

Collaborative Development of Investment Model employing Artificial Intelligence and Launch of Global Equity Fund by Standard Life Aberdeen plc

Tokyo, August 21, 2018 --- Mitsubishi UFJ Trust and Banking Corporation (the Trust Bank) is pleased to announce that the Trust Bank has collaboratively developed an investment model employing artificial intelligence (AI) with Mitsubishi UFJ Trust Investment Technology Institute Co., Ltd. (MTEC), a subsidiary of the Trust Bank, and Standard Life Aberdeen plc (SLA), a capital and business alliance partner of the Trust Bank, and a Global Equity fund adopting this investment model has been newly launched by SLA.

1. Collaborative development of investment model employing AI

The Trust Bank and SLA have been building a close relationship since the Trust Bank concluded a Business and Capital Alliance Agreement with Aberdeen Asset Management plc, the predecessor of SLA, in October 2008. As a part of this relationship, the Trust Bank and SLA had been seeking an opportunity for collaboration in the quantitative investment area and have been collaborating with a view to developing a global equity active product employing AI. This model, with an investment universe of global equities, adopts a factor rotation strategy using factors such as “Value”, “Volatility” and “Quality”. By employing AI, the model analyzes the variation patterns for each factor and decides the factor strategy by seeking similar patterns from historical records.

This is the first instance of MTEC providing its own financial engineering know-how to a European asset management firm. MTEC has conducted world-class research in the asset management and risk management area making comprehensive use of mathematical and information science technology since its establishment in 1988. SLA, as one of the largest asset management companies in Europe, has a high regard for MTEC’s know-how, following which this collaboration started.

2. Launch of Global Equity Fund by SLA

“Aberdeen Global - Artificial Intelligence Global Equity Fund”, the global equity fund employing the investment model, has been launched by SLA under the existing Luxembourg umbrella fund. The fund aims to outperform the benchmark MSCI All Country World Index over the medium to long term. SLA and its affiliates are launching and managing the fund and the Trust Bank and MTEC are providing the advice in respect of enhancing and refining the investment model. Distribution of the fund will start from Europe, expanding to Global, utilizing the wide ranging distribution network of SLA which can make the fund available for investors globally. The Trust Bank and our affiliates will also seek to develop a scheme that enables Japanese investors to invest into the fund.

The Trust Bank and MTEC will seek to enhance our asset management capabilities and provide products which have competitive strengths using advanced financial engineering and new technology such as AI in order to respond to client demands.

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About the fund

Name: Aberdeen Global - Artificial Intelligence Global Equity Fund (an Undertaking for Collective Investment in Transferable Securities domiciled in Luxembourg)

Investment universe: Global equities including Japan

About MTEC

MTEC was established in 1988 as the first research institute for financial engineering in Japan.

About Standard Life Aberdeen plc

Standard Life Aberdeen plc, a company listed on the London Stock Exchange, is the holding company of a pensions, savings and fund management group (the "Standard Life Aberdeen Group") established in August 2017 by the merger between Aberdeen Asset Management PLC and Standard Life plc. The Trust Bank has provided Aberdeen Asset Management products to investors in Japan since the conclusion of the capital and business alliance with Aberdeen on October 2008.