

Standard Life

International Equity Fund (AGF) AGF Investments Inc.

Lead manager(s): Rory Flynn

Performance review date: June 30, 2014

Investment objective: To provide superior long-term growth. It invests primarily in common shares of medium and large international companies.

Investment style: Value

Annual fund performance (%)

	2010	2011	2012	2013	2014	YTD	5 yrs
International Equity Fund (AGF)	-7.69	29.43	-24.09	23.34	36.58	6.82	7.53
MSCI EAFE Index (Can\$)	-2.58	18.62	-8.57	23.08	25.89	5.48	10.36
Value added (+) / lost (-)	-5.11	10.81	-15.52	0.26	10.69	1.34	-2.83
Quartile ranking ⁽¹⁾	4th	1st	4th	2nd	1st	1st	4th

Annualized performance – relative rankings ⁽¹⁾ (ending June 30, 2014)

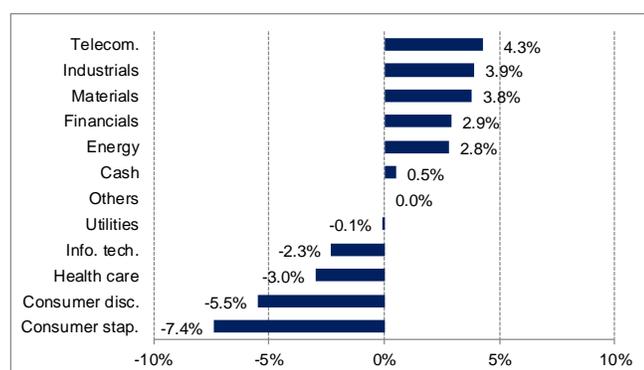
3 years	4th	quartile
5 years	4th	quartile
7 years	4th	quartile
10 years	3rd	quartile

Risk characteristics (5 years ending June 30, 2014)

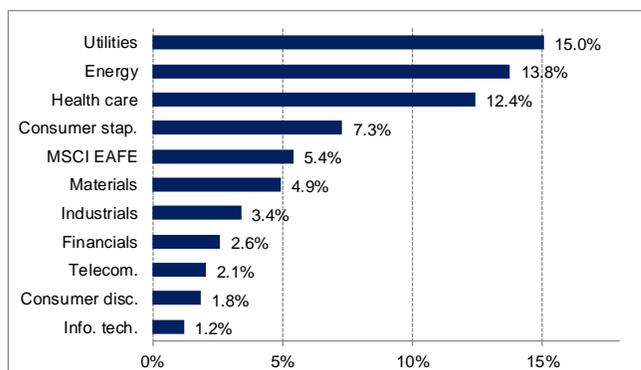
Downside volatility	3.98%	1st	quartile
Standard deviation	18.46%	1st	quartile
Tracking error	9.41%	1st	quartile
Information ratio	-0.30	4th	quartile
Beta	1.49	1st	quartile

Portfolio positioning

Fund sector deviations



Year-to-date index sector performance



Short-term performance analysis

- Year-to-date, the fund outperformed its benchmark and ranks in the first quartile relative to its peers.
- Security selection was the main driver of added value, particularly within the Telecommunications and Utilities sectors.
- Sector allocation produced negative result, primarily due to an overweight position in the underperforming Telecommunications sector and an underweight position in the outperforming Health Care sector.
- Based on the MSCI EAFE style indices, value stocks outperformed on average. Given the fund's Value investment bias, its style had a positive impact on short-term performance.

Long-term style analysis

	2010	2011	2012	2013	2014	YTD	5 years
Outperforming investment style	growth	growth	growth	value	value	value	growth

Long-term performance analysis

- The fund outperformed its benchmark in three of the past five years, but failed to add value on a five-year annualized basis. This long-term performance ranks it in the fourth quartile when compared to its peers.
- Security selection was negative more often than not and was the main detractor of relative value on a five-year annualized basis.
- Sector allocation produced mixed results over the long term.
- Based on the MSCI EAFE style indices, growth stocks outperformed on average. Given the fund's Value investment bias, its style had a negative impact on long-term performance.

Significant corporate events

Corporate

- In December 2013, AGF Investments Inc. announced that Martin Hubbes, Executive Vice President and Chief Investment Officer, was leaving the firm. A search for his replacement was underway and Mr. Hubbes would continue in his role throughout the transition.

Fund specific

- In October 2011, John Arnold, Managing Director, retired from the firm.
- In October 2011, Rory Flynn took on the role of Chief Investment Officer for the AGF International Stock Class which is the underlying fund for the Standard Life International Equity Fund (AGF).

Quality & Choice commentary

- The International Equity Fund (AGF) is a bottom-up, value focused international equity mandate that emphasizes investing in companies trading at discounts to their business value. The fund is expected to provide above average returns over a full market cycle but might underperform when growth stocks mostly drive the market.

Conclusion: The fund is No Longer Promoted as a Quality & Choice investment option as of February 2014, based on the analysis done at that time.

Manager outlook

- The manager has decided not to provide an investment outlook.

⁽¹⁾ Quartile rankings are based on the underlying fund's returns.

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