
- FIG** This fund may invest more than 35% in government or public securities issued by a single issuer. There could be a risk, for example, that they can't repay the amount borrowed. If they don't repay, the value of the fund will fall.
- HY** This fund invests in high yielding fixed interest securities, which carry an increased risk of default and, for which, there is a higher risk that the issuer's credit rating may fall. The value of these investments will usually fall should an issuer default or receive a reduced credit rating or should the likelihood of these events increase.
- OS** Exchange rate changes might cause the value of any overseas investment to go up or down.
- PR** Your investment in this fund is at risk. There is no guarantee that the fund will deliver positive returns over the specific, or any, time period.
- PY** This fund invests in property and land. This can be difficult to sell, so it may not be possible to cash in the investment when you want to. We may have to delay acting on your instructions to sell the investment. The value of property is generally a matter of a valuer's opinion rather than fact and values can go up or down. Property transactions tend to be larger and more complex than for other asset classes. As a result the proportion of cash held while awaiting suitable investment opportunities could be greater than for other funds.
- PYS** Property is a less liquid asset than other assets such as fixed interest securities or equities and values could be affected if properties need to be sold in a short timescale. Property valuation is generally a matter of judgement by an independent valuer rather than fact and values can go up or down.
- SC** This fund invests in smaller companies whose shares tend to be bought and sold less frequently than larger companies. There may be large changes in the prices of their shares and their value could fall by large amounts. The price variations of smaller companies might be greater than those of large companies.
- SP** This fund has a select portfolio, which has a limited number of stocks. By investing in a select portfolio there might be greater fluctuations in the value of the units than with a wider portfolio.

This section lists each fund within its ABI sector. For more information about ABI sectors, please see page 16.

ASIA PACIFIC EXCLUDING JAPAN EQUITIES SECTOR

Fund	Fund aim	Fund risks
SW Fidelity Asia Fund*	The fund aims for long-term growth from a portfolio made up of the shares of companies throughout the Pacific Basin (but excluding Japan) by investing solely in the Fidelity South-East Asia OEIC fund. There is likely to be a bias towards larger companies.	EM EQ OS
SW Veritas Asian Fund	Veritas describe their fund's aim as follows: To build capital for long-term investors over a number of years through investment in a focused portfolio of equities and equity related securities in companies located in Asia (excluding Japan).	DV EM EQ FI OS

*Previously called the SW Fidelity South-East Asia Fund.

COMMODITY/ENERGY SECTOR

Fund	Fund aim	Fund risks
SW JPM Natural Resources Fund	J.P. Morgan describe their fund's aim as follows: to provide a portfolio primarily of shares in companies throughout the world engaged in the production and marketing of commodities. The fund aims to provide capital growth over the long term.	EM EQ OS SC

EUROPE EXCLUDING UK EQUITIES SECTOR

Fund	Fund aim	Fund risks
Scottish Widows European Fund	To achieve long-term growth by investing mainly in continental European company shares. The fund invests via the Scottish Widows European Growth OEIC Fund. For more information on the Scottish Widows European Growth OEIC Fund, such as the strategy used to meet its objectives, please see the factsheet for the OEIC Fund at http://factsheets.financialexpress.net/swfc/TS61_SWOEG.pdf	EQ OS Specific risk As the Fund invests predominantly in companies which are part of the MSCI Europe ex UK Index performance, before charges, may fall and rise with the Index.
SW Fidelity European Fund	The fund aims for long-term growth from a portfolio made up mainly of the shares of continental European companies. The focus is likely to be towards smaller and medium-sized companies. Investment is solely through the Fidelity European OEIC fund.	EQ OS
SW JPM Europe Dynamic (ex UK) Fund	J.P. Morgan describe their fund's aim as follows: to maximise long-term capital growth by investing primarily in continental European equities.	EQ OS

EUROPE INCLUDING UK EQUITIES

Fund	Fund aim	Fund risks
SW Allianz European Equity Dividend Fund	<p>Allianz describe their fund's aim as follows: To generate capital growth in the long term.</p> <p>The fund invests at least 75% of the fund's assets directly or using derivatives in equities and equivalent securities of companies which the fund manager believes achieve an adequate dividend return and which are located in an EU-member state, Norway or Iceland. Up to 20% of the fund's assets may be invested in companies located in an emerging market. The fund may also invest in other equities and equivalent securities.</p>	<p>(DV) (EM) (EQ) (OS)</p>







FLEXIBLE INVESTMENT SECTOR

Fund	Fund aim	Fund risks
SW Payden Absolute Return Bond Fund	<p>Payden describe their fund's aim as follows: To achieve a return of LIBOR +3% over a 3-year period, while seeking preservation of capital.</p> <p>The fund invests in a diversified, multi sector portfolio of government, corporate, securitised and emerging market debt.</p> <p>Please note: the Scottish Widows unit-linked funds aim to provide long-term growth in the price of units. Any income generated will not be distributed, but added to the fund value.</p>	<p>(DV) (EM) (EQ) (FI) (OS) (PY) (SP)</p>

GLOBAL EMERGING MARKETS EQUITIES SECTOR

Fund	Fund aim	Fund risks
Scottish Widows Emerging Markets Fund	The fund aims to achieve long-term growth by investing mainly in shares of companies operating in developing countries worldwide.	(EM) (EQ) (OS)
Scottish Widows Fundamental Index Emerging Markets Equity Fund	The fund aims to provide long term capital growth based on the performance of emerging markets equities by tracking the FTSE RAFI Emerging Index. The Fund will invest primarily in Emerging Market equities.	(DV) (EM) (EQ) (OS)
Scottish Widows Fundamental Low Volatility Index Emerging Markets Equity Fund	The fund aims to provide long term capital growth based on the performance of low volatility emerging market equities by tracking the FTSE RAFI Emerging Low Volatility Index. The Fund will invest primarily in low volatility emerging market equities.	(DV) (EM) (EQ) (OS)
SW JPM Emerging Markets Fund	J.P. Morgan describe their fund's aim as follows: to provide long term capital growth by investing primarily in equity and equity-linked securities of emerging markets companies. Other instruments as permitted in the stated investment and borrowing powers of the Company including, but not limited to, fixed interest securities, cash and cash equivalents may be held on an ancillary basis, as appropriate.	(EM) (EQ) (OS)

GLOBAL EQUITIES SECTOR

Fund	Fund aim	Fund risks
Scottish Widows Fundamental Index Global Equity Fund	The fund aims to provide long term capital growth based on the performance of the Global Equity Market by tracking the FTSE RAFI Developed 1000 Index. The Fund will invest primarily in Global equities.	
Scottish Widows Fundamental Low Volatility Index Global Equity Fund	The fund aims to provide long term capital growth based on the performance of low volatility global equities by tracking the FTSE RAFI Developed Low Volatility Index. The Fund will invest primarily in low volatility global equities.	
Scottish Widows Global Equity Fund	To achieve long-term growth by investing mainly in company shares in any economic sector in any geographical area including the UK. The fund invests via the Scottish Widows Global Growth OEIC Fund. For more information on the Scottish Widows Global Growth OEIC Fund, such as the strategy used to meet its objectives, please see the factsheet for the OEIC Fund at http://factsheets.financialexpress.net/swfc/TS68_SWOGG.pdf	 <p>Specific risk</p> <p>As the Fund invests predominantly in companies which are part of the MSCI World Index or the MSCI Emerging Markets Index, performance, before charges, may fall and rise with the Indices.</p>
Scottish Widows International Fund	The fund aims to achieve long-term growth by investing mainly in overseas company shares. The fund may invest in some UK-based companies with international interests. The fund can also invest in fixed interest securities.	
Scottish Widows Multi-Manager International Equity Fund	The fund aims to achieve long-term growth by investing in a diversified portfolio of mainly equities issued by companies across the world, excluding the UK. The portfolio's investments will be managed by a number of fund managers.	
Scottish Widows Opportunities Portfolio	The fund aims to achieve long-term growth by investing mainly in multi-manager funds. The fund will invest at least 80% in equity funds with a low proportion in fixed interest security funds (the fixed interest security funds will invest mainly in high quality fixed interest securities, including corporate bonds). The equity and fixed interest security funds will invest in UK and overseas markets. The multi-manager funds are currently provided by a subsidiary of Aberdeen Asset Management and also the Russell Investment Group. Exposure to the multi-manager funds is currently provided through the Scottish Widows Opportunities Portfolio OEIC Fund although investment may be made through other unit-linked funds, collective investment schemes, or directly to meet the stated fund aims.	

GLOBAL EQUITIES SECTOR (CONTINUED)

Fund	Fund aim	Fund risks
<p>SW Fidelity 50:50 Special Situations Fund</p>	<p>The fund aims to achieve long-term growth from a portfolio primarily made up of the shares of companies around the world, but with a bias towards the UK. The fund is invested approximately 50% in the Fidelity Special Situations Fund and 50% in the Fidelity Global Special Situations Fund.</p> <p>Investments are not restricted by company size, industry or geographic region and will largely be determined by the availability of attractive investment opportunities. The Fund may also invest in other types of transferable securities (such as fixed interest securities), units in collective investment schemes, money market instruments, cash and deposits. Derivatives and forward transactions may also be used to assist in the efficient management of the portfolio or with the aim of enhancing returns.</p>	<p>EM EQ OS SC</p> <p>Specific risk</p> <p>Fidelity employs a risk management process to oversee and manage derivative exposure within the Fund. The use of derivative techniques in this Fund has the overall intention of reducing the volatility of returns, although this outcome is not guaranteed, and derivatives held may at times lead to increased price volatility. As such investors should be prepared to accept above average volatility and risk that derivative related investment can create.</p>
<p>SW Fidelity Global Special Situations Fund</p>	<p>The fund aims to achieve long-term growth from a portfolio primarily made up of the shares of companies around the world. Investments are not restricted by company size, industry or geographic region and will largely be determined by the availability of attractive investment opportunities. The fund may also invest in other types of transferable securities (such as fixed interest securities), units in collective investment schemes, money market instruments, cash and deposits. Derivatives and forward transactions may also be used to assist in the efficient management of the portfolio or with the aim of enhancing returns.</p>	<p>EM EQ OS SC</p> <p>Specific risk</p> <p>Fidelity employs a risk management process to oversee and manage derivative exposure within the Fund. The use of derivative techniques in this Fund has the overall intention of reducing the volatility of returns, although this outcome is not guaranteed, and derivatives held may at times lead to increased price volatility. As such investors should be prepared to accept above average volatility and risk that derivative related investment can create.</p>
<p>SW Henderson Global Equity Income Fund*</p> <p>* Previously called the SW Henderson Higher Income Fund.</p>	<p>Henderson describe their fund's aim as follows: to achieve an income in excess of that of the MSCI World Index with the potential for long-term capital growth. The Fund will invest principally in global equities. In addition to ordinary shares, the Fund may also invest in fixed interest securities, preference shares, debt securities convertible into ordinary stock, money market instruments, cash and near cash and deposits.</p> <p>Please note: the Scottish Widows unit-linked funds aim to provide long-term growth in the price of units. Any income generated will not be distributed, but added to the fund value.</p>	<p>EQ FI OS</p>
<p>SW Newton Global Equity Fund*</p> <p>* Previously called the SW Newton International Growth Fund</p>	<p>The fund aims for long-term growth from a portfolio of international securities. Investment is solely through the Newton Global Equity OEIC fund.</p>	<p>EM EQ OS</p>

GLOBAL FIXED INTEREST SECTOR

Fund	Fund aim	Fund risks
SW Invesco Perpetual Global Bond Fund	Invesco Perpetual describe their fund's aim as follows: The fund aims to achieve a combination of income and capital growth over the medium to long term by investing primarily in debt securities and currencies globally. Debt securities include government bonds, as well as securities issued by supranational bodies, local authorities, national public bodies and corporate issuers. The Fund may also invest in high yield, unrated, convertible, sub-investment grade debt securities. Financial derivative instruments can be used for investment purposes and for efficient portfolio management. Please note: The Scottish Widows unit-linked funds aim to provide long term growth in the price of the units. Any income generated will not be distributed but added to the fund value.	DV EM FI FIG OS
SW Newton International Bond Fund	The fund aims for long-term total return from income and capital growth in the world bond markets. The fund invests solely through the Newton International Bond OEIC Fund.	DV EM FI FIG OS

GLOBAL PROPERTY SECTOR

Fund	Fund aim	Fund risks
Scottish Widows Dynamic Property Fund	The fund aims to achieve long-term growth. It does this by investing in other funds which invest in a portfolio of commercial property and shares of listed companies and other investments. The fund can also directly invest a significant proportion in individual real estate securities, including real estate investment trusts (REITs). The activities of the fund's investments include the ownership, management and/or development of real estate. The fund will be invested both in the UK and overseas.	EQ OS Specific risk Due to the specialist nature of its investments, the fund may at times experience difficulty in realising its underlying holdings which may affect the prices that can be obtained.
Scottish Widows European Real Estate Fund	The fund aims to achieve long-term growth by investing principally in a portfolio of companies whose activities include the ownership, management or development of real estate in Europe including the UK.	EQ OS
Scottish Widows Multi-Manager Global Real Estate Fund	The fund aims to achieve long-term growth by investing principally in a globally diversified portfolio of shares of listed companies, real estate investment trusts (REITs) and other investments, the activities of which include the ownership, management and/or development of global real estate. The portfolio's investments will be managed by a number of fund managers. Fund managers are selected and assets are allocated in conjunction with Russell Investment Group.	EQ OS
SW Schroder Global Cities Real Estate Fund*	The fund aims to achieve long-term growth primarily through investment in real estate investment trusts (REITs) and other investments, the activities of which include the ownership, management and/or development of global real estate.	EQ OS SP

*Previously called the SW Schroder Global Securities Real Estate Fund.

JAPAN EQUITIES SECTOR

Fund	Fund aim	Fund risks
Scottish Widows Japanese Fund	To achieve long-term growth investing mainly in Japanese company shares. The fund invests via the Scottish Widows Japan Growth OEIC Fund. For more information on the Scottish Widows Japan Growth OEIC Fund, such as the strategy used to meet its objectives, please see the factsheet for the OEIC Fund at http://factsheets.financialexpress.net/swfc/LB22_SWOJG.pdf	<p>EQ OS</p> <p>Specific risk As the Fund invests predominantly in companies which are part of the MSCI Japan Index , performance, before charges, may fall and rise with the Index.</p>
SW Schroder Tokyo Fund	The fund aims for long-term growth by investing in Japanese company shares. The Fund Manager focuses on companies with a proven track record and profits growth prospects which are not fully reflected in the current share price relative to other companies. Investment is solely through the Schroder Tokyo Unit Trust.	<p>EQ OS</p>

MIXED INVESTMENT 0% – 35% SHARES SECTOR

Fund	Fund aim	Fund risks
Scottish Widows Defensive Managed Fund	The fund aims for long-term growth by investing in a diversified portfolio of mainly UK government fixed interest securities and corporate bonds, but with a significant proportion in UK equities. It also invests in property.	<p>EQ FI PY</p>

MIXED INVESTMENT 20% – 60% SHARES SECTOR

Fund	Fund aim	Fund risks
Scottish Widows Cautious Managed Fund	The fund aims for long-term growth by investing in a diversified portfolio of mainly UK equities, and government and corporate fixed interest securities, including some investment in higher risk securities. It also invests in property.	EQ FI HY PY
Scottish Widows Diversified Assets Fund	<p>The Fund aims to achieve a total return of cash (Bank of England Base Rate) plus 3.25% p.a. over the long term, gross of fees and tax (where applicable). Risk is managed by diversifying the fund's holdings across a range of asset classes and geographic regions. The Fund's holdings will vary over time to reflect the market view of the fund manager. Investments will include exposure to equities, fixed interest securities, money market instruments and cash deposits. The exposure may be achieved either directly or indirectly through other funds such as collective investment schemes.</p> <p>The Fund may also gain indirect exposure to alternative asset classes (such as property, private equity and permitted commodities) through investment in units and/or shares of funds, companies and other vehicles which invest in such assets.</p> <p>The Fund may also invest in hedge and absolute return type funds.</p> <p>In certain market conditions, all of the assets of the Fund may at any time consist of fixed interest securities, money market instruments and cash deposits depending on the views of the fund manager.</p>	<p>EM EQ FI FIG HY OS</p> <p>Specific risk</p> <p>This fund may invest in shares which tend to be bought and sold less frequently than those of large companies. There may be large changes in the prices of their shares and their value could fall by large amounts. The price variations of these shares might be greater than those of large companies.</p>
<p>SW Henderson Cautious Managed Fund*</p> <p>* Previously called the SW Henderson Managed Distribution Fund</p>	<p>Henderson describe their fund's aim as follows: to achieve long-term income and capital growth. The fund will invest principally in fixed interest securities and in equities both in the UK and internationally.</p> <p>Please note: the Scottish Widows unit-linked funds aim to provide long-term growth in the price of units. Any income generated will not be distributed, but added to the fund value.</p>	EQ FI HY OS
SW Invesco Perpetual Distribution Fund	<p>Invesco Perpetual describe their fund's aim as follows: The fund aims to achieve a combination of income and capital growth over the medium to long term by investing primarily in corporate and government debt securities globally (which may be unrated or sub-investment grade) and equities. Financial derivative instruments can be used for investment purposes and for efficient portfolio management.</p> <p>Please note: The Scottish Widows unit-linked funds aim to provide long term growth in the price of the units. Any income generated will not be distributed but added to the fund value.</p>	DV EQ FI HY OS
SW Investec Cautious Managed Fund	The fund aims for long-term growth by investing in a diversified portfolio of equities, bonds and other fixed interest securities. At all times the fund's equity exposure will be limited to a maximum of 60% of the portfolio value. Investment is solely through the Investec Cautious Managed OEIC.	DV EQ FI

MIXED INVESTMENT 20% – 60% SHARES SECTOR (CONTINUED)

Fund	Fund aim	Fund risks
SW Jupiter Distribution Fund	The fund aims for long-term growth by investing in an actively balanced portfolio of bonds and higher yielding securities (mainly UK equities). The portfolio will contain a minimum of 60% invested in bonds. Investment is solely through the Jupiter Distribution Unit Trust.	EQ FI HY

MIXED INVESTMENT 40% – 85% SHARES SECTOR

Fund	Fund aim	Fund risks
Scottish Widows Consensus Fund	The fund aims to achieve long-term growth by investing in a balanced portfolio of UK and overseas shares, fixed interest stocks, index-linked stocks and cash deposits. Investment in these assets is made through a range of index-tracking funds, or where appropriate, through direct investment, again on an index-tracking basis. The percentage of the fund invested in each asset class will be based on the average amount invested in each class in accordance with a benchmark of UK balanced funds.	EQ FI OS
Scottish Widows Mixed Fund	The fund aims to achieve long-term growth by investing in a mixed portfolio of UK and overseas company shares, fixed interest stocks, index-linked stocks, property and cash deposits. The fund is likely to invest mainly in company shares and property.	EQ FI OS
SW BlackRock Managed Fund	The fund aims for long-term growth through a global spread of investments, but generally with an emphasis on the UK. Investment is through unit trusts managed by BlackRock Investment Managers.	EQ FI OS
SW Fidelity Managed Fund	The fund aims for long-term growth from a portfolio of Fidelity's equity and bond funds which are invested across a broad range of the world's markets, ensuring exposure to a diversified range of equity and bond markets.	EQ FI OS
SW Invesco Perpetual Managed Fund	The fund aims for long-term growth by adopting a highly diversified approach to investment. The portfolio is structured from a number of Invesco Perpetual funds, ensuring exposure to a wide range of equity and bond markets.	EQ FI OS
SW Newton Managed Fund	The fund aims for long-term growth from a balance between capital growth and income from a portfolio of UK and international securities. The fund invests in a range of Newton OEIC funds.	EQ FI OS
SW Schroder Managed Fund	The fund aims for long-term growth from a balanced exposure to UK and overseas company shares and fixed interest securities through a range of Schroder authorised unit trusts.	EQ FI OS

MONEY MARKET SECTOR

Fund	Fund aim	Fund risks
Scottish Widows Cash Fund	The fund aims to provide long-term growth consistent with high levels of capital security by investing mainly in short-term securities.	Specific risks The fund can invest in high-quality, mostly short-term debt instruments such as fixed deposits, certificates of deposit, commercial paper and floating rate notes. It carries a relatively modest risk to capital.

NORTH AMERICA EQUITIES SECTOR

Fund	Fund aim	Fund risks
Scottish Widows North American Fund	To achieve long-term growth investing mainly in North American company shares. The fund invests via the Scottish Widows American Growth OEIC Fund. For more information on the Scottish Widows American Growth OEIC Fund, such as the strategy used to meet its objectives, please see the factsheet for the OEIC Fund at http://factsheets.financialexpress.net/swfc/TS53_SWOAG.pdf	EQ OS Specific risk As the Fund invests predominantly in companies which are part of the S&P 500 Index, performance, before charges, may fall and rise with the Index.
SW Artemis US Select Fund	Artemis describe their fund's aim as follows: To achieve long-term capital growth. The Fund invests principally in companies listed, quoted and/or traded in the United States of America and in companies which are headquartered or have a significant part of their activities in the USA which are quoted on a regulated market outside the USA.	EQ OS SC SP
SW Fidelity American Fund	The fund aims for long-term growth from a portfolio consisting mainly of US company shares by investing solely in the Fidelity American OEIC fund. There is likely to be a bias towards larger and medium-sized companies.	EQ OS
SW Schroder US Smaller Companies Fund	The fund aims for long-term growth from a portfolio of companies listed on the US and Canadian stockmarkets by investing solely in the Schroder US Smaller Companies Unit Trust.	EQ OS SC

PROTECTED/GUARANTEED SECTOR

Fund	Fund aim	Fund risks
Scottish Widows SafetyPlus® Fund	<p>To give long-term capital growth, normally by investing primarily in shares of companies included in the Financial Times Stock Exchange 100 Index. The fund may move away from the policy of being primarily invested in shares when market conditions indicate that a better return is expected to be achieved by being invested in cash, near cash and/or deposits, and with or without options.</p> <p>To give a level of protection against major stockmarket falls through the use of a Safety Price. By 'Safety Price' we mean the lowest possible selling price which is guaranteed not to fall for a period of time, the 'Safety Period', normally 12 months. The Safety Price is set at 95% of the share price at the start of each Safety Period.</p>	<p>EQ</p> <p>Specific risks</p> <p>The value of units in the SafetyPlus® Fund may change on a daily basis and may fall as well as rise.</p> <p>The SafetyPlus® Fund is not a guaranteed fund, although it does offer a limited risk as well as growth potential.</p> <p>The techniques we use to provide the Safety Price incur a cost. The effect of this cost is that, in the long-term, growth is likely to be lower than would be achieved without the protection of the Safety Price. The Safety Price is guaranteed currently by a small number of major financial institutions and is dependent on each of these third parties meeting its obligations.</p> <p>The Safety Price is normally reset every 12 months at 95% of the unit price at the time. This new Safety Price may be set at a lower level than the previous Safety Price.</p> <p>To offer the Safety Price we need access to specific types of investment. If, in future, we can't get enough of these investment types, we won't be able to offer a Safety Price.</p>

STERLING CORPORATE BOND SECTOR

Fund	Fund aim	Fund risks
Scottish Widows Corporate Bond Fund	<p>The fund aims to achieve long-term growth by investing primarily in high quality, investment grade corporate bonds and other fixed interest securities issued by companies in the UK and Europe.</p>	<p>FI FIG</p>
SW Fidelity MoneyBuilder Income Fund	<p>Fidelity describe their fund's aim as follows: the fund is managed to achieve an attractive level of income from a portfolio primarily invested in sterling denominated fixed-interest securities.</p> <p>Please note: the Scottish Widows unit-linked funds aim to provide long-term growth in the price of units. Any income generated will not be distributed, but added to the fund value.</p>	<p>FI FIG HY</p>
SW Invesco Perpetual Corporate Bond Fund	<p>Invesco Perpetual describe their fund's aim as follows: The fund aims to achieve a combination of income and capital growth over the medium to long term by investing primarily in investment grade corporate debt securities. The fund may also invest in government, unrated and sub-investment grade debt securities. Financial derivative instruments can be used for investment purposes and for efficient portfolio management.</p> <p>Please note: The Scottish Widows unit-linked funds aim to provide long term growth in the price of the units. Any income generated will not be distributed but added to the fund value.</p>	<p>DV FI FIG HY OS</p>

STERLING CORPORATE BOND SECTOR (CONTINUED)

Fund	Fund aim	Fund risks
SW Threadneedle UK Social Bond Fund	<p>Threadneedle describe their fund's aim as follows: To achieve a total return (by way of income and capital appreciation) through investments that are deemed to be supporting and funding socially beneficial activities and development, primarily in the UK. The investment policy is to maximise exposure to socially beneficial activities and development, based on assessments produced under the fund's Social Assessment Methodology. The fund may invest in all forms of trade-able debt instrument (primarily investment grade) issued by a supranational, public, private or voluntary and/or charitable sector organisation, including without limitation, bonds, notes, bills, and loans, whether they have a fixed, floating, variable, index-linked rate or have a zero coupon.</p> <p>Please note: the Scottish Widows unit-linked funds aim to provide long-term growth in the price of units. Any income generated will not be distributed, but added to the fund value.</p>	<p>Ⓧ Ⓧ Ⓧ</p>

STERLING HIGH YIELD SECTOR

Fund	Fund aim	Fund risks
Scottish Widows High Income Bond Fund	<p>The fund aims to achieve long-term growth by investing primarily in fixed interest securities issued by companies and governments in the USA, the UK and Europe, the majority of which will be higher risk, non-investment grade securities.</p>	<p>Ⓧ Ⓧ Ⓧ Ⓧ</p>
SW Aviva Investors High Yield Bond Fund	<p>Aviva describe their fund's aim as follows: To create a high level of income and the best possible total returns from investment in a broad range of bonds. The fund may invest in global bonds issued by companies, governments and large international organisations in a variety of currencies. Typically at least 80% of the bonds in the fund will be priced in Sterling or currency hedged to Sterling. Hedging is a technique to reduce the impact of any adverse exchange rate movements.</p> <p>Please note: the Scottish Widows unit-linked funds aim to provide long-term growth in the price of units. Any income generated will not be distributed, but added to the fund value.</p>	<p>Ⓧ Ⓧ Ⓧ Ⓧ</p>

STERLING STRATEGIC BOND SECTOR

Fund	Fund aim	Fund risks
Scottish Widows Strategic Income Bond Fund	<p>The fund aims to achieve long-term growth by investing primarily in UK and European corporate bonds and other fixed interest securities. The majority of securities will be high quality, investment grade, but a significant proportion will be higher risk securities.</p>	<p>Ⓧ Ⓧ Ⓧ Ⓧ</p>
SW Aviva Investors Strategic Bond Fund	<p>Aviva describe their fund's aim as follows: To provide a high total return from a diversified portfolio of global debt securities through diversified investment in global fixed interest securities, including non-investment grade.</p>	<p>Ⓧ Ⓧ Ⓧ Ⓧ Ⓧ</p>
SW Henderson Fixed Interest Monthly Income Fund	<p>Henderson describe their fund's aim as follows: to achieve a high yield. The fund will invest principally in fixed interest securities including preference shares.</p>	<p>Ⓧ Ⓧ Ⓧ Ⓧ</p>

TARGETED ABSOLUTE RETURN SECTOR

Fund	Fund aim	Fund risks
SW Aviva Investors Multi-Strategy ('AIMS') Target Income Fund	<p>Aviva describe their fund's aim as follows: To deliver an annual income yield of 4% above the Bank of England base Rate before corporation tax payable by the fund regardless of the prevailing market environment. In addition the fund aims to preserve capital and to manage volatility to a target of less than half the volatility of the global equities over rolling three year periods.</p> <p>Please note: the Scottish Widows unit-linked funds aim to provide long-term growth in the price of units. Any income generated will not be distributed, but added to the fund value.</p>	<p>(DV) (EM) (EQ) (FI) (PR) (OS)</p>

UK ALL COMPANIES SECTOR

Fund	Fund aim	Fund risks
Scottish Widows Environmental Fund	To give long-term capital growth by investing in primarily UK companies which show a commitment to the protection and preservation of the natural environment. The fund may also invest in international companies applying environmental commitment. The companies are selected according to a range of negative environmental screening criteria. 'Negative screening' means using a fund's agreed screening criteria to exclude undesirable investments, such as shares in companies whose practices may be harmful to the environment.	(EQ) (OS) (SP)
Scottish Widows Ethical Fund	To give long-term capital growth by investing in primarily UK companies that demonstrate ethical attributes and practices. The fund may also invest in international companies demonstrating ethical practices. The companies are selected according to a broad range of negative ethical screening criteria. 'Negative screening' means using a fund's agreed screening criteria to exclude undesirable investments, such as shares in companies which sell weapons or tobacco.	(EQ) (OS) (SP)
Scottish Widows Fundamental Index UK Equity Fund	The fund aims to provide long-term capital growth based on the performance of the UK Equity Market by tracking the FTSE RAFI UK 300 Index. The Fund will invest primarily in UK equities.	(DV) (EQ)
Scottish Widows Fundamental Low Volatility Index UK Equity Fund	The fund aims to provide long-term capital growth based on the performance of low volatility UK equities by tracking the FTSE RAFI UK Low Volatility Index. The Fund will invest primarily in low volatility UK equities.	(DV) (EQ)
Scottish Widows Multi-Manager UK Equity Focus Fund	The fund aims to achieve long-term growth by investing in a select portfolio of mainly UK equities. The fund will normally hold fewer stocks than our other Multi-Manager UK equity funds. The portfolio's investments will be managed by a number of fund managers.	(EQ) (SP)
Scottish Widows Multi-Manager UK Equity Growth Fund	The fund aims to achieve long-term growth by investing in a diversified portfolio of mainly UK equities. The portfolio's investments will be managed by a number of fund managers. Fund managers are selected and assets are allocated in conjunction with Russell Investment Group.	(EQ)
Scottish Widows UK Equity Fund	The fund aims to achieve long-term growth by investing mainly in UK company shares.	(EQ)
Scottish Widows UK Equity Index Fund	The fund aims to achieve long-term growth by investing in a portfolio that aims to track the capital performance of the UK Equity market currently as represented by the FTSE 100 Index. The fund will invest mainly in company shares.	(EQ)
Scottish Widows UK Opportunities Fund	The fund aims to achieve long-term growth by investing mainly in a select portfolio of UK company shares.	(EQ) (SP)

UK ALL COMPANIES SECTOR (CONTINUED)

Fund	Fund aim	Fund risks
SW Artemis UK Select Fund*	Artemis describe their fund's aim as follows: the objective of the Fund is to achieve long-term capital growth. The emphasis of the Fund will be investment in companies listed, quoted and/or traded in the UK and in companies which have a significant part of their activities in the UK which are quoted on a regulated market outside the UK. The Manager actively manages the portfolio. The securities of companies listed, quoted and/or traded in the UK but domiciled elsewhere and the securities of companies traded on PLUS may be included in the portfolio.	Ⓧ Ⓧ
SW BlackRock UK Fund**	BlackRock describe their fund's aim as follows: to achieve long-term capital growth for investors. The Fund invests primarily in the shares of larger companies incorporated or listed in the UK. The Fund may also invest in collective investment schemes.	Ⓧ Ⓧ
SW BlackRock UK Special Situations Fund	BlackRock describe their fund's aim as follows: the aim of the fund is to achieve long-term capital growth for investors. The fund invests primarily in the shares of companies incorporated or listed in the UK and will normally have an emphasis on small or medium sized companies. The fund may also invest in collective investment schemes. Small and medium sized companies are those whose market capitalisation is lower than that of companies in the FTSE 100 Index at the time of the fund's investment.	Ⓧ Ⓧ
SW Fidelity Special Situations (2006) Fund	The fund aims to achieve long-term growth from a portfolio primarily made up of UK company shares. The fund may also have some overseas exposure. Investments are not restricted by company size or industry and will largely be determined by the availability of attractive investment opportunities. The fund may also invest in other transferable securities (such as fixed interest securities), units in collective investment schemes, money market instruments, cash and deposits. Derivatives and forward transactions may also be used to assist in the efficient management of the portfolio or with the aim of enhancing returns.	Ⓧ Ⓧ Specific risk Fidelity employs a risk management process to oversee and manage derivative exposure within the SW Fidelity Special Situations (2006) Fund. The use of derivative techniques in this fund has the overall intention of reducing the volatility of returns, although this outcome is not guaranteed, and derivatives held may at times lead to increased price volatility. As such investors should be prepared to accept above average volatility and risk that derivative related investment can create.
SW Jupiter UK Growth Fund	The fund aims for long-term growth by investing, mainly in UK equities, in any economic sector. Investment is solely through the Jupiter UK Growth Unit Trust.	Ⓧ
SW Schroder UK Alpha Plus Fund	The fund aims for long-term growth through investment mainly in UK equities. The fund will invest in a focused portfolio of between 20 and 40 stocks. Investment is solely through the Schroder UK Alpha Plus Unit Trust.	Ⓧ Ⓧ
SW Schroder UK Mid 250 Fund	The fund aims for long-term growth by investing mainly in the shares of the medium-sized companies listed on the FTSE Mid 250 Index. Investment is solely through the Schroder UK Mid 250 Unit Trust.	Ⓧ

* Previously called the SW Artemis UK Growth Fund.

** Previously called the SW BlackRock UK Dynamic Fund.

UK DIRECT PROPERTY SECTOR

Fund	Fund aim	Fund risks
Scottish Widows Property Fund	The fund aims to achieve long-term growth by investing mainly in high-quality freehold and long leasehold commercial and industrial properties. Property transactions tend to be larger and more complex than for other asset classes. As a result the proportion of cash held while awaiting suitable investment opportunities could be greater than for other funds.	<p>Ⓟ</p>
SW Henderson UK Property Fund	<p>Henderson describe their fund's aim as follows: to achieve a high income together with some growth of both income and capital through investment primarily in commercial property and property-related assets. Other investments may include money market instruments, derivatives and forward foreign exchange contracts.</p> <p>Please note: the Scottish Widows unit-linked funds aim to provide long-term growth in the price of units. Any income generated will not be distributed, but added to the fund value.</p>	<p>Ⓜ Ⓟ</p> <p>Specific risk</p> <p>Due to the specialist nature of its investments, the fund at times may experience difficulty in realising its underlying holdings which may affect the prices that can be obtained.</p>

UK EQUITY INCOME SECTOR

Fund	Fund aim	Fund risks
Scottish Widows Multi-Manager UK Equity Income Fund	<p>The fund aims to achieve long-term growth by investing in a select portfolio of mainly UK equities which have an above average dividend income. The portfolio's investments will be managed by a number of fund managers.</p> <p>Please note: The Scottish Widows unit-linked funds aim to provide long term growth in the price of units. Any income generated will not be distributed, but added to the fund value.</p>	<p>Ⓜ</p>
SW Invesco Perpetual High Income Fund	<p>The fund aims for long-term growth by investing mainly in high yielding international securities (company shares, convertible securities and fixed interest securities), although it may include other investments that the Fund Manager considers appropriate. The fund invests solely through the Invesco Perpetual High Income OEIC fund.</p> <p>Please note: The Scottish Widows unit-linked funds aim to provide long term growth in the price of units. Any income generated will not be distributed, but added to the fund value.</p>	<p>Ⓜ Ⓜ Ⓜ</p>
SW Jupiter Income Fund	<p>The fund aims for long-term growth from a portfolio chiefly invested in UK equities, although with some overseas exposure. The fund may also invest in fixed interest stocks. Investment is solely through the Jupiter Income Unit Trust.</p> <p>Please note: The Scottish Widows unit-linked funds aim to provide long term growth in the price of units. Any income generated will not be distributed, but added to the fund value.</p>	<p>Ⓜ Ⓜ Ⓜ</p>
<p>SW Newton UK Income Fund*</p> <p>* Previously called the SW Newton Higher Income Fund</p>	<p>The fund aims for long-term total return from increasing levels of income from one year to the next along with long-term capital growth from the underlying assets, through investment solely in the Newton Higher Income OEIC fund.</p> <p>Please note: The Scottish Widows unit-linked funds aim to provide long term growth in the price of units. Any income generated will not be distributed, but added to the fund value.</p>	<p>Ⓜ Ⓜ</p>

UK EQUITY INCOME SECTOR (CONTINUED)

Fund	Fund aim	Fund risks
SW Royal London UK Equity Income Fund	Royal London describe their fund's aim as follows: To achieve a combination of income and some capital growth. The Fund invests mainly in the shares of UK companies which pay a higher level of income. The Fund may also invest a small portion in other UK shares. Please note: the Scottish Widows unit-linked funds aim to provide long-term growth in the price of units. Any income generated will not be distributed, but added to the fund value.	ⓍⓍ ⓍⓍ
SW Schroder Income Maximiser Fund	The fund aims to receive a high level of income with the potential for capital growth by investing mainly in a select portfolio of shares of attractively priced companies that pay high, sustainable dividends. These are likely to be mature, well-established organisations. It uses 'options' to exchange part of the potential capital growth to enhance the income received by the fund. Please note: The Scottish Widows unit-linked funds aim to provide long term growth in the price of units. Any income generated will not be distributed, but added to the fund value.	ⓍⓍ ⓍⓍ Specific risk The fund uses options to enhance the fund's income, which may have the effect of limiting capital growth.
SW Woodford Equity Income Fund	Woodford describe their fund's aim as follows: To provide a reasonable level of income together with capital growth. The fund will invest primarily in UK listed companies. The fund may also invest in unlisted companies and overseas entities. The fund may also invest in other transferable securities, money market instruments, warrants, collective investment schemes and deposits. Please note: the Scottish Widows unit-linked funds aim to provide long-term growth in the price of units. Any income generated will not be distributed, but added to the fund value.	ⓍⓍ ⓍⓍ ⓍⓍ

UK GILTS SECTOR

Fund	Fund aim	Fund risks
Scottish Widows Fixed Interest Fund	The fund aims to achieve long-term growth by investing mainly in UK fixed interest securities. The fund may also invest in overseas fixed interest securities.	ⓍⓍ ⓍⓍⓍ ⓍⓍ
SW Schroder Gilt & Fixed Interest Fund	The fund aims for long-term growth which reflects the underlying gilt market. The majority of the portfolio is invested in gilts, although it also invests in sterling bonds issued by organisations with high credit ratings. Investment is solely through the Schroder Gilt & Fixed Interest Unit Trust.	ⓍⓍ ⓍⓍ

UK INDEX-LINKED GILTS SECTOR

Fund	Fund aim	Fund risks
Scottish Widows Indexed Stock Fund	The fund aims to achieve long-term growth by investing mainly in UK index-linked securities.	FI FIG

UK PROPERTY SECURITIES SECTOR

Fund	Fund aim	Fund risks
Scottish Widows UK Real Estate Fund	The fund aims for long-term growth by investing principally in a select portfolio of shares of listed companies and other investments, the activities of which include the ownership, management and/or development of UK real estate.	EQ SP Specific risks Due to the specialist nature of its investments, the fund at times may experience difficulty in realising its underlying holdings which may affect the prices that can be obtained.

UK SMALLER COMPANIES SECTOR

Fund	Fund aim	Fund risks
SW Artemis UK Smaller Companies Fund	The fund aims for long-term growth by investing in UK smaller companies. Investment is solely through the Artemis UK Smaller Companies Unit Trust.	EQ SC
SW BlackRock UK Smaller Companies Fund	The fund aims for long-term growth by investing in UK smaller companies which the Fund Manager considers to have above-average long-term growth prospects. The fund invests solely through the BlackRock UK Smaller Companies Unit Trust.	EQ SC
SW Liontrust UK Smaller Companies Fund	Liontrust describe their fund's aim as follows: To provide long-term capital growth by investing primarily in smaller UK companies displaying a high degree of Intellectual Capital and employee motivation through equity ownership in their business model.	DV EQ SC

SPECIALIST SECTOR

The following funds are in the Specialist sector because they do not meet any existing sector criteria or because comparison of the fund to a sector would not be relevant.

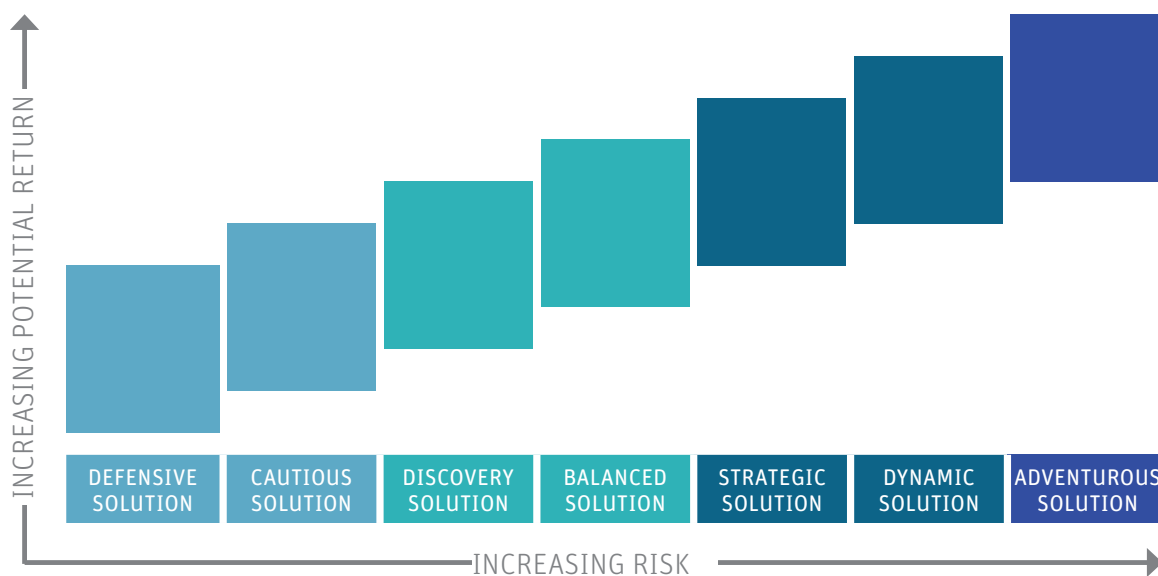
Fund	Fund aim	Fund risks
Scottish Widows Balanced Portfolio Fund	The fund aims to achieve long-term growth by investing mainly in multi-manager funds. The fund will invest in a balance of equity and fixed interest security funds (the fixed interest security funds will invest mainly in high quality fixed interest securities, including corporate bonds). The equity and fixed interest security funds will invest in UK and overseas markets. The multi-manager funds are currently provided by a subsidiary of Aberdeen Asset Management and also the Russell Investment Group. Exposure to the multi-manager funds is currently provided through the Scottish Widows Balanced Portfolio OEIC Fund although investment may be made through other unit-linked funds, collective investment schemes, or directly to meet the stated fund aims.	EQ FI OS
Scottish Widows Cautious Portfolio Fund	The fund aims to achieve long-term growth by investing mainly in multi-manager funds. The fund will invest at least 80% in fixed interest security funds (investing mainly in high quality fixed interest securities, including corporate bonds), with a low proportion in equity funds. The fixed interest security and equity funds will invest in UK and overseas markets. The multi-manager funds are currently provided by a subsidiary of Aberdeen Asset Management and also the Russell Investment Group. Exposure to the multi-manager funds is currently provided through the Scottish Widows Cautious Portfolio OEIC Fund although investment may be made through other unit-linked funds, collective investment schemes, or directly to meet the stated fund aims.	EQ FI OS
Scottish Widows Progressive Portfolio Fund	The fund aims to achieve long-term growth by investing mainly in multi-manager funds. The fund will invest up to a maximum of 85% in equity funds with a moderate proportion in fixed interest security funds (the fixed interest security funds will invest mainly in high quality fixed interest securities, including corporate bonds). The equity and fixed interest security funds will invest in UK and overseas markets. The multi-manager funds are currently provided by a subsidiary of Aberdeen Asset Management and also the Russell Investment Group. Exposure to the multi-manager funds is currently provided through the Scottish Widows Progressive Portfolio OEIC Fund although investment may be made through other unit-linked funds, collective investment schemes, or directly to meet the stated fund aims.	EQ FI OS
SW Baillie Gifford Multi-Asset Growth Fund	Baillie Gifford describe their fund's aim as follows: To achieve attractive returns over the long term at lower risk than equity markets by investing in a multi asset portfolio. The fund may gain exposure to a broad range of traditional and alternative asset classes which may include but is not limited to equities, investment grade and high yield bonds, property, infrastructure, commodities and currencies.	DV EM EQ FI HY OS
SW Insight Global Absolute Return Fund	Insight describe their fund's aim as follows: To deliver positive returns on an annual basis with the prospect of attractive long-term capital growth. The sub-fund aims to deliver cash 3 month LIBOR +4% on a rolling annualised 5 year basis before fees. However, a positive return is not guaranteed and a capital loss may occur. The policy of the fund is to gain exposure through a dynamic allocation to a range of asset classes including: fixed income, cash, near cash and deposits, equities, property, commodities and infrastructure.	DV EQ FI OS PYS

SPECIALIST SECTOR (CONTINUED)

Fund	Fund aim	Fund risks
<p>SW Investec Diversified Growth Fund</p>	<p>Investec describes their fund's aim as follows: To achieve long term real returns measured in Sterling through a combination of income and capital growth by investing primarily in a globally diversified portfolio of assets.</p> <p>The fund invests around the world in a range of different assets. Investments include equities (e.g. shares of companies); bonds (contracts to repay borrowed money which typically pay interest at fixed times); property; commodities; cash and other eligible asset classes.</p> <p>Please note: the Scottish Widows unit-linked funds aim to provide long-term growth in the price of units. Any income generated will not be distributed, but added to the fund value.</p>	<p>EM EQ FI HY OS PYS</p>
<p>SW JPM Global Macro Balanced Fund* * Previously called the SW JPM Cautious Managed Fund</p>	<p>The Fund aims to provide income and long-term capital growth by investing in a global portfolio of assets. The Fund will primarily invest in Debt Securities, Convertible Bonds, Equity securities and short-term securities. Issuers of securities may be located in any country, including Emerging Markets and the Fund may invest in assets denominated in any currency. The Fund will have a bias towards Bonds. Asset and country allocations may vary over time to reflect market conditions and opportunities.</p> <p>Please note: The Scottish Widows unit-linked funds aim to provide long term growth in the price of units. Any income generated will not be distributed, but added to the fund value.</p>	<p>DV EM EQ FI FIG OS</p>
<p>SW Nordea 1 – GBP Diversified Return Fund</p>	<p>Nordea describe their fund's aim as follows: To preserve capital and provide stable growth. Investments are made globally in equities, bonds (including bonds convertible in equity shares) and money market instruments denominated in various currencies in anticipation of up and down movements. Assets will typically consist of Equity Related Securities and Debt Securities. The fund may accessarily hold cash.</p>	<p>DV EQ FI OS</p>

SPECIALIST SECTOR (CONTINUED)

The Scottish Widows Solution Funds are a range of seven funds which use a multi-manager approach. All the funds are risk rated according to the Scottish Widows investment approaches with the Defensive Solution Fund at the lower end of the risk spectrum up to the Adventurous Solution Fund at the higher end. These funds will provide exposure to a wide range of asset classes, including collective investment schemes which may themselves invest in a range of other assets. The funds' assets are likely to vary from time to time but each category of assets has individual risks associated with them. The value of each of these Solution Funds will depend on the combined performance of all of the assets held by the fund. A rise in the value of one asset class may not result in an increase in the fund's value. Similarly, a fall in the value of one asset class may not result in a fall in the value of the fund.



Fund	Fund aim	Fund risks
Scottish Widows Defensive Solution Fund	<p>The fund aim for the underlying Scottish Widows Defensive Solution OEIC in which this fund invests is as follows: to give an income, or growth (when income is kept in the fund) by investing mainly in funds such as collective investment schemes.</p> <p>The fund will provide exposure generally to fixed interest securities (including UK government bonds, other UK fixed interest securities and overseas high yield bonds). The fund will also provide exposure to equities (including UK and overseas equities), property, commodities and other asset classes. Exposure will be mainly to UK investments but with a significant proportion overseas.</p> <p>Please note: the Scottish Widows unit-linked funds aim to provide long-term growth in the price of units. Any income generated will not be distributed, but added to the fund value.</p>	<p>(FI) (HY) (OS) (PYS)</p>
Scottish Widows Cautious Solution Fund	<p>The fund aim for the underlying Scottish Widows Cautious Solution OEIC in which this fund invests is as follows: to give an income with some potential for long-term capital growth by investing mainly in funds such as collective investment schemes.</p> <p>The fund will provide exposure generally to fixed interest securities (including UK government bonds, other UK fixed interest securities and overseas high yield bonds). The fund will also provide exposure to equities (including UK and overseas equities), property, commodities and other asset classes. Exposure will be generally to UK investments but with a significant proportion overseas.</p> <p>Please note: the Scottish Widows unit-linked funds aim to provide long-term growth in the price of units. Any income generated will not be distributed, but added to the fund value.</p>	<p>(EQ) (FI) (HY) (OS) (PYS)</p>

SPECIALIST SECTOR (CONTINUED)

Fund	Fund aim	Fund risks
<p>Scottish Widows Discovery Solution Fund</p>	<p>The fund aim for the underlying Scottish Widows Discovery Solution OEIC in which this fund invests is as follows: to give an income with the potential for long-term capital growth by investing mainly in funds such as collective investment schemes.</p> <p>The fund will provide exposure mainly to fixed interest securities (including UK fixed interest securities and overseas high yield bonds) and equities (including UK and overseas equities). The fund will also provide exposure to property, commodities and other asset classes. Exposure will be generally to UK investments but with a significant proportion overseas.</p> <p>Please note: the Scottish Widows unit-linked funds aim to provide long-term growth in the price of units. Any income generated will not be distributed, but added to the fund value.</p>	<p>EQ FI HY OS PYS</p>
<p>Scottish Widows Balanced Solution Fund</p>	<p>The fund aim for the underlying Scottish Widows Balanced Solution OEIC in which this fund invests is as follows: to give long-term capital growth by investing mainly in funds such as collective investment schemes.</p> <p>The fund will provide exposure to equities (including UK, overseas and emerging markets equities) balanced mainly with fixed interest securities (including UK fixed interest securities and overseas high yield bonds).</p> <p>The fund will also provide exposure to property, commodities and other asset classes. Exposure will be to both UK and overseas markets.</p>	<p>EQ FI HY OS PYS</p>
<p>Scottish Widows Strategic Solution Fund</p>	<p>The fund aim for the underlying Scottish Widows Strategic Solution OEIC in which this fund invests is as follows: to give long-term capital growth by investing mainly in funds such as collective investment schemes.</p> <p>The fund will provide exposure generally to equities (including UK, overseas and emerging markets equities). The fund will also provide exposure to fixed interest securities (including UK fixed interest securities and overseas high yield bonds), property, commodities and other asset classes. Exposure will be to both UK and overseas markets.</p>	<p>EQ FI HY OS PYS</p>
<p>Scottish Widows Dynamic Solution Fund</p>	<p>The fund aim for the underlying Scottish Widows Dynamic Solution OEIC in which this fund invests is as follows: to give long-term capital growth by investing mainly in funds such as collective investment schemes.</p> <p>The fund will provide exposure mainly to equities (including UK, overseas and emerging markets equities). The fund will also provide exposure to fixed interest securities (including UK fixed interest securities and overseas high yield bonds), property, commodities and other asset classes. Exposure will be to both UK and overseas markets.</p>	<p>EQ FI HY OS PYS</p>
<p>Scottish Widows Adventurous Solution Fund</p>	<p>The fund aim for the underlying Scottish Widows Adventurous Solution OEIC in which this fund invests is as follows: to give long-term capital growth by investing mainly in funds such as collective investment schemes.</p> <p>The fund will provide exposure primarily to equities (including UK, overseas and emerging markets equities). The fund will also provide exposure to fixed interest securities (including UK fixed interest securities and overseas high yield bonds), property and commodities. In addition the fund has the power to invest in other asset classes permitted by the FCA rules.</p> <p>Exposure will be generally to UK investments but with a significant proportion overseas.</p>	<p>EQ FI HY OS PYS</p>

LIFE FUNDS ACCESS

1. SCOTTISH WIDOWS FUNDS MANAGED BY ABERDEEN ASSET MANAGEMENT

These funds are available to existing customers who invested in the following Scottish Widows products before July 2009. New customers should contact their adviser or Scottish Widows for information on product availability.

For existing Flexible Investment Bond customers, and for existing With-Profits Bond customers who accept an endorsement to allow the addition of unit-linked funds to their bond, we are able to offer our full range of unit-linked investment funds.

	Flexible Options Bond	Regular Savings Plan	House Purchase Savings Plan
Adventurous Solution	✓	✓	✓
Balanced Portfolio	✓	✓	✓
Balanced Solution	✓	✓	✓
Cash	✓	✓	✓
Cautious Managed	✓	✓	✓
Cautious Portfolio	✓	✓	✓
Cautious Solution	✓	✓	✓
Consensus	✓	✓	✓
Corporate Bond	✓	✓	✓
Defensive Managed	✓	✓	✓
Defensive Solution	✓	✓	✓
Diversified Assets	✓	✓	✓
Discovery Solution	✓	✓	✓
Dynamic Solution	✓	✓	✓
Dynamic Property	✓	✓	✓
Emerging Markets	✓	✓	✓
Environmental	✓	✓	✓
Ethical	✓	✓	✓
European Real Estate	✓	✓	✓
European	✓	✓	✓
Fixed Interest	✓	✓	✓
Fundamental Index Emerging Markets Equity Fund	✓	✓	✓
Fundamental Index Global Equity Fund	✓	✓	✓
Fundamental Index UK Equity Fund	✓	✓	✓

1. SCOTTISH WIDOWS FUNDS (CONTINUED)

	Flexible Options Bond	Regular Savings Plan	House Purchase Savings Plan
Fundamental Low Volatility Index Emerging Markets Equity Fund	✓	✓	✓
Fundamental Low Volatility Index Global Equity Fund	✓	✓	✓
Fundamental Low Volatility Index UK Equity Fund	✓	✓	✓
Global Equity	✓	✓	✓
High Income Bond	✓	✓	✓
Indexed Stock	✓	✓	✓
International	✓	✓	✓
Japanese	✓	✓	✓
Mixed	✓	✓	✓
Multi-Manager Global Real Estate	✓	✓	✓
Multi-Manager International Equity	✓	✓	✓
Multi-Manager UK Equity Focus	✓	✓	✓
Multi-Manager UK Equity Growth	✓	✓	✓
Multi-Manager UK Equity Income	✓	✓	✓
North American	✓	✓	✓
Opportunities Portfolio	✓	✓	✓
Progressive Portfolio	✓	✓	✓
Property	✓	✓	✓
SafetyPlus®	✓	✓	✓
Strategic Income Bond	✓	✓	✓
Strategic Solution	✓	✓	✓
UK Equity	✓	✓	✓
UK Equity Index	✓	✓	✓
UK Opportunities	✓	✓	✓
UK Real Estate	✓	✓	✓

LIFE FUNDS ACCESS

2. SCOTTISH WIDOWS WITH-PROFITS FUNDS

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For existing Flexible Investment Bond customers, and for existing With-Profits Bond customers who accept an endorsement to allow the addition of unit-linked funds to their bond, we are able to offer our full range of unit-linked investment funds.

	Flexible Options Bond	Regular Savings Plan	House Purchase Savings Plan
Unitised With-Profits Fund	✗	✓	✓
With-Profits Growth Fund	✓	✗	✗
With-Profits Income Fund	✓	✗	✗

3. SW FUNDS, MANAGED BY OTHER FUND MANAGERS

These funds are available to existing customers who invested in the following Scottish Widows products before July 2009. New customers should contact their adviser or Scottish Widows for information on product availability.

	Flexible Options Bond	Regular Savings Plan	House Purchase Savings Plan
SW funds available	✓	✓	✓

IMPORTANT NOTES

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