

**abrdn SICAV I**

Singapore Prospectus

July 2023

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# abr dn SICAV I

## Singapore Prospectus

Established in Luxembourg

abr dn SICAV I – Asia Pacific Multi Asset Fund

abr dn SICAV I – Asian Credit Sustainable Bond Fund\*

abr dn SICAV I – Asian High Yield Sustainable Bond Fund\*

abr dn SICAV I – Asian SDG Equity Fund\*

abr dn SICAV I – China A Share Sustainable Equity Fund\*

abr dn SICAV I – Diversified Growth Fund

abr dn SICAV I – Diversified Income Fund

abr dn SICAV I – Emerging Markets Bond Fixed Maturity 2023 Fund

abr dn SICAV I – Emerging Markets Corporate Bond Fund

abr dn SICAV I – Emerging Markets SDG Equity Fund\*

abr dn SICAV I – Frontier Markets Bond Fund

abr dn SICAV I – Global Dynamic Dividend Fund

abr dn SICAV I – Indian Bond Fund

abr dn SICAV I – North American Smaller Companies Fund

abr dn SICAV I – Select Emerging Markets Bond Fund

abr dn SICAV I – Short Dated Enhanced Income Fund

This Singapore Prospectus incorporates and is not valid without the attached Luxembourg Prospectus dated 5 June 2023 for abr dn SICAV I (the “**Luxembourg Prospectus**”). abr dn SICAV I is an open-ended investment company constituted outside Singapore, organised as a société anonyme under the laws of Luxembourg and which qualifies as a société d’investissement à capital variable. abr dn SICAV I has appointed abr dn Asia Limited as its Singapore Representative and agent for service of process in Singapore. Details of the Singapore Representative appear on page viii of this Singapore Prospectus.

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\* This Sub-Fund (as defined below) is an ESG Fund under Circular No. CFC 02/2022 on the Disclosure and Reporting Guidelines for ESG Funds (“**ESG Circular**”) issued by the MAS.

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## IMPORTANT INFORMATION

The collective investment schemes offered in this Singapore Prospectus, *i.e.*, the abrdn SICAV I – Asia Pacific Multi Asset Fund (the “**Asia Pacific Multi Asset Fund**”), the abrdn SICAV I – Asian Credit Sustainable Bond Fund (the “**Asian Credit Sustainable Bond Fund**”), the abrdn SICAV I – Asian High Yield Sustainable Bond Fund (the “**Asian High Yield Sustainable Bond Fund**”), the abrdn SICAV I – Asian SDG Equity Fund (the “**Asian SDG Equity Fund**”), the abrdn SICAV I – China A Share Sustainable Equity Fund (the “**China A Share Sustainable Equity Fund**”), the abrdn SICAV I – Diversified Growth Fund (the “**Diversified Growth Fund**”), the abrdn SICAV I – Diversified Income Fund (the “**Diversified Income Fund**”), the abrdn SICAV I – Emerging Markets Bond Fixed Maturity 2023 Fund (the “**Emerging Markets Bond Fixed Maturity 2023 Fund**”), the abrdn SICAV I – Emerging Markets Corporate Bond Fund (the “**Emerging Markets Corporate Bond Fund**”), the abrdn SICAV I – Emerging Markets SDG Equity Fund (the “**Emerging Markets SDG Equity Fund**”), the abrdn SICAV I – Frontier Markets Bond Fund (the “**Frontier Markets Bond Fund**”), the abrdn SICAV I – Global Dynamic Dividend Fund (the “**Global Dynamic Dividend Fund**”), the abrdn SICAV I – Indian Bond Fund (the “**Indian Bond Fund**”), the abrdn SICAV I – North American Smaller Companies Fund (the “**North American Smaller Companies Fund**”), the abrdn SICAV I – Select Emerging Markets Bond Fund (the “**Select Emerging Markets Bond Fund**”) and the abrdn SICAV I – Short Dated Enhanced Income Fund (the “**Short Dated Enhanced Income Fund**”), (each a “**Sub-Fund**” and collectively, the “**Sub-Funds**”) are established as sub-funds of abrdn SICAV I (formerly known as Aberdeen Standard SICAV I) (the “**Fund**”). The Sub-Funds have been approved as recognised schemes under the Securities and Futures Act 2001 of Singapore (the “**SFA**”). A copy of this Singapore Prospectus has been registered by the Monetary Authority of Singapore (the “**MAS**”). The MAS assumes no responsibility for the contents of this Singapore Prospectus. The registration of this Singapore Prospectus by the MAS does not imply that the SFA or any other legal or regulatory requirements have been complied with. The MAS has not, in any way, considered the investment merits of the Sub-Funds.

The Fund is an umbrella type open-ended investment company, with variable capital and segregated liability between sub-funds. The Fund is approved by the Luxembourg Commission de Surveillance du Secteur Financier (the “**CSSF**”) and was incorporated in Luxembourg on 25 February 1988 as a *société anonyme* and qualifies as a *société d’investissement à capital variable* under Part I of the Luxembourg law dated 17 December 2010 concerning undertakings for collective investment, as may be amended from time to time (the “**Law**”). The Sub-Funds have also been approved by the CSSF.

This Singapore Prospectus was registered by the MAS on 28 July 2023 and shall be valid for a period of 12 months from the date of registration (*i.e.* up to and including 27 July 2024) and shall expire on 28 July 2024.

This Singapore Prospectus relating to the Sub-Funds incorporates and is not valid without the Luxembourg Prospectus. Unless the context otherwise requires, terms defined in the Luxembourg Prospectus shall have the same meaning when used in this Singapore Prospectus except where specifically provided for by this Singapore Prospectus. Certain defined terms can be found in the “**GLOSSARY**” section of the Luxembourg Prospectus.

Each Sub-Fund is a separate portfolio of securities managed in accordance with specific investment objectives. Separate classes of shares may be issued in relation to a Sub-Fund.

You should note that the Sub-Funds are subject to market fluctuations and that there can be no assurance that any appreciation in value will occur. The value of investments and the income from them, and therefore the value of, and income from the shares in the Sub-Funds (the “**Shares**”), can go down as well as up and you may not get back the amount invested.

**You should note that the Asia Pacific Multi Asset Fund, the Asian Credit Sustainable Bond Fund, the Asian High Yield Sustainable Bond Fund, the Asian SDG Equity Fund, the Diversified Growth Fund, the Diversified Income Fund, the Emerging Markets Corporate Bond Fund, the Emerging Markets SDG Equity Fund, the Frontier Markets Bond Fund, and the Indian Bond Fund: (a) may utilise financial derivative instruments for hedging and/or investment purposes, or to manage foreign exchange risks; and (b) may have a higher volatility due to their investment policies or portfolio management techniques.**

**You should also note that the North American Smaller Companies Fund and the Select Emerging Markets Bond Fund may have a higher volatility due to their investment policies or portfolio management techniques.**

The board of directors of the Fund (the “**Board of Directors**”) have taken all reasonable care to ensure that the facts stated in this Singapore Prospectus are true and accurate in all material respects and that there are no other material facts the omission of which makes any statement of fact or opinion in this Singapore Prospectus misleading. The Board of Directors accept responsibility accordingly.

The distribution of this Singapore Prospectus and the offering of the Shares may be restricted in certain jurisdictions. This Singapore Prospectus is not an offer or solicitation in any jurisdiction where such offer or solicitation is unlawful, where the person making the offer or solicitation is not authorised to make it or a person receiving the offer or solicitation may not lawfully receive it.

You should inform yourselves as to (a) the legal requirements within your own country, (b) any foreign exchange or exchange control restrictions which may be applicable, and (c) the possible tax consequences, which you may encounter under the laws of the countries of your citizenship, residence or domicile, and which may be relevant to the subscription, holding, transfer or redemption of Shares, before investing in the Sub-Funds.

The Shares (except for the Shares in the Short Dated Enhanced Income Fund) are capital markets products other than prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Specified Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

The Shares in the Short Dated Enhanced Income Fund are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products). Accordingly, notwithstanding anything in this Singapore Prospectus, this Sub-Fund will not invest in any product or engage in any transaction for such Sub-Fund which may cause the Shares of the Sub-Fund not to be regarded as prescribed capital markets products and Excluded Investment Products.

You are advised to carefully consider the risk factors set out under the section headed “GENERAL RISK FACTORS” in the Luxembourg Prospectus, and to refer to paragraph 8 of this Singapore Prospectus.

If you are in any doubt about the contents of this Singapore Prospectus, you should consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser. The Shares are offered on the basis of the information contained in this Singapore Prospectus and the documents referred to in this Singapore Prospectus. No person is authorised to give any information or to make any representations concerning the Fund or the Sub-Funds other than as contained in this Singapore Prospectus. Any purchase made by any person on the basis of statements or representations not contained in or inconsistent with the information and representations contained in this Singapore Prospectus will be solely at the risk of the purchaser.

You may wish to consult your independent financial adviser about the suitability of any Sub-Fund for your specific investment needs.

The delivery of this Singapore Prospectus or the issue of Shares shall not, under any circumstances, create any implication that the affairs of the Fund and/or the Sub-Funds have not changed since the date of registration of this Singapore Prospectus. To reflect material changes, this Singapore Prospectus may be updated from time to time and you should check whether any more recent Singapore Prospectus is available.

**For enquiries in relation to the Fund or any Sub-Fund, you may contact the Singapore Representative at 21, Church Street, #01-01, Capital Square Two, Singapore 049480, telephone number: +65 6395 2709, or any distributors in Singapore.**

IMPORTANT: PLEASE READ AND RETAIN THIS SINGAPORE PROSPECTUS FOR FUTURE REFERENCE

## **DIRECTORY**

### **BOARD OF DIRECTORS OF abrdn SICAV I**

Andrey Berzins

Susanne van Dootingh

Hugh Young

Nadya Wells

Ian Boyland

Stephen Bird

### **REGISTERED OFFICE OF abrdn SICAV I**

35a, avenue John F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg

### **MANAGEMENT COMPANY, DOMICILIARY AGENT, AND REGISTRAR AND TRANSFER AGENT**

**abrdn Investments Luxembourg S.A.**

35a, avenue John F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg

### **BOARD OF DIRECTORS OF abrdn INVESTMENTS LUXEMBOURG S.A.**

Andreia Camara

Alan Hawthorn

Hugh Young

Miroslav Stoev

### **INVESTMENT MANAGERS**

**abrdn Investments Limited**

10 Queens Terrace, Aberdeen AB10 1XL, United Kingdom

**abrdn Inc.**

2<sup>nd</sup> Floor, 1900 Market Street, Philadelphia, PA 19103, United States of America

## **SUB-INVESTMENT MANAGERS**

### **abrdn Asia Limited**

21 Church Street, #01-01 Capital Square Two Singapore 049480, Singapore

## **INVESTMENT ADVISORS**

### **abrdn Hong Kong Limited**

30<sup>th</sup> Floor LHT Tower, 31 Queen's Road Central, Hong Kong

## **DEPOSITARY AND ADMINISTRATOR**

### **Citibank Europe plc, Luxembourg Branch**

31 Z.A. Bourmicht, Bertrange, Grand Duchy of Luxembourg

## **SINGAPORE REPRESENTATIVE**

### **abrdn Asia Limited**

21, Church Street, #01-01, Capital Square Two, Singapore 049480

## **AGENT FOR SERVICE OF PROCESS IN SINGAPORE**

### **abrdn Asia Limited**

21, Church Street, #01-01, Capital Square Two, Singapore 049480

## **AUDITOR**

### **KPMG Luxembourg, *société coopérative***

39, avenue J.F. Kennedy, L-1855 Luxembourg, Luxembourg

## **LEGAL ADVISERS AS TO SINGAPORE LAW**

### **Allen & Gledhill LLP**

One Marina Boulevard, #28-00, Singapore 018989, Singapore

## abrdn SICAV I

### 1. abrdn SICAV I

- 1.1 abrdn SICAV I (formerly known as Aberdeen Standard SICAV I) (the “**Fund**”) is an umbrella type open-ended investment company, with variable capital and segregated liability between sub-funds, incorporated with limited liability under the laws of Luxembourg.
- 1.2 The Fund was incorporated in Luxembourg on 25 February 1988 as a société anonyme and qualifies as a société d’investissement à capital variable under Part I of the Law. The Fund is authorised by the CSSF as a UCITS<sup>1</sup> under the Law.
- 1.3 Full details of the Fund are set out under the section headed “GENERAL INFORMATION” in Appendix C of the Luxembourg Prospectus.
- 1.4 Copies of the Articles of Incorporation and the most recent annual and semi-annual reports (when available) of the Fund may be inspected at and obtained from the Singapore Representative’s office free of charge.

### 2. THE SUB-FUNDS

The Board of Directors may establish one or more sub-funds under the Fund from time to time. The sub-funds currently offered to you in Singapore in this Singapore Prospectus are the Asia Pacific Multi Asset Fund, the Asian Credit Sustainable Bond Fund, the Asian High Yield Sustainable Bond Fund, the Asian SDG Equity Fund, the China A Share Sustainable Equity Fund, the Diversified Growth Fund, the Diversified Income Fund, the Emerging Markets Bond Fixed Maturity 2023 Fund, the Emerging Markets Corporate Bond Fund, the Emerging Markets SDG Equity Fund the Frontier Markets Bond Fund, the Global Dynamic Diversified Fund, the Indian Bond Fund, the North American Smaller Companies Fund, the Select Emerging Markets Bond Fund, and the Short Dated Enhanced Income Fund (each a “**Sub-Fund**” and collectively known as the “**Sub-Funds**”).

- 2.1 The Board of Directors may also create new share classes in a Sub-Fund from time to time. As at the date of this Singapore Prospectus, the share classes that are offered in this Singapore Prospectus in respect of each Sub-Fund are set out in each relevant Appendix of this Singapore Prospectus (each a “**Share Class**” and collectively known as the “**Share Classes**”). You should note the following:

Sub-Fund	Classes	Currency Denomination of the Share Class	Use of earnings
Asia Pacific Multi Asset Fund	A Acc USD	US Dollar	Accumulation
Asian Credit Sustainable Bond Fund	A Acc USD	US Dollar	Accumulation
	A QInc USD	US Dollar	Distribution
	A Gross MIncA USD	US Dollar	Distribution
	A Acc Hedged SGD	Singapore Dollar	Accumulation

<sup>1</sup>“UCITS” means an undertaking for collective investment in transferable securities.

<b>Sub-Fund</b>	<b>Classes</b>	<b>Currency Denomination of the Share Class</b>	<b>Use of earnings</b>
	A Gross MIncA Hedged SGD	Singapore Dollar	Distribution
Asian High Yield Sustainable Bond Fund	A Acc USD*	US Dollar	Accumulation
	A Acc Hedged SGD*	Singapore Dollar	Accumulation
	A Gross MInc Hedged SGD*	Singapore Dollar	Distribution
	A Gross MInc USD*	US Dollar	Distribution
Asian SDG Equity Fund	A Acc USD	US Dollar	Accumulation
	A Acc Hedged SGD	Singapore Dollar	Accumulation
China A Share Sustainable Equity Fund	A Acc USD	US Dollar	Accumulation
	A Acc Hedged SGD	Singapore Dollar	Accumulation
Diversified Growth Fund	A Acc Hedged SGD	Singapore Dollar	Accumulation
	A AInc Hedged SGD*	Singapore Dollar	Distribution
	A Acc Hedged USD	US Dollar	Accumulation
	A AInc Hedged USD	US Dollar	Distribution
	A AInc USD*	US Dollar	Distribution
	A Acc USD	US Dollar	Accumulation
	A Acc EUR	Euro	Accumulation
Diversified Income Fund	A MInc USD	US Dollar	Distribution
	A MInc Hedged SGD	Singapore Dollar	Distribution
	A Acc USD	US Dollar	Accumulation
	A Acc Hedged SGD*	Singapore Dollar	Accumulation
Emerging Markets Bond Fixed Maturity 2023 Fund	A Acc Hedged SGD	Singapore Dollar	Accumulation
	A QInc Hedged SGD	Singapore Dollar	Distribution
	A QInc USD	US Dollar	Distribution

<b>Sub-Fund</b>	<b>Classes</b>	<b>Currency Denomination of the Share Class</b>	<b>Use of earnings</b>
Emerging Markets Corporate Bond Fund	A MInc USD	US Dollar	Distribution
	A Acc USD	US Dollar	Accumulation
	A MInc Hedged SGD	Singapore Dollar	Distribution
	A Acc Hedged SGD	Singapore Dollar	Accumulation
Emerging Markets SDG Equity Fund	A Acc USD	US Dollar	Accumulation
	A Acc Hedged SGD	Singapore Dollar	Accumulation
Frontier Markets Bond Fund	A Acc USD	US Dollar	Accumulation
	A Acc Hedged EUR	Euro	Accumulation
	A MIncA USD	US Dollar	Distribution
	A Acc Hedged SGD	Singapore Dollar	Accumulation
	A MIncA Hedged SGD	Singapore Dollar	Distribution
	A MIncA Hedged EUR*	Euro	Distribution
	A Acc Hedged AUD*	Australian Dollar	Accumulation
	A MIncA Hedged AUD	Australian Dollar	Distribution
Global Dynamic Dividend Fund	A Acc USD	US Dollar	Accumulation
	A Gross MIncA USD	US Dollar	Distribution
	A Acc SGD Hedged	Singapore Dollar	Accumulation
	A Gross MIncA SGD Hedged	Singapore Dollar	Distribution
	A Gross MIncA Hedged AUD	Australian Dollar	Distribution
	A Gross MIncA Hedged CNH	Chinese Yuan Renminbi	Distribution
	A Gross MIncA Hedged CAD	Canadian Dollar	Distribution
	A Gross MIncA Hedged GBP	British Pound Sterling	Distribution



Sub-Fund	Classes	Currency Denomination of the Share Class	Use of earnings
Indian Bond Fund	A MInc USD	US Dollar	Distribution
North American Smaller Companies Fund	A Acc USD	US Dollar	Accumulation
	A Acc Hedged SGD	Singapore Dollar	Accumulation
Select Emerging Markets Bond Fund	A MInc USD	US Dollar	Distribution
	A Acc USD	US Dollar	Accumulation
	A MInc Hedged SGD	Singapore Dollar	Distribution
	A Acc Hedged SGD*	Singapore Dollar	Accumulation
Short Dated Enhanced Income Fund	A Gross MIncA USD	US Dollar	Accumulation
	X Acc USD*	US Dollar	Accumulation

*\*These Share Classes have not been launched as of the date of this Singapore Prospectus. Singapore investors may wish to check with the distributors in Singapore on the future availability of this Share Class.*

There is currently no initial offer period in Singapore in respect of the Share Classes of the Sub-Funds offered under this Singapore Prospectus.

***The Share Classes that have not been incepted as at the date of this Singapore Prospectus will be incepted as soon as practicable after a subscription request for Shares of these Share Classes is received and accepted by the Fund.***

The Board of Directors reserves the right not to proceed with the launch of the Share Classes that have not been incepted in the event that the Board of Directors is of the view that it is not commercially viable to proceed with such Share Classes. In such event, the relevant Share Classes shall be deemed not to have been activated and the Fund and/or the Management Company may notify investors and return the subscription monies received (without interest) to investors.

Dividends will be declared and distributed on Income Shares, Accelerated Income Shares and Gross Income Shares. Monthly Income Shares are denoted by adding "MInc" next to the Class (e.g. A MInc), Quarterly Income Shares are denoted by adding "QInc" next to the Class (e.g. A QInc) and Annual Income Shares are denoted by adding "AInc" next to the Class (e.g. A AInc). Accelerated Income Shares are where dividends of Income Shares (regardless of their dividend distribution frequency) may be declared on an accelerated basis at the discretion of abrdn SICAV I with the appropriate distributions made in less than one month of the relevant declaration date. These Accelerated Income Shares will be denoted by adding "A" next to the Class (e.g. A MIncA). Dividends of Gross Income Shares will include all income generated by the relevant Shares, with any costs taken directly from the capital of such Share. These Gross Income Shares will be denoted by adding "Gross" next to the Class (e.g. A Gross MInc). Gross Income Shares may carry a risk of capital erosion. Potential investors should carefully read the "Capital Erosion Risk" section under "General

Risk Factors” of the Luxembourg Prospectus. **Please note that dividends declared and distributed will reduce the Net Asset Value of the Income Shares, Accelerated Income Shares, and Gross Income Shares.** The Board of Directors reserves the right to increase or decrease the frequency of dividend payments, if any, at their discretion. Dividends may be paid out of investment income, capital gains or capital at the discretion of the Board of Directors.

The Board of Directors will declare, but does not intend to distribute, any dividends in respect of Accumulation Shares, which are denoted by adding “Acc” next to the Class (e.g. A Acc). Accordingly, the dividends attributable to these Share Classes will be accumulated in their respective Net Asset Values.

Currency hedged Share Classes (denoted by including “Hedged” and the relevant currency in their name) seek to mitigate against fluctuations in the exchange rate of the hedged currency of the Share Class (the currency of the Share Class a Shareholder invests in) relative to the particular Base Currency of the relevant Sub-Fund. To effect currency hedging, subscriptions into a hedged Share Class will be converted into the Base Currency of the Sub-Fund and that currency exposure will then be hedged at the current forward foreign exchange rate (with this hedging transaction rolled over periodically thereafter). Please refer to the sections headed “Currency Hedged Share Classes” and “General Information regarding hedged Share Classes” under “STRUCTURE” in the Luxembourg Prospectus for further information on hedged Share Classes.

Class A Shares are available to all investors. Class X Shares are accessible to investors who are approved by the Management Company and, in case of subscription or distribution of Shares within the EU only, who are one of the following:

- (i) Financial intermediaries that are prohibited by the local laws or regulations applicable to them to receive and/or retain any commissions or other non-monetary benefits; or
- (ii) Distributors providing portfolio management services and/or investment advice services on an independent basis (as defined by MiFID) within the EU; or
- (iii) Investors who have entered into a separate fee agreement with their distributor regarding the provision of non-independent advice services (as defined by MiFID) within the EU, and where such distributor does not receive and retain any commission or other non-monetary benefits.

2.2 Full details of the Sub-Funds and the Share Classes are set out in the Luxembourg Prospectus.

### **3. MANAGEMENT**

Full details on the management of the Fund are set out under the “BOARD OF DIRECTORS OF abrdn SICAV I” and “MANAGEMENT AND ADMINISTRATION” sections of the Luxembourg Prospectus.

Any past performance of the management entities set out below shall not be necessarily indicative of the future or likely performance of such entities.

#### **3.1 Board of Directors of abrdn SICAV I**

The Directors of the Fund are responsible for the management and administration of the Fund and for its overall investment policy.

**Andrey Berzins**

is a Director of the Fund and is responsible for the management and administration of the Fund and for its overall investment policy. He graduated in statistics from the University of Bath and qualified as a chartered accountant in 1985. For the majority of his career he has been involved in the Asian private equity industry. He is currently a director of Ocean Wilsons Holdings Limited, an investment holding company listed on the London Stock Exchange, as well as several private companies. Andrey is based in Singapore.

**Susanne van Dootingh**

is a Director of the Fund and is responsible for the management and administration of the Fund and for its overall investment policy. Susanne is also an independent non-executive director of several Luxembourg domiciled investment funds and management companies. Prior to becoming an independent non-executive Director of the Fund, she was at State Street Global Advisors from 2002 to 2017 with her final position being Senior Managing Director, Head of European Governance and Regulatory Strategy EMEA. Prior to this she held various senior positions at State Street Global Advisors in Global Product Development and Global Fixed Income Strategy. Before joining SSGA in 2002 she was a fixed income strategist and portfolio manager at Fortis Investment Management, Barclays Global Investors, and ABN AMRO Asset Management.

**Nadya Wells**

is a Director of the Fund and is responsible for the management and administration of the Fund and for its overall investment policy. She is an experienced Non-Executive Director who has spent over 25 years as a long-term investor and governance specialist in emerging and frontier markets. She spent 13 years with the Capital Group until 2014 as a portfolio manager and analyst with a focus on EMEA markets. Prior to that she was a portfolio manager at Invesco Asset Management investing in Eastern Europe in closed end funds until 1999. She started her career with EY in management consulting. She is a non-executive director on the boards of various Luxembourgish SICAVs, Senior Independent Director of Hansa Investment Company Limited and Barings Emerging EMEA Opportunities plc, and also sits on the audit committee of the Non-Profit Drugs for Neglected Diseases Initiative (DNDi). She has an MBA from INSEAD, an MA from Oxford University and an MSc from the University of Geneva.

**Hugh Young**

is a Director of the Fund and is responsible for the management and administration of the Fund and for its overall investment policy. Hugh is the Chairman for abrdrn's business in Asia. He was previously the Head of Asia Pacific for abrdrn, a main board director and Head of Investments for Aberdeen Asset Management (before its merger with Standard Life plc). Hugh joined the company in 1985 to manage Asian equities from London, having started his investment career in 1980. He founded what is now abrdrn Asia Limited in 1992 as the regional headquarters of Aberdeen Asset Management. Hugh is a director of a number of abrdrn Group

subsidiary companies and abrdn Group-managed investment trusts and funds. Hugh graduated with a BA (Hons) in Politics from Exeter University.

**Ian Boyland**

is a Director of the Fund and is responsible for the management and administration of the Fund and for its overall investment policy. He has been working in the Luxembourg investment fund industry for over 20 years, performing in a variety of senior roles at Citibank, JP Morgan, Fidelity and Chase Manhattan, heading teams providing fund accounting, pricing, custody and transfer agency services. Since 2013 he has been acting as an independent director for a number of regulated and non-regulated Luxembourg investment funds and company structures. Ian is a member of the Institute of Risk Management and the UK Institute of Directors. Ian is a graduate of Warwick University and a member of the Institute of Chartered Accountants in England and Wales.

**Stephen Bird**

is a Director of the Fund and is responsible for the management and administration of the Fund and for its overall investment policy. Stephen joined abrdn plc in July 2020 as Chief Executive-Designate, and was formally appointed Chief Executive Officer in September 2020. Previously, Stephen served as chief executive officer of global consumer banking at Citigroup from 2015, retiring from the role in November 2019. His responsibilities encompassed all consumer and commercial banking businesses in 19 countries, including retail banking and wealth management, credit cards, mortgages, and operations and technology supporting these businesses. Prior to this, Stephen was chief executive for all of Citigroup's Asia Pacific business lines across 17 markets in the region, including India and China. Stephen joined Citigroup in 1998, and during his 21 years with the company he held a number of leadership roles in banking, operations and technology across its Asian and Latin American businesses. Before this, he held management positions in the UK at GE Capital – where he was director of UK operations from 1996 to 1998 – and at British Steel. He holds an MBA in Economics and Finance from University College Cardiff, where he is also an Honorary Fellow.

**3.2 Management Company**

- 3.2.1 Pursuant to a Fund Management Company Agreement, abrdn Investments Luxembourg S.A. has been appointed to act as the management company of the Fund (the “**Management Company**”). The Management Company will be responsible on a day-to-day basis, under the supervision of the Board of Directors, for providing administration, marketing, distribution, investment management and advisory services in respect of all the Sub-Funds and may delegate part or all of such functions to third parties.
- 3.2.2 The Management Company is a Luxembourg company having its registered address at 35a, avenue John F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg.
- 3.2.3 The Management Company was incorporated in the form of a *société anonyme* on 5 October 2006 for an unlimited duration, and is authorised and regulated by the CSSF in Luxembourg. The Management Company is approved as a UCITS management company regulated by

the Law and as alternative investment fund manager within the meaning of article 1(46) of the law of 12 July 2013 on alternative investment fund managers.

- 3.2.4 The Management Company has managed collective investment schemes since 2009.
- 3.2.5 The Management Company has delegated the administration functions to Citibank Europe plc, Luxembourg Branch (the “**Administrator**”), but the Management Company will assume directly the functions of the domiciliary agent (the “**Domiciliary Agent**”), the registrar and transfer agent (the “**Registrar and Transfer Agent**”), and the marketing and distribution function. The Management Company has delegated the investment management services to various investment managers (the “**Investment Managers**”). The Management Company may appoint authorised distribution agents and other sub-distributors (who may be associates) and who may receive all or part of any charges payable to the Management Company, subject to applicable laws and regulations.
- 3.2.6 **Board of Directors of abrdn Investments Luxembourg S.A.**

**Andreia Camara** is Director and Conducting Officer of abrdn Investments Luxembourg S.A. primarily covering risk management and valuation. Andreia joined abrdn as a result of the merger between Aberdeen Asset Management and Standard Life in August 2017. Andreia joined Aberdeen Asset Management in 2013 after 12 years at Ernst & Young, working in assurance and advisory services for alternative investments. From 2011 Andreia was part of Ernst & Young’s AIFMD implementation team and has since then been actively involved in ALFI Risk Management Committees. Andreia has a degree from the University of Minho in Portugal in Business Management and a Post Graduate degree in Tax law and Finance from the University of Economics of Oporto. She is also certified as a Luxembourg CPA and a qualified professional of RICS (MRICS).

**Alan Hawthorn** is Head of Global Investor Services and is responsible for all in-house and outsourced transfer agency operations for abrdn. Alan is also a Director of a number of subsidiary companies within the abrdn Group. Alan joined abrdn as a result of the merger between Aberdeen Asset Management and Standard Life in August 2017. Alan joined Aberdeen Asset Management in 1996 from Prolific Financial Management. Alan graduated with a BA in Commerce at Napier University.

**Hugh Young** Please refer to the section “Board of Directors of the abrdn SICAV I” above.

**Miroslav Stoev** Miroslav Stoev is a non-executive director of abrdn Investments Luxembourg S.A. from August 2021. Miroslav has extensive experience in performing a range of operations, financial reporting, risk management, conducting officer, due diligence, NAV calculation and directorship services to real estate and private equity investment structures, many of which are under the supervision of the CSSF. He has 23 years of professional experience, mostly focused on alternative investment structures, with EY (Luxembourg and New York), Citco Luxembourg and then managing a boutique practice in Luxembourg. Miroslav is on the board of a number of PERE Pan European investment structures.

Miroslav holds an MBA from Tulane University and a Bachelor of Business Administration from Sofia University. He is a licensed Expert-comptable (CPA) in Luxembourg.

**You should note that the Directors and/or the Chief Executive Officer of the Management Company may change over time.**

### 3.2.7 Key Executives of the Management Company

The Directors of the Management Company, apart from Miroslav Stoev, are also the key executives of the Sub-Funds.

### 3.3 Investment Managers, Sub-Investment Managers and Investment Advisors

3.3.1 Pursuant to various Investment Management Agreements between the Management Company, the Fund and the Investment Managers, the latter were appointed as the Investment Managers to the Sub-Funds. The Investment Managers will manage the investment and reinvestment of the assets of the Sub-Funds in accordance with the investment objectives and investment and borrowing restrictions of the Fund, under the overall responsibility of the Board of Directors.

3.3.2 abrdn Investments Limited, one of the Investment Managers, has delegated, under the overall control of the Board of Directors, certain of these functions to the Sub-Investment Managers as described below who will be remunerated by the Investment Manager out of its fees.

3.3.3 The Investment Manager(s), Sub-Investment Manager (where applicable) and Investment Advisor (where applicable) of each Sub-Fund are set out in the table below:

<b>Sub-Fund</b>	<b>Investment Manager</b>	<b>Sub-Investment Manager</b>	<b>Investment Advisor</b>
Asia Pacific Multi Asset Fund	abrdn Investments Limited	abrdn Asia Limited	N/A
Asian Credit Sustainable Bond Fund	abrdn Investments Limited and abrdn Inc.	abrdn Asia Limited	N/A
Asian High Yield Sustainable Bond Fund	abrdn Investments Limited	abrdn Asia Limited	N/A
Asian SDG Equity Fund	abrdn Investments Limited	abrdn Asia Limited	N/A
China A Share Sustainable Equity Fund	abrdn Investments Limited	abrdn Asia Limited	abrdn Hong Kong Limited
Diversified Growth Fund	abrdn Investments Limited and abrdn Inc.	abrdn Asia Limited	N/A
Diversified Income Fund	abrdn Investments Limited and abrdn Inc.	abrdn Asia Limited	N/A

<b>Sub-Fund</b>	<b>Investment Manager</b>	<b>Sub-Investment Manager</b>	<b>Investment Advisor</b>
Emerging Markets Bond Fixed Maturity 2023 Fund	abrdn Investments Limited	N/A	N/A
Emerging Markets Corporate Bond Fund	abrdn Investments Limited	N/A	N/A
Emerging Markets SDG Equity Fund	abrdn Investments Limited	abrdn Asia Limited	N/A
Frontier Markets Bond Fund	abrdn Investments Limited	N/A	N/A
Global Dynamic Dividend Fund	abrdn Investments Limited and abrdn Inc.	N/A	N/A
Indian Bond Fund	abrdn Investments Limited	abrdn Asia Limited	N/A
North American Smaller Companies Fund	abrdn Inc.	N/A	N/A
Select Emerging Markets Bond Fund	abrdn Investments Limited	N/A	N/A
Short Dated Enhanced Income Fund	abrdn Investments Limited	abrdn Asia Limited	N/A

3.3.4 Information on the respective Investment Managers, Sub-Investment Manager and Investment Advisor is set out below.

**(i) abrdn Investments Limited**

abrdn Investments Limited is domiciled in the United Kingdom and is regulated and authorised by the Financial Conduct Authority in the United Kingdom. abrdn Investments Limited has managed collective investment schemes or discretionary funds since 1988.

**(ii) abrdn Inc.**

abrdn Inc. is domiciled in the United States of America and is regulated by the United States Securities and Exchange Commission. abrdn Inc. has managed collective investment schemes or discretionary funds since 1993.

**(iii) abrdn Asia Limited**

abrdn Asia Limited is domiciled in Singapore and is regulated by the Monetary Authority of Singapore. abrdn Asia Limited has managed collective investment schemes or discretionary funds since 1992.

**(iv) abrdn Hong Kong Limited**

abrdn Hong Kong Limited is domiciled in Hong Kong and is regulated by the Securities and Futures Commission in Hong Kong. abrdn Hong Kong Limited has managed collective investment schemes or discretionary funds since 1985.

3.3.5 abrdn Investments Limited and abrdn Inc. are referred to as the “**Investment Managers**” in this Singapore Prospectus. abrdn Asia Limited is referred to as the “**Sub-Investment Manager**” and abrdn Hong Kong Limited is referred to as the “**Investment Advisor**” in this Singapore Prospectus. Where the context so requires, references in this Singapore Prospectus to Investment Manager should be read as references to Sub-Investment Manager.

**4. OTHER PARTIES**

**4.1 Singapore Representative**

4.1.1 The Fund has appointed abrdn Asia Limited to act as the representative for the Sub-Funds in Singapore (the “**Singapore Representative**”) to provide and maintain certain administrative and other facilities in respect of the Fund.

4.1.2 The Singapore Representative shall carry out, or procure the carrying out of, the following key functions in respect of each Sub-Fund in Singapore:

- (i) facilitating the issue and redemption of Shares;
- (ii) facilitating the publishing of the subscription price and redemption price per Share;
- (iii) facilitating the sending of reports relating to the Sub-Funds to Shareholders;
- (iv) facilitating the furnishing of such books relating to the sale and redemption of Shares as the MAS may require;
- (v) facilitating the inspection of instruments constituting the Sub-Funds;
- (vi) maintaining for inspection in Singapore a subsidiary register of Shareholders who subscribed for or purchased their Shares in Singapore, or maintaining in Singapore any facility that enables the inspection or extraction of the equivalent information;
- (vii) giving notice of any change in such particulars referred to in Section 287(2)(e) of the SFA, which presently refers to the name and/or address of the Singapore Representative, and such other information as may be prescribed by the MAS, to the MAS within 14 days after such change;
- (viii) furnishing such information or record regarding the Sub-Funds as the MAS may, at any time, require for the proper administration of the SFA; and
- (ix) such other functions as the MAS may prescribe or as the Fund and the Singapore Representative may agree in writing.



#### 4.2 **Domiciliary Agent, Registrar and Transfer Agent, Depository, Administrator and Paying Agent**

4.2.1 Domiciliary Agent and Registrar and Transfer Agent - The Management Company carries out the Registrar and Transfer Agent functions, namely to provide dealing, registration and transfer agency services in Luxembourg in accordance with the requirements of the laws governing Luxembourg collective investment schemes.

The Management Company also carries out the Domiciliary Agent functions, namely to provide registered office services, to maintain the Fund's legal and regulatory documentation and coordinate meetings in Luxembourg in accordance with the requirements of the Luxembourg laws.

4.2.2 Depository - Pursuant to a depository agreement dated 5 June 2023 (as amended) (the "**Depository Agreement**"), the Fund has appointed Citibank Europe plc, Luxembourg Branch as depository of the assets of the Fund which are held either directly by the Depository or through a correspondent bank or other agents as appointed from time to time. The Depository has been appointed to provide safekeeping services in respect of the Fund's assets and to ensure an effective and proper monitoring of the Fund's cash flows. Under the Depository Agreement, all securities, cash and other assets of the Fund are entrusted to the Depository.

4.2.3 The Depository is a licensed bank incorporated in Luxembourg, whose office is at 31 Z.A. Bourmicht, Bertrange, Grand-Duchy of Luxembourg, and is supervised by the CSSF.

4.2.4 The Depository can reuse the Fund's assets if provided so in the Depository Agreement and within the limits provided for by Luxembourg laws and regulations and the Depository Agreement. In particular, the assets held in custody by the Depository will be allowed to be reused provided that (i) the reuse of the assets is executed for the account of the Fund, (ii) the Depository is carrying out the instructions of the Fund, (iii) the reuse of assets is for the benefit of the Fund and in the interest of the shareholders, and (iv) the transaction is covered by high-quality and liquid collateral received by the Fund under a title transfer arrangement. In this case, the market value of the collateral shall, at all times, amount to at least the market value of the reused assets plus a premium.

4.2.5 It is possible that the Depository (or any of its affiliates) may in the course of its business have conflicts or potential conflicts of interest with those of the Fund and/or other funds for which the Depository acts. Where a conflict or potential conflict of interest arises, the Depository will ensure that such conflict is managed and monitored in order to prevent adverse effects on the interests of the Fund and its Shareholders. Updated information on the Depository's custody duties and conflicts of interest that may arise may be obtained, free of charge and upon request, at the Depository's registered office.

4.2.6 In accordance with the provisions of the Depository Agreement and the provisions of the Law, the Depository may, subject to certain conditions and in order to effectively conduct its duties, delegate part or all its safekeeping functions over the Fund's assets to one or more third-party delegates appointed by the Depository from time to time.

4.2.7 When selecting and appointing a third-party delegate, the Depository shall exercise all due skill, care and diligence as required by the Law to ensure that it entrusts the Fund's assets only to a third-party delegate that has adequate structures and expertise for the task delegated and that may provide an adequate standard of protection as required by the Law, including in particular an effective prudential regulation and supervision of the third party

delegate in case of delegation of custody tasks. The Depositary's liability as described below shall not be affected by any such delegation.

- 4.2.8 For the avoidance of doubt, a third-party delegate may, in turn, sub-delegate those safekeeping functions that have been delegated to it by the Depositary subject to the same requirements.
- 4.2.9 For the time being, the Depositary has appointed several entities as third-party delegates in relation to the safekeeping of certain assets of the Fund, as further described in the relevant sub-custodian agreement entered into between the Depositary and the relevant third-party delegates. Please refer to <https://www.citigroup.com/global/about-us/global-presence/luxembourg> for the list of third-party delegates of the Depositary to which the safekeeping duties over the Fund's assets have been delegated by the Depositary.
- 4.2.10 Administrator – Citibank Europe plc, Luxembourg branch has been appointed by the Fund as Administrator and is responsible for, inter alia, the daily determination of the Net Asset Value in accordance with Appendix B of the Luxembourg Prospectus.
- 4.2.11 Paying Agent - State Street Bank International GmbH, Luxembourg Branch has been appointed by the Fund as Paying Agent.
- 4.2.12 Further information on the Domiciliary Agent, Registrar and Transfer Agent, Depositary, Administrator and Paying Agent can be found under the "PRINCIPAL AGREEMENTS" section of the Luxembourg Prospectus.

#### 4.3 Auditor

- 4.3.1 The auditor of the Fund is KPMG Luxembourg, *société coopérative* as stated above.

### 5. STRUCTURE OF THE SUB-FUNDS

- 5.1 The Fund is an umbrella type open-ended investment company with variable capital and segregated liability between the Sub-Funds. Each Sub-Fund is a separate portfolio of securities or obligations formed under the umbrella structure of the Fund and has its own investment objectives and policies.
- 5.2 A copy of the relevant extracts from the register of Shareholders relating to you is available for your inspection, free of charge, during normal Singapore business hours at the registered office of the Singapore Representative at 21, Church Street, #01-01, Capital Square Two, Singapore 049480.

### 6. INVESTMENT OBJECTIVE, POLICY AND STRATEGY

#### 6.1 Investment Objective

Please refer to paragraph 1 of each Appendix to this Singapore Prospectus as well as to each relevant section of the Luxembourg Prospectus for information on and details of the investment objective, policy and strategy in respect of each Sub-Fund.

#### 6.2 Investment Restrictions

- 6.2.1 Please refer to the "INVESTMENT POWERS AND RESTRICTIONS" and "INVESTMENT TECHNIQUES AND INSTRUMENTS AND USE OF FINANCIAL DERIVATIVE INSTRUMENTS" sections in Appendix A of the Luxembourg Prospectus for information on and details of the investment restrictions relating to the Sub-Funds.

## 6.2.2 Securities Lending Transactions

To the maximum extent allowed by, and within the limits set forth in, the Law and any present or future related Luxembourg laws or implementing regulations, circulars and CSSF's positions, in particular the provisions of (i) article 11 of the Grand-Ducal regulation of 8 February 2008 relating to certain definitions of the law of 20 December 2002 on undertakings for collective investments<sup>2</sup>; (ii) CSSF Circular 08/356 relating to the rules applicable to undertakings for collective investments when they use certain techniques and instruments relating to transferable securities and money market instruments ("**CSSF Circular 08/356**" (as these regulations may be amended or replaced from time to time)); and (iii) CSSF Circular 14/592 relating to ESMA Guidelines on ETFs and other UCITS, each Sub-Fund (except the Short Dated Enhanced Income Fund) may for the purpose of generating additional capital or income or for reducing costs or risks engage in securities lending transactions. The Short Dated Enhanced Income Fund may only engage in securities lending transactions for the sole purpose of efficient portfolio management.

### **Lending of Portfolio Securities**

In order to generate additional revenue, *inter alia*, for Sub-Funds, the Fund intends to participate in securities lending transactions subject to complying with the provisions set forth in the CSSF Circular 08/356 and CSSF Circular 14/592 as the same may be amended or replaced. Under no circumstances shall these operations cause a Sub-Fund to diverge from its investment objective as laid down in this Singapore Prospectus or result in additional risk higher than its profile as described in this Singapore Prospectus. The following types of assets can be subject to securities lending: equity and bonds held in the portfolio of the relevant Sub-Fund in accordance of its investment policy when the Fund is acting as borrower.

The following types of securities are permissible for securities lending transactions:

- (i) Government Bonds;
- (ii) Mortgage Backed Securities;
- (iii) Corporate Bonds;
- (iv) Agency Bonds;
- (v) Supranational Bonds;
- (vi) Global Equities;
- (vii) Exchange Traded Funds;
- (viii) American Depositary Receipts;
- (ix) Global Depositary Receipts.

In relation to such lending transactions, the Fund must in principle receive for the Sub-Fund concerned security of a value which at the time of the conclusion of the lending agreement must be at least equal to the value of the global valuation of the securities lent.

The Fund may not enter into securities lending transactions unless such lending is fully and continuously secured by the cash placed as collateral and/or shares admitted to or dealt in on a Regulated Market or on a stock exchange of a member state of the OECD, provided that these shares are included in a main index and/or securities issued or guaranteed by an

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<sup>2</sup> The law of 20 December 2002 on undertakings for collective investments has been repealed and replaced by the Law.

OECD member state or by local authorities of an OECD member state or by supranational institutions or organisations with EU, regional or worldwide scope, or by a guarantee of a highly rated financial institution, and blocked in favour of the Fund until the termination of the lending contract.

Securities lending is a widely used industry practise which involves investment portfolios engaging in short term loans of either equities or bonds against an underlying security. These loans are agreed for a fee which enhances the yield of the Sub-Fund. Revenues generated from securities lending transactions are used by the Sub-Fund to help reduce costs and improve performance. Each Sub-Fund engages in securities lending transactions on continuous or on a temporary basis, depending on factors as further described hereafter. Lending transactions may not be entered into in respect of more than 50% of the Net Assets of each Sub-Fund. Although the level of security lending transactions on average is expected to be low (i.e. around 10%) in practice as at the date of this Singapore Prospectus, it can range from 0 to 50% for each relevant Sub-Fund. Each Sub-Fund under the Fund has the ability, at its discretion, to engage in securities lending transactions. The amount and the extent of lending activity of each Sub-Fund will vary on the basis of demand and the number of lending opportunities that present themselves and are considered material enough for the Sub-Fund to engage in.

Lending transactions may not extend beyond a period of 7 days, except for lending transactions where the securities may be reclaimed at any time by the Fund.

The Fund has appointed Securities Finance Trust Company as securities lending agent or may appoint any other entity from time to time (the "**Securities Lending Agent**"). The Securities Lending Agent(s) is/are entitled to receive a fee out of the property of the relevant Sub-Fund (plus VAT thereon) for its/their services in relation to securities lending. The relevant Sub-Fund, will pay 10% of the gross revenue generated from securities lending activities as costs / fees to the Securities Lending Agent, the Investment Manager will receive 5% of the gross revenues generated from securities lending activities to cover its own administrative and operational costs and the Sub-Fund will retain 85% of the gross revenues generated from securities lending activities. Costs / fees of running the programme are paid from the Securities Lending Agent's portion of the gross income (10%). This includes direct and indirect costs / fees generated by the securities lending activities. Details of such amounts, including any additional operational cost, will be disclosed in the interim and annual financial reports of the Fund. The proportion of the income that will accrue to a particular Sub-Fund from all securities lending transactions cannot be changed without the Board's consent.

There may be potential conflicts of interests in relation to the securities lending transactions entered into. All securities lending transactions will be entered into on arms-length commercial terms. The written consent of the Board is required for any such transactions that are entered into with the Investment Managers or Sub-Investment Managers or its Connected Persons.

The Securities Lending Agent is not a related party to the Investment Managers or Sub-Investments Managers.

The counterparties to the transactions described above must be subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by Community law and specialised in this type of transaction. While there are no predetermined legal status or geographical criteria applied in the selection of the counterparties, these elements are typically taken into account in the selection process. The counterparties to such transactions will typically be organisations based in an OECD member state. The Fund will seek to

appoint counterparties from a list of approved counterparties who have undergone a credit risk analysis by the Investment Managers taking into account CSSF rules on counterparty selection, and whose short-term and long term ratings so rated by Standard & Poor's or Moody's Investor Services or Fitch Ratings must not be lower than BBB+. A counterparty may be a related party to the Investment Manager. In accordance with its collateral policy, the Fund will ensure that its counterparty delivers and each day maintains collateral of at least the market value of the securities lent/sold, as described below. Such collateral must be in the form of:

- (i) liquid assets (i.e., cash and short term bank certificates, money market instruments as defined in Council Directive 2007/16/EC of 19 March 2007) and their equivalent (including letters of credit and a guarantee at first-demand given by a first class credit institution not affiliated to the counterparty);
- (ii) bonds issued or guaranteed by a member state of the OECD or their local authorities or by supranational institutions and undertakings with EU, regional or world-wide scope. Government bonds must have a minimum issuer rating of AA- S&P or Aa3 Moody's (with respect to a government issuer that is rated by both Moody's and S&P, the lower of those two ratings applies). The maturity of these bonds may vary and is not subject to limitations;
- (iii) shares or units issued by money market UCIs calculating a net asset value on a daily basis and assigned a rating of AAA or its equivalent;
- (iv) shares or units issued by UCITS investing mainly in bonds/shares satisfying the conditions under (v) and (vi) hereafter;
- (v) bonds issued or guaranteed by first class issuers offering an adequate liquidity; or
- (vi) shares admitted to or dealt in on a Regulated Market or on a stock exchange of a member state of the OECD, provided that these shares are included in a main index.

Collateral will be valued on a daily basis, using available market prices and taking into account appropriate discounts determined for each asset class based on the haircut policy. The collateral will be marked to market daily and may be subject to daily variation margin requirements. Haircuts can be internally reviewed and modified as per a risk based approach.

The Fund will require a minimum over-collateralisation of 102% of the value of the underlying securities. The haircut for all eligible collateral will vary between 0 and 2% so that the minimum over-collateralisation of the value of the underlying securities will never fall below 100%.

As the case may be, cash collateral received by each Sub-Fund in relation to any of these transactions may be reinvested in a manner consistent with the investment objectives of such Sub-Fund in (a) shares or units issued by short-term money market undertakings for collective investment calculating a daily net asset value and being assigned a rating of AAA or its equivalent, (b) short-term bank deposits, and (c) short-term bonds issued or guaranteed by an EU member state, Switzerland, Canada, Japan or the United States or by their local authorities or by supranational institutions and undertakings with EU, regional or world-wide scope, according to the provisions described under section XII. Article 43. J) of ESMA Guidelines on ETFs and other UCITS issues released by the CSSF under CSSF Circular 14/592. Such reinvestment will be taken into account for the calculation of each concerned Sub-Fund's global exposure, in particular if it creates a leverage effect. In case of reinvestment of cash collateral such reinvestment may (i) create leverage with

corresponding risks and risk of losses and volatility, (ii) introduce market exposures inconsistent with the objectives of the Sub-Fund concerned, or (iii) yield a sum less than the amount of collateral to be returned.

The securities of a Sub-Fund that have been lent may be held by a third party custodian who is subject to prudential supervision. Where there is a title transfer, collateral received will be held by the Depositary (or sub-custodian on the behalf of the Depositary) on behalf of the relevant Sub-Fund in accordance with the Depositary's safekeeping duties under the Depositary Agreement. For other types of collateral arrangement, the collateral can be held by a third party custodian which is subject to prudential supervision and which should be unrelated to the provider of the collateral.

### 6.2.3 Use of Total Return Swaps

A total return swap is an agreement in which one party makes payments based on the total return of an underlying asset, which includes both the income it generates and any capital gains or losses, in exchange for payments based on an interest rate, either fixed or variable, from the other party.

It is not the intention of the Fund to enter into total return swaps transactions. If any Sub-Fund was to use total return swaps in the future, the Luxembourg Prospectus will be modified accordingly.

### 6.2.4 Transparency of securities financing transactions and of reuse (SFTR)

The Fund will not enter into (i) total return swaps and/or (ii) the securities financing transactions pertaining to repurchase and reverse repurchase agreements and/or buy-sell back/sell-buy back transactions, as defined in the Regulation (EU) 2015/2365 on transparency of securities financing transactions and of reuse and amending Regulation (EU) 648/2012 (the "**SFT Regulation**").

If the Sub-Fund was to use such securities financing transactions and total return swaps in the future, the Luxembourg Prospectus will be modified accordingly.

## 7. FEES, CHARGES AND EXPENSES

7.1 The current fees, charges and expenses applicable to each Sub-Fund offered in this Singapore Prospectus are set out in paragraph 2 of the relevant Appendix to this Singapore Prospectus.

7.2 You should note that the Board of Directors' current policy is to impose a swing pricing adjustment to the Net Asset Value of each Class of Shares in a given Sub-Fund in the following circumstances:

- (a) if the net redemptions on a particular Dealing Day<sup>3</sup>, exceed 5% of the Net Asset Value of the Sub-Fund or any lower thresholds (i.e. from 0% up to 5%) (the "**Swing Threshold**") applicable to specific Sub-Funds as determined by the Board of Directors, the Net Asset Value for issues and redemptions will be adjusted downwards by the applicable swing factor (the "**Swing Factor**");

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<sup>3</sup> "**Dealing Day**" in respect of any Sub-Fund, means any Business Day other than, days during a period of suspension of dealing of Shares in that Sub-Fund or, days (as determined by the Board in its discretion) on which any exchange or market on which a substantial portion of the relevant Sub-Fund's portfolio is traded, is closed. "**Business Day**" means a day on which banks in Luxembourg are open for business (24 December is not a Business Day).

- (b) if net subscriptions on a particular Dealing Day, exceed 5% of the Net Asset Value of the Sub-Fund or any lower Swing Threshold applicable to specific Sub-Funds as determined by the Board of Directors, the Net Asset Value for issues and redemptions will be adjusted upwards by the applicable Swing Factor; or
- (c) in respect of Shares of the Emerging Markets Bond Fixed Maturity 2023 Fund, all redemptions of Shares made before the Sub-Fund's Maturity Date (as defined in Appendix 7 of this Singapore Prospectus) the Net Asset Value will be adjusted downwards by the applicable Swing Factor.

If charged the swing pricing adjustment will be paid into the relevant Sub-Fund and become part of the assets of the relevant Sub-Fund. As a result of a swing pricing adjustment, the Share price for subscription or redemption of Shares will be higher or lower than the Share price for subscription or redemption of Shares which would otherwise have been applied in the absence of a swing pricing adjustment.

The costs associated with dealing in Shares as a result of Shareholder subscriptions and redemptions may adversely impact the value of a Sub-Fund's assets. In order to (i) prevent this adverse effect, called "dilution", on existing or remaining Shareholders and therefore protect their interests, (ii) more equitably allocate the costs associated with investor trading activity to those investors transacting on the relevant trade date; (iii) reduce the impact on the Sub-Funds' performance of transactions costs and (iv) deter frequent trading activity, the Sub-Funds may apply swing pricing as part of their valuation policy.

The decision to swing the Net Asset Value is based on the overall net-flows in a Sub-Fund, and is not applied per share class. It does therefore not address the specific circumstances of each individual investor transaction.

As dilution is related to the inflows and outflows of money from the Sub-Fund it is not possible to accurately predict whether dilution will occur at any future point in time. Consequently it is also not possible to accurately predict how frequently the Fund will need to make such dilution adjustments.

The Management Company retains the right to suspend the application of the swing pricing mechanism on a specific Dealing Day when they consider that its application is not the most appropriate approach when taking into consideration the circumstances surrounding particular investor trading activity.

The swing pricing allows for the Net Asset Value to be adjusted upwards or downwards by a Swing Factor which is not expected to be higher than 3% of the Net Asset Value of the Sub-Fund, if, on any Dealing Day, the net subscriptions or net redemptions in a Sub-Fund exceed a Swing Threshold, as set by the Board of Directors from time to time upon proposal by the Management Company and determined on the basis of elements as disclosed in the abrdn Group's swing pricing policy (e.g. the size of the relevant Sub-Fund, the type and liquidity of positions in which the Sub-Fund invests, etc.). The actual Swing Factor will reflect costs<sup>4</sup> which may adversely impact the value of a Sub-Fund's assets. The Management Company may decide to increase the maximum Swing Factor beyond the maximum percentage (i.e. 3% of the Net Asset Value of the relevant Sub-Fund), where such increase is justified by exceptional market conditions such as volatile markets and taking into account the best interest of Shareholders. Such decisions will be communicated to Shareholders via

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<sup>4</sup> The Swing Factor is determined on the basis of expected costs associated with the Sub-Fund's portfolio trading activity. Such costs can include, but are not limited to bid/offer spreads, broker fees, transaction charges, tax and duty charges, entry or exit fees, share class specific costs and, registration costs where appropriate, in line with the abrdn Group's swing pricing policy.

a publication at [www.abrdn.com](http://www.abrdn.com) and notified to the CSSF. The Management Company has implemented a swing pricing policy, which has been approved by the Board of Directors as well as specific operational procedures governing the day-to-day application of the swing pricing.

The above applies to all Sub-Funds.

- 7.3 Please refer to the “CHARGES AND EXPENSES” section of the Luxembourg Prospectus for further details on fees, charges and expenses currently applicable to the Sub-Funds.

## **8. RISK FACTORS**

### **8.1 General Risks**

- 8.1.1 You should note that the price of Shares of any of the Sub-Funds and any income from them may fall as well as rise and that you may not get back the full amount invested.
- 8.1.2 Past performance is not a guide to future performance and depending on each Sub-Fund’s investment objectives, policies and strategies, a Sub-Fund should be regarded as a short- or long-term investment.
- 8.1.3 Where a purchase involves a foreign exchange transaction, it may be subject to the fluctuations of currency values. Exchange rates may also cause the value of underlying overseas investments to go down or up.

### **8.2 Specific Risks**

- 8.2.1 Where the currency of the relevant Sub-Fund varies from the currency invested, or where the currency of the relevant Sub-Fund varies from the currencies of the markets in which the Sub-Fund invests, you will be exposed to exchange rate risks and there is the prospect of additional loss (or the prospect of additional gain) to the investor greater than the usual risks of investment.
- 8.2.2 Singapore investors should note that the Sub-Funds are not denominated in Singapore Dollars and the Share Classes may not be denominated in Singapore Dollars. Except the hedged Share Classes, the relevant Portfolio Manager does not intend to hedge against currency fluctuations between the Singapore Dollar and that of the currency of account of the Sub-Funds and between the Singapore Dollar and that of the currency denomination of the Share Classes. Singapore investors may therefore be exposed to this exchange rate risk.
- 8.2.3 Currency hedged Share Classes seek to mitigate against fluctuations in the exchange rate of the hedged currency of the Share Class (the currency of the Share Class a Shareholder invests in) relative to the particular Base Currency of the relevant Sub-Fund. To effect currency hedging, subscriptions into a hedged Share Class will be converted into the Base Currency of the Sub-Fund and that currency exposure will then be hedged at the current forward foreign exchange rate (with this hedging transaction rolled over periodically thereafter).

Shareholders should bear in mind that they are electing to gain exposure to the currency of the hedged Share Class. This currency will strengthen or weaken against other currencies in the future, including currencies in which the relevant Fund holds investments. This is particularly important in respect of Sub-Funds where a material proportion of underlying assets is held in different currencies to the Base Currency of the Sub-Fund. Where this is the case, currency hedging will operate to transpose Shareholders’ currency risk from their currency of investment to the Sub-Fund Base Currency relative to the currency of the



underlying assets, and currency gains and losses and corresponding returns may be more volatile than the unhedged Share Classes in the same Sub-Fund. By contrast, where a material proportion of underlying assets is held in the same currency as the Base Currency of the Sub-Fund, Base Currency Share Class hedging will operate to mitigate Shareholders' currency risk. It should be noted that the alignment between the currency exposure of the underlying assets and the Base Currency of the Sub-Fund will vary over time.

Accordingly, Shareholders must bear in mind that currency hedging strategies will impact their investment if the hedged Share Class currency rises or falls against the Base Currency, and also if the hedged Share Class currency rises or falls against the currency in which some or all of the investments of the relevant Sub-Funds are denominated. Please refer to the sections headed "Currency Hedged Share Classes" and "General Information regarding hedged Share Classes" under "STRUCTURE" of the Luxembourg Prospectus for further information on hedged Share Classes.

- 8.2.4 A Sub-Fund may invest in securities denominated in a number of different currencies other than the Base Currency in which the Sub-Fund is denominated. Changes in foreign currency exchange rates may adversely affect the value of a Sub-Fund's investments and the income thereon.
- 8.2.5 Where a Sub-Fund has significant exposure to one currency, its potential volatility and sensitivity to fluctuations in exchange rates are increased. Changes in foreign currency exchange rates may in that case adversely and significantly affect the return of your investment.
- 8.2.6 **Specific Risks Linked To Securities Lending Transactions:** Whilst value of the collateral of Securities Lending Agreements will be maintained to at least equal to the value of the securities transferred, in the event of a sudden market movement there is a risk that the value of such collateral may fall below the value of the securities transferred. The Fund will seek to mitigate this risk by requiring any securities lending agent to indemnify the relevant Sub-Funds against such a fall in the value of collateral (save where such collateral has been re-invested at the instructions of the Sub-Fund).

Securities lending involves counterparty risk, including the risk that the loaned securities may not be returned or returned in a timely manner and/or at a loss of rights in the collateral if the borrower or the lending agent defaults or fails financially. This risk is increased when a Sub-Fund's loans are concentrated with a single or limited number of borrowers. Investors must notably be aware that (A) if the borrower of securities lent by a Sub-Fund fail to return these, there is a risk that the collateral received may realise less than the value of the securities lent out, whether due to inaccurate pricing, adverse market movements, a deterioration in the credit rating of issuers of the collateral, or the illiquidity of the market in which the collateral is traded; that (B) in case of reinvestment of cash collateral such reinvestment may (i) create leverage with corresponding risks and risk of losses and volatility, (ii) introduce market exposures inconsistent with the objectives of the Sub-Fund, or (iii) yield a sum less than the amount of collateral to be returned; and that (C) delays in the return of securities on loans may restrict the ability of a Sub-Fund to meet delivery obligations under security sales.

Securities lending also entails operational risks such as the non-settlement or delay in settlement of instructions for subscriptions, conversions or redemptions of Shares, and legal risks related to the documentation used in respect of such transactions (the documentation may be difficult to enforce and may be subject to interpretation).

Securities lending also entails liquidity risks. In the event investments in which a Sub-Fund has reinvested the received cash collateral become illiquid or difficult to buy or sell, it may not be possible for a Sub-Fund to recover its securities and to liquidate them at the best price or to meet redemptions or other payment obligations. Securities lending triggers custody risks as a Sub-Fund's assets are safe-kept by the Depositary. In that case, a Sub-Fund risks the loss of assets held by the Depositary in the event of its insolvency, bankruptcy, negligence or fraudulent trading.

- 8.2.7 Investing in Mainland China: Some Sub-Funds may invest directly or indirectly in Chinese domestic securities market via various channels including the QFI status held by abrdrn Asia Limited or any other appointed Investment Manager or Sub-Investment Manager. Other than risks involved in investments on an international basis and in Emerging Markets, as well as other risks of investments generally as described within the "Investing in Mainland China" section of the "General Risk Factors" section of the Luxembourg Prospectus which are applicable to investments in China, investors should also note the additional specific risks below.

Under Mainland China laws, there is a limit to how many shares a single foreign investor (including the relevant Sub-Fund) is permitted to hold in a single company which is listed on a Mainland China stock exchange (a "**Mainland China Listco**") or admitted on the Nationals Equities Exchange and Quotations (NEEQ) (a "**NEEQ-admitted company**"), and also a limit to the maximum combined holdings of all foreign investors in a single Mainland China Listco or a single NEEQ-admitted company. Such foreign ownership limits may be applied on an aggregate basis (i.e. across both domestically and overseas issued shares of the same listed company, whether the relevant holdings are through Stock Connect (as defined below), the QFI regime or other investment channels). The single foreign investor limit is currently set at 10% of the shares of a Mainland China Listco or a single NEEQ-admitted company and the aggregate foreign investor limit is currently set at 30% of the shares of a Mainland China Listco or a single NEEQ-admitted company. Such limits are subject to change from time to time. Foreign investors who make strategic investment in a Mainland China Listco pursuant to relevant laws and regulations, are not bound by the foregoing percentage limits in terms of their holdings of shares under strategic investment. Strategic investment by foreign investors shall mean obtaining China A-Shares through transfer under an agreement or a directed issue of new shares by the Mainland China Listco. Any China A-Shares obtained by strategic investment shall not be transferred within three years. Stricter limits on shareholding by QFIs and other foreign investors separately imposed by applicable laws, administrative regulations, or industrial policies in PRC, if any, shall prevail.

#### Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect

Certain Sub-Funds may invest and have direct access to certain eligible China A-Shares via the Shanghai-Hong Kong Stock Connect and/or Shenzhen-Hong Kong Stock Connect (together referred to as "**Stock Connect**"), and as such may be subject to additional risks. In particular, Shareholders should note that these programmes are novel in nature and the relevant regulations are untested and subject to change. There is no certainty as to how they will be applied.

Shanghai-Hong Kong Stock Connect is a securities trading and clearing links programme developed by Hong Kong Exchanges and Clearing Limited ("**HKEx**"), Shanghai Stock Exchange ("**SSE**") and China Securities Depository and Clearing Corporation Limited ("**ChinaClear**"). Shenzhen-Hong Kong Stock Connect is a securities trading and clearing links programme developed by HKEx, Shenzhen Stock Exchange ("**SZSE**") and ChinaClear.

The aim of Stock Connect is to achieve mutual stock market access between Mainland China and Hong Kong.

Stock Connect comprises two Northbound Trading Links, one between SSE and SEHK, and the other between SZSE and SEHK. Stock Connect will allow foreign investors to place orders to trade eligible China A-Shares listed on the SSE ("**SSE Securities**") or on the SZSE ("**SZSE Securities**") (the SSE Securities and SZSE Securities collectively referred to as the "**Stock Connect Securities**") through their Hong Kong based brokers.

The SSE Securities include all the constituent stocks from time to time of the SSE 180 Index and SSE 380 Index, and all the SSE-listed China A-Shares that are not included as constituent stocks of the relevant indices but which have corresponding H-Shares listed on SEHK, except (i) those SSE-listed shares which are not traded in Renminbi (RMB) and (ii) those SSE-listed shares which are included in the "risk alert board". The list of eligible securities may be changed subject to the review of and approval by the relevant PRC regulators from time to time.

The SZSE Securities include all the constituent stocks from time to time of the SZSE Component Index and the SZSE Small/Mid Cap Innovation Index which has a market capitalization of at least RMB 6 billion, and all the SZSE-listed China A-Shares that are not included as constituent stocks of the relevant indices but which have corresponding H-Shares listed on SEHK, except those SZSE-listed shares (i) which are not quoted and traded in Renminbi (RMB), (ii) which are included in the "risk alert board"; (iii) which have been suspended from listing by the SZSE; and (iv) which are in the pre-delisting period. The list of eligible securities may be changed subject to the review and approval by the relevant PRC regulators from time to time.

Further information about Stock Connect is available online at the website: [http://www.hkex.com.hk/eng/market/sec\\_tradinfra/chinaconnect/chinaconnect.htm](http://www.hkex.com.hk/eng/market/sec_tradinfra/chinaconnect/chinaconnect.htm)

In addition to the above, there are additional risks associated with the Stock Connect. Please refer to the section headed "Additional risks associated with Stock Connect" in the Luxembourg Prospectus for information.

- 8.2.8 Please refer to the section headed "GENERAL RISK FACTORS" in the Luxembourg Prospectus, and the sections relating to risk warnings specific to each Sub-Fund in the Luxembourg Prospectus for information on and details of the specific risks relating to each Sub-Fund.

## **9. SUBSCRIPTION AND OFFERING OF SHARES**

### **9.1 Subscriptions**

You may apply for either a specific number of Shares or Shares of a specified value (other than in relation to an application for Shares in the Short Dated Enhanced Income Fund, where you must apply for Shares of a specified value only) on any Singapore Business Day<sup>5</sup> except in the circumstances described in this Singapore Prospectus and in the Luxembourg Prospectus. You may subscribe for Shares by submitting the relevant application form to your distributor in Singapore, available from such distributor ("**Application Form**") and together with such other documents as may be required by the Fund.

The Fund may refuse any applications if all relevant documentation has not been submitted, or in any other circumstances agreed with the Fund and notified to you.

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<sup>5</sup> A "Singapore Business Day" means a day which is a Dealing Day and on which banks in Singapore are open for business.

Further information on subscriptions of Shares of the Sub-Funds can be found under the section headed “SUBSCRIPTION FOR SHARES” in the Luxembourg Prospectus.

#### 9.1.1 **Subscription Price and Subscription Procedure**

Any Application Forms received by the Transfer Agent in proper form through the distributors in Singapore no later than 13.00 hours (Luxembourg time) on a Dealing Day (“**Cut-Off Time**”) will be executed at the relevant Share Price<sup>6</sup> calculated on that Dealing Day for the relevant Sub-Fund. Any Application Forms received by the Transfer Agent after the Cut-Off Time will be treated as having been received on the next following Dealing Day and will be executed at the Share Price calculated on such following Dealing Day.

To meet the Cut-off Time, distributors in Singapore will impose their own earlier cut-off times. Please check with your distributor in Singapore for more information.

Shares are issued on a forward pricing basis and the subscription price cannot be calculated at the time of application. Please refer to the “SUBSCRIPTION FOR SHARES” section in the Luxembourg Prospectus for more information.

There is no cancellation period applicable to subscriptions for Shares.

#### 9.1.2 **Payment**

Payment should be made by bank transfer net of all bank charges (i.e. at the investors’ expense) from a bank account in the name(s) of the investor(s). A copy of the bank transfer form (stamped by the bank) should be attached to the Application Form in order to avoid delays.

Cash, cheques or traveller’s cheques will not be accepted.

#### 9.1.3 **Conversion of Currency**

Payment for Shares should be made in the currency of denomination of the relevant Sub-Fund. Other than in relation to a subscription for Shares in the Short Dated Enhanced Income Fund, payment for Shares can be made in Australian Dollars, Euro, Czech Koruna, Hong Kong Dollars, Hungarian Forint, Japanese Yen, Sterling, Swiss Franc, US Dollars, Singapore Dollars or in any other currency as agreed with the Transfer Agent from time to time. However, if the currency of investment is different to the currency denomination of the relevant Sub-Fund the necessary foreign exchange transaction will be arranged on behalf of, and at the expense of, the applicant. Normal banking charges will be included in the foreign exchange rate given and will be charged to the applicant. Applicants must state on their Application Form if they wish to make payment in a currency other than the currency of denomination of the relevant Sub-Fund. Payment for Shares in the Short Dated Enhanced Income Fund must be made in its currency of denomination.

#### 9.1.4 **Market Timing and Late Trading**

The Management Company applies a number of policies and procedures designed to protect the Sub-Funds from being adversely impacted by the trading strategies of investors including application of a dilution adjustment.

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<sup>6</sup> “**Share Price**” means the price of a Share in any one of the Sub-Funds, this price being the Net Asset Value of that Share Class divided by the number of Shares in issue in that Class, adjusted and calculated as described in Section 2 of Appendix B of the Luxembourg Prospectus.

Where the Management Company allows a reduced front-end charge on institutional or other similar trades, the trading strategies of the registered holders are closely monitored to ensure that in the event of short-term trading policies becoming apparent, the terms of business are reviewed.

The Management Company believes that these policies provide significant protection to the Sub-Funds from short term trading.

Late trading is illegal as it violates the provisions of the Luxembourg Prospectus. The Board of Directors will use its reasonable endeavours to ensure that late trading cannot take place. The effectiveness of these procedures is closely monitored.

#### **9.1.5 Prevention of Money Laundering and Terrorist Financing**

Pursuant to international rules and Luxembourg laws and regulations comprising, but not limited to, the law of 12 November 2004 on the fight against money laundering and financing of terrorism, as amended, the Grand Ducal Regulation dated 1 February 2010, CSSF Regulation 12-02 of 14 December 2012 and CSSF Circular 13/556 concerning the fight against money laundering and terrorist financing, and any respective amendments or replacements, obligations have been imposed on all professionals of the financial sector to prevent the use of undertakings for collective investment for money laundering and financing of terrorism purposes. As a result of such provisions, the registrar agent of a Luxembourg undertaking for collective investment must ascertain the identity of the subscriber in accordance with Luxembourg laws and regulations. The Registrar and Transfer Agent may require subscribers to provide any document it deems necessary to effect such identification. In case of appointment of distributors, the Management Company must enter into a distribution agreement with the distributor delegating the material execution of the Management Company's obligations (including but not limited to the performance of AML obligations in compliance with regulations deemed equivalent to the Luxembourg laws and regulations defined above).

In case of delay or failure by an applicant to provide the documents required or enter into the relevant contractual distribution agreement, the application for subscription will not be accepted and in case of redemption, payment of redemption proceeds delayed. Neither the Fund nor the Registrar and Transfer Agent have any liability for delays or failure to process deals as a result of the applicant providing no or only incomplete documentation.

Shareholders may be requested to provide additional or updated identification documents from time to time pursuant to ongoing client due diligence requirements under relevant laws and regulations.

#### **9.1.6 Regular Savings Plan**

Distributors in Singapore may, at their own discretion, offer regular savings plans in relation to offers of the Sub-Funds in Singapore. Information on such regular savings plans, such as minimum periodic contribution, timing of the investment deduction and Shares allotment, fees and termination of such regular savings plan, may be obtained from the relevant distributors in Singapore.

You may at any time cease your participation in the regular savings plan (if any) in respect of a Sub-Fund or Share Class without penalty by giving written notice to the distributors in Singapore of not less than such period of notice as may from time to time be required by the relevant distributor in Singapore provided that the requisite notice period is no longer than the period between that your periodic contributions or such other period specified under applicable Singapore laws.

### 9.1.7 Subscriptions through the use of SRS<sup>7</sup> monies

You may also use your SRS monies to purchase Share Classes denominated in SGD and Hedged Share Classes denominated in SGD in certain Sub-Funds. You should contact the Singapore Representative or the relevant distributors for more information on the availability of subscriptions using SRS monies. If you intend to purchase Share Classes using monies in your SRS account for the applicable Sub-Fund, you will have to indicate as such on the application form. The application form will contain your instructions to the SRS operator bank to withdraw from your SRS account in respect of Shares applied for. If you wish to use your SRS monies to make an investment, you may have to pay a transaction charge to the SRS operator bank (if applicable). As these transaction charges vary among different operator banks, you should approach the operator bank directly to enquire about the up-to-date transaction charges.

### 9.2 Minimum Gross Investment Amount

The minimum Gross Investment Amount<sup>8</sup> for any initial or subsequent investment is USD 1,000 or currency equivalent for Class A and Class X Shares.

The Management Company may waive any minimum Gross Investment Amount at its discretion.

### 9.3 Initial Sales Charge and Capacity Management Charge

#### Initial Sales Charge\*

In respect of Class A Shares, the Board of Directors may impose a maximum initial sales charge of up to 5% of the Gross Investment Amount. There is currently no initial sales charge in respect of Class X Shares.

Initial sales charges may vary and may be less than the maximum amount set out above, depending on the distributor through whom Shares are purchased. You should confirm with the distributor in Singapore through whom you invest whether any initial sales charge will apply to your purchase and, if so, how it will be applied.

#### Capacity Management Charge\*:

This mandatory charge is levied by the Board of Directors and shall be collected for the benefit of the relevant Sub-Fund and is not payable to the Management Company or rebated to any persons by way of a commission or discount. For the avoidance of doubt, any Capacity Management Charge collected shall be paid into the relevant Sub-Fund and become part of the assets of the relevant Sub-Fund. The Capacity Management Charge is levelled upon new investors into a Sub-Fund. To date, this charge has only been imposed on certain Sub-Funds where the Board of Directors think that the strategy of the relevant Sub-Fund is reaching capacity<sup>9</sup>.

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<sup>7</sup> "SRS" means the scheme referred to by the Singapore Ministry of Finance as the Supplementary Retirement Scheme or such other scheme as will replace or supersede the Supplementary Retirement Scheme from time to time.

<sup>8</sup> "Gross Investment Amount" means the amount submitted by or on behalf of an investor for investment in any of the Sub-Funds and out of which any initial or other charges will be paid prior to investment.

<sup>9</sup> The capacity of a Sub-Fund refers to the point at which a Sub-Fund can no longer accept additional subscriptions without such additional subscriptions having a potentially negative impact on the performance of the Sub-Fund.

Reasons for this include, but are not limited to, a lack of additional investing opportunities. For example, a Sub-Fund that invests in short-term bonds may only have a limited number of such bonds into which it can invest, in line with its investment objective and strategy. Additional subscription monies received by such a Sub-Fund may therefore have to be used to purchase additional quantities of the same bonds at unfavourable prices, or other bonds that may not produce the same level of returns.

In respect of Class A and Class X Shares, the maximum Capacity Management Charge is 5% of the Gross Investment Amount. If applicable, the Capacity Management Charge will be applied prior to any Initial Sales Charge.

**In all cases, the Initial Sales Charge and the Capacity Management Charge are not cumulative such that, when combined, they will never exceed the highest amount of either charge. A hypothetical example is set out below, based on a gross investment amount of S\$1,000:**

	<b>Initial Sales Charge</b>	<b>Capacity Management Charge</b>	<b>Total charges applied (Initial Sales Charge + Capacity Management Charge)</b>
<b>Scenario 1</b>	2% x S\$1,000 = S\$20	2% x S\$1,000 = S\$20	4% x S\$1,000 = S\$40
<b>Scenario 2</b>	3% x S\$1,000 = S\$30	2% x S\$1,000 = S\$20	5% x S\$1,000 = S\$50
<b>Scenario 3</b>	4% x S\$1,000 = S\$40	2% x S\$1,000 = S\$20	5% x S\$1,000 = S\$50 (although the Initial Sales Charge and Capacity Management Charge are 6% when added together, the total cap is 5% (i.e. the highest amount that can be charged for either the Initial Sales Charge or the Capacity Management Charge))

*\*Additional fees may be payable to the distributors that are in addition to the maximum Initial Sales Charge (if any) and/or Capacity Management Charge (if any) disclosed in each relevant Appendix of this Singapore Prospectus depending on the specific nature of services provided by the distributors. You are advised to check with the relevant distributor in Singapore regarding whether such additional fees apply.*

#### 9.4 Numerical Example of How Shares are Allotted

##### Class A Shares of the Emerging Markets Bond Fixed Maturity 2023 Fund

The following table assumes an Initial Sales Charge and/or Capacity Management Charge of 5% of the Gross Investment Amount and explains the effect of such Initial Sales Charge and/or Capacity Management Charge on the number of Shares received.

Based on an investment amount of \$1,000 and the initial issue price of \$10.00, the number of Shares received by the Shareholder will be:

\$ 1,000	-	\$ 50	=	\$950
Gross Investment Amount		Initial Sales Charge and/or Capacity Management Charge of 5%		Net subscription into Class A Shares of a Sub-Fund

\$ 950	÷	\$ 10.00	=	95
Net subscription into Class A Shares of a Sub-Fund		initial issue price		Number of Shares allotted

***You should note that the above example is purely hypothetical and is not a forecast or indication of any expectation of performance of the Sub-Fund. The above example is to illustrate how the Shares will be allotted.***

Class X Shares of the Short Dated Enhanced Income Fund

The following table assumes Capacity Management Charge of 5% of the Gross Investment Amount and explains the effect of such Capacity Management Charge on the number of Shares received.

Based on an investment amount of \$1,000 and the initial issue price of \$10.00, the number of Shares received by the Shareholder will be:

\$ 1,000	-	\$ 50	=	\$950
Gross Investment Amount		Capacity Management Charge of 5%		Net subscription into Class X Shares of a Sub-Fund
\$ 950	÷	\$ 10.00	=	95
Net subscription into Class X Shares of a Sub-Fund		initial issue price		Number of Shares allotted

***You should note that the above example is purely hypothetical and is not a forecast or indication of any expectation of performance of the Sub-Fund. The above example is to illustrate how the Shares will be allotted.***

Class A Shares of all other Sub-Funds

The following table assumes an Initial Sales Charge and/or Capacity Management Charge of 5% of the Gross Investment Amount and explains the effect of such Initial Sales Charge and/or Capacity Management Charge on the number of Shares received.

Based on an investment amount of \$1,000 at the notional Net Asset Value per Share of \$ 1.00, the number of Shares received by the Shareholder will be:

\$ 1,000	-	\$ 50	=	\$950
Gross Investment Amount		Initial Sales Charge and/or Capacity Management Charge of 5%		Net subscription into Class A Shares of a Sub-Fund
\$ 950	÷	\$ 1.00	=	950
Net subscription into Class A Shares of a Sub-Fund		Net Asset Value		Number of Shares allotted



***You should note that the above example is purely hypothetical and is not a forecast or indication of any expectation of performance of the Sub-Funds. The above example is to illustrate how the Shares will be allotted. The actual Net Asset Value of the Shares will fluctuate.***

#### 9.5 Confirmation of Subscription

The relevant confirmations of the registration of the Shares detailing the investment amount and the number of Shares allotted to you will be sent out normally within 5 Singapore Business Days following the relevant Dealing Day on which the Share Price applicable to such purchase is determined.

### 10. REDEMPTIONS

- 10.1 Shares will be redeemable at the option of the Shareholder on any Singapore Business Day except in the circumstances described in this Singapore Prospectus and in the Luxembourg Prospectus. You may redeem your Shares by submitting to your distributor in Singapore a written redemption request in such form and together with such other documents as may be required by the Fund.

The Fund may refuse any redemption requests if all relevant documentation has not been submitted, if such redemption would result in non-compliance with the Minimum Holding requirement (as described below), or in any other circumstances agreed with the Fund and notified to you.

#### 10.2 Redemption Price and Redemption Procedure

- 10.2.1 You may redeem either a specific number of Shares or Shares of a specified value on any Singapore Business Day. Any redemption requests received by the Transfer Agent in proper form through the distributors in Singapore no later than the Cut-Off Time, will be redeemed at the Share Price for the relevant Sub-Fund calculated on that Dealing Day, subject to any applicable charges. Any redemption requests received by the Transfer Agent after the Cut-Off Time or at any day which is not a Dealing Day will be redeemed at the Share Price on the next Dealing Day for the relevant Sub-Fund.
- 10.2.2 To meet the Cut-off Time, distributors in Singapore will impose their own earlier cut-off times. Please check with your distributor in Singapore for more information.
- 10.2.3 The Share Price per Share is calculated on a forward pricing basis. Therefore, the redemption price will not be ascertainable at the time of the redemption request.

#### 10.3 Minimum Realisation Amount and Minimum Holding

There is no minimum realisation amount in respect of the Sub-Funds. In respect of each Sub-Fund, the minimum holding amount is USD 500 (or the currency equivalent) for Class A and Class X Shares.

**If a redemption request would result in a Shareholders' investment in any one Sub-Fund or Class being less than the minimum required holding, the Fund reserves the right to redeem the full Shareholding in the Sub-Fund or Class and pay the proceeds to the Shareholder. Shares are cancelled when redeemed.**

#### 10.4 Payment of Redemption Proceeds

- 10.4.1 Redemption proceeds will be paid to the distributors in Singapore or you (as the case may be) as soon as practicable and within 4 Singapore Business Days of the applicable Dealing Day. If, in exceptional circumstances, the liquidity of the relevant Sub-Fund is insufficient to

enable redemption proceeds to be paid within that period, or if there are other reasons, such as exchange controls or other regulations which delay payment, payment will be made as soon as reasonably practicable thereafter, but without interest. Payments by telegraphic transfer will normally be made at the expense of the Shareholder. All payments are made at the Shareholder's risk.

- 10.4.2 Except as otherwise stated, payments to Shareholders are normally made in Australian Dollars, Euro, Czech Koruna, Hungarian Forint, Hong Kong Dollars, Japanese Yen, Sterling, Swiss Francs, US Dollars, Singapore Dollars or in any other currency as agreed with the Transfer Agent from time to time (as indicated at the time of the original application) or, if no indication was given, in the currency of denomination of the relevant Share Class of the Sub-Fund(s) concerned at the expense and risk of the Shareholder. Payment to Shareholders in respect of redemption of Shares in the Short Dated Enhanced Income Fund shall be made in its currency of denomination at the expense and risk of the Shareholder. No third party payments can be made. Redemption proceeds, less any applicable charges, which may include normal banking charges included in any foreign exchange rate given, will be paid in accordance with the Shareholder's instructions given on application for the relevant Shares unless otherwise amended or requested in writing.
- 10.4.3 Payment will be made at your expense by bank transfer into your nominated bank account.
- 10.4.4 If you had purchased your Shares with SRS monies, your redemption proceeds will be paid to you by transferring the proceeds to the relevant bank for credit to your SRS account or otherwise in accordance with the provisions of any applicable law, regulations or guidelines. Where your SRS account has been closed, your redemption proceeds will be paid to you in accordance with the provisions of any applicable law, regulations or guidelines.

***Numerical examples of calculation of redemption proceeds***

*Class A Shares of the Emerging Markets Bond Fixed Maturity 2023 Fund (with dilution adjustment applied)*

e.g.	1,000 Shares	X	\$10*	=	\$ 10,000	-	\$200	=	\$9,800
	Number of Shares to be redeemed		Net Asset Value		Gross redemption proceeds		Dilution adjustment of 2%		Net redemption proceeds

\* *For illustrative purposes only.* The redemption price depends on the Net Asset Value per Share at the relevant time and may be above or below the original purchase price. The above examples are purely hypothetical and assume that no costs, taxes and stamp duties are being deducted from the redemption proceeds. The above example is not a forecast or indication of any expectation of the performance of the Sub-Fund. Please note that a dilution adjustment (which will typically not exceed 2% of the Net Asset Value of Units of the Sub-Fund being realised) will be applied to redemptions of Shares of the Sub-Fund where such redemptions are made before the Maturity Date of the Sub-Fund.

Class A and Class X Shares of all other Sub-Funds

e.g.	1,000 Shares	X	\$ 1.50*	=	\$ 1,500
	Number of Shares to be redeemed		Net Asset Value		Gross redemption proceeds

\* *For illustrative purposes only.* The redemption price depends on the Net Asset Value per Share at the relevant time and may be above or below the original purchase price. The above examples are purely hypothetical and assume that no costs, dilution adjustment, taxes and stamp duties are being deducted from the redemption proceeds. The above examples are not a forecast or indication of any expectation of the performance of the Sub-Funds. There is no redemption fee imposed on redemptions.

However, please note that the amount reimbursed may be reduced by costs, taxes and stamp duties which may be payable at the time of redemption.

- 10.5 For more information on redemptions, please refer to the “REDEMPTION OF SHARES” section in the Luxembourg Prospectus as well as each relevant Appendix to this Singapore Prospectus.

**10.6 Minimum Valuation of the Sub-Funds**

In the event that for a period of 30 consecutive days, for any reason the Net Asset Value of any Sub-Fund is lower than US\$10,000,000 or in the case of a Class denominated in a currency other than U.S. Dollars, the equivalent in that currency of such amount, or in case the Board of Directors deems it appropriate because of changes in the economic or political situation affecting the Fund or the relevant Sub-Fund, or because it is in the best interests of the relevant Shareholders, the Board of Directors may redeem all shares of the relevant Sub-Fund at a price reflecting the anticipated realisation and liquidation costs on closing of the relevant Sub-Fund, but with no redemption charge.

In the case of the Emerging Markets Bond Fixed Maturity 2023 Fund, where the Net Asset Value of the Emerging Markets Bond Fixed Maturity 2023 Fund is lower than US\$100,000,000 at any time, or in case the Investment Manager of the Emerging Markets Bond Fixed Maturity 2023 Fund deems the Emerging Markets Bond Fixed Maturity 2023 Fund’s investment objective can no longer be met, the Board of Directors may decide to liquidate the Sub-Fund.

**11. SWITCHING**

- 11.1 Except for Shares in the China A Share Sustainable Equity Fund, the Emerging Markets Bond Fixed Maturity 2023 Fund and the Short Dated Enhanced Income Fund, you may exchange some or all of your shareholding into Shares of a different Class in the same or another Sub-Fund, or Shares of the same Class in another Sub-Fund offered under this Singapore Prospectus, provided that you meet the qualifications for investment in the different Class, on any Singapore Business Day. Notwithstanding the foregoing, you may not exchange your Shares for any Class of Shares in the China A Share Sustainable Equity Fund and the Emerging Markets Bond Fixed Maturity 2023 Fund. Accordingly, Shares in the China A Share Sustainable Equity Fund and the Emerging Markets Bond Fixed Maturity 2023 Fund may not be exchanged into Shares of the same or different Class in any other Sub-Fund.
- 11.2 No exchange (or switch) is permitted within, into or out of the Emerging Markets Bond Fixed Maturity 2023 Fund, the China A Share Sustainable Equity Fund and the Short Dated Enhanced Income Fund.

- 11.3 Any requests for an exchange that are received by the Transfer Agent in proper form through the distributors in Singapore before the Cut-Off Time on a Dealing Day will be redeemed at the Share Price for the relevant Sub-Fund calculated on that Dealing Day, subject to such day being a Dealing Day for both of the Share Classes involved in the exchange and any applicable charges (and subject to those shares being available for exchange as explained below). Any requests for an exchange that are received by the Transfer Agent after the Cut-Off Time on a Dealing Day, or at any time not a Dealing Day for either of the Class involved in the exchange, will be redeemed on the next Dealing Day. To meet the Cut-off Time, distributors in Singapore will impose their own earlier cut-off times. Please check with your distributor in Singapore for more information.
- 11.4 For more information on switching, please refer to the “EXCHANGE (OR SWITCHING) OF SHARES” section in the Luxembourg Prospectus as well as each relevant Appendix to this Singapore Prospectus.

## 12. OBTAINING PRICE INFORMATION

- 12.1 The indicative prices of the Shares of each Class of a Sub-Fund offered to you in Singapore may be obtained from the Singapore Representative, on the day after each Valuation Day. If such day is not a Singapore Business Day, the relevant indicative price of the Shares will be published on the following Singapore Business Day. The Net Asset Value of each Class of a Sub-Fund is also available on the website <http://www.aberdeenluxprices.com/> one Luxembourg business day following the relevant Valuation day.
- 12.2 You should note that the frequency of the publication of the prices is dependent on the publication policies of the newspaper publisher (if any) concerned. Save for publications by the Singapore Representative on behalf of the Fund, the Singapore Representative does not accept any responsibility for any errors on the part of the publishers concerned in the prices published in the newspaper (if any) or for any non-publication or late publication of prices by such publisher.
- 12.3 Further information on obtaining price information can be found under the “PUBLICATION OF SHARE PRICES” section of the Luxembourg Prospectus.

## 13. LIQUIDITY RISK MANAGEMENT

The Management Company has established a liquidity risk management policy which enables it to identify, monitor and manage the liquidity risks of each Sub-Fund and to ensure that the liquidity profile of the investments of each Sub-Fund will facilitate compliance with the Sub-Fund’s obligation to meet redemption requests.

In addition to the tools used on the day-to-day management of the liquidity risk, the Management Company may use the following contingent measures:

**Suspension of the Calculation of the Net Asset Value and Allotment, Issue, Subscription, Switching and Redemption of Shares:**

The Fund may suspend the allotment, issue and redemption of Shares relating to a Sub-Fund, the right to switch Shares into those of another Sub-Fund and the calculation of the Net Asset Value of any Class in the circumstances described under the “SUSPENSION” section in Appendix C of the Luxembourg Prospectus.

The Fund will generally suspend dealings in Shares in unusual or exceptional circumstances and/or market conditions, after having determined that a suspension is in the best interest of Shareholders, and such suspension

will generally cease as soon as practicable when the unusual or exceptional circumstances and/or market conditions cease to exist.

**Dilution adjustment:** The Board of Directors may also impose a dilution adjustment to the Net Asset Value of each Class of Shares in certain circumstances. Please refer to paragraphs 7.2 and 7.3 of this Singapore Prospectus and the “Swing Pricing” section in the Luxembourg Prospectus for further details.

**Deferral of redemptions:** The fund may limit the total number of Shares of any Sub-Fund which may be redeemed on any Dealing Day to a number representing 10% of the net assets of that Sub-Fund in accordance with the provisions of the Article of Incorporation and the Luxembourg Prospectus. If such limitation is imposed, this would restrict the ability of a shareholder to redeem in full the Shares the Shareholder intends to redeem on a particular Dealing Day.

The use of such tools may, in the relevant circumstances, impact your redemption rights.

Please refer to the sub-section headed “Liquidity Risk Management” of the “RISK MANAGEMENT PROCESS” section of the Luxembourg Prospectus for details on the Management Company’s liquidity risk management policy.

#### **14. PERFORMANCE OF THE SUB-FUNDS, EXPENSE RATIO AND TURNOVER RATIO**

Please refer to the relevant Appendix of this Singapore Prospectus for information on the performance, expense ratio and turnover ratio of each Sub-Fund.

#### **15. CONFLICTS OF INTEREST**

The Management Company and the Investment Managers/Sub-Investment Managers/Investment Advisor and other companies in the abrdn Group may effect transactions in which they have, directly or indirectly, an interest which may involve a potential conflict with the Management Company’s duty to the Fund. More specifically, subject to applicable laws and regulations, any of these companies may undertake sale and purchase transactions between (i) a Sub-Fund and (ii) (a) the Investment Managers/Sub-Investment Managers/Investment Advisor, (b) a abrdn Group company or (c) other funds or portfolios managed by the Investment Managers/Sub-Investment Managers/Investment Advisor or any abrdn Group company, provided that such transactions are carried out on an arm’s length basis at current market value, and consistent with best execution standards, in the best interests of such Sub-Fund and are effected on terms which are not less favourable to the Sub-Fund than if the potential conflict had not existed. Such potential conflicting interests or duties may arise because the Investment Managers/Sub-Investment Managers/Investment Advisor or other members in the abrdn Group may have invested directly or indirectly in the Sub-Funds. The Investment Managers/Sub-Investment Managers/Investment Advisor, under the rules of conduct applicable to it, must try to avoid conflicts of interests and, where they cannot be avoided, ensure that its clients (including the Sub-Funds) are fairly treated.

Neither the Management Company nor the Investment Managers/Sub-Investment Managers/Investment Advisor nor other companies in the abrdn Group shall be liable to account to the Sub-Funds for any profit, commission or remuneration made or received from or by reason of such transactions or any connected transactions nor will the Investment Managers'/Sub-Investment Managers'/Investment Advisor's fees, unless otherwise provided, be abated.

The Management Company and the Investment Managers/Sub-Investment Managers/Investment Advisor or any of their respective connected persons may deal with a Sub-Fund as principal provided that such transactions (i) are carried out on an arm's length basis and consistent with the best interests of such Sub-Fund and (ii) have been made with the prior written consent of the Depositary. All such transactions will be disclosed in the abrdn SICAV I annual report.

The Management Company will adopt and implement policies for the prevention of conflict of interests as foreseen by applicable rules and regulations in Luxembourg.

## **16. REPORTS**

The Fund's accounting year ends on 30 September in each year.

Copies of the annual reports giving details of each of the Sub-Funds together with the audited combined annual accounts of the Fund (in U.S. Dollars) will be available at the registered office of the Singapore Representative and on [www.abrdn.com](http://www.abrdn.com) within four months of the end of the year which it covers. In addition, an interim report including unaudited combined half-yearly accounts will be available in the same manner within two months of the period which it covers.

## **17. CERTAIN TAX CONSIDERATIONS**

You should be aware that you may or may not be required to pay income tax or estate duty in relation to your investments in the Sub-Funds. If you are in doubt of your tax position, you should consult your own independent tax advisors.

## **18. USE OF DERIVATIVES**

Each Sub-Fund may, subject to the conditions and within the limits laid down in the Law and any present or future related Luxembourg laws or implementing regulations, circulars and CSSF positions (the "**Regulations**"), invest in financial derivative instruments for hedging and/or to manage foreign exchange risks. For the Asia Pacific Multi Asset Fund, the Asian Credit Sustainable Bond Fund, the Asian High Yield Sustainable Bond Fund, the Asian SDG Equity Fund, the Diversified Growth Fund, the Diversified Income Fund, the Emerging Markets Corporate Bond Fund, the Emerging Markets SDG Equity Fund, the Frontier Markets Bond Fund and the Indian Bond Fund such techniques and instruments may also be used for investment purposes. Financial derivative instruments include, but are not limited to, futures, options, swaps (including, but not limited to, credit and credit-default, interest rate and inflation swaps), forward foreign currency contracts and credit linked notes. All Sub-Funds may enter into transactions which include but are not limited to interest rate, equity, index and government bond futures and the purchase and writing of call and put options on securities, securities indices, government bond futures, interest rate futures and swaps. New financial derivative instruments may be developed which may be suitable for use by the Fund. The Fund may employ such financial derivative instruments in accordance with the Regulations and collateral received will be according to its collateral policy.

The Fund and the Management Company will employ a risk-management process which enables them to monitor and measure at any time the risk of the positions and their contribution to the overall risk profile of each Sub-Fund. The risk measurement and monitoring of the Funds will be carried out either using a value at risk (“**VaR**”) or a commitment approach. Sub-Funds which will not use financial derivative instruments or limit their use of hedging strategies or make use of financial derivative instruments for investment purposes but only to a limited extent for cash management will be monitored using the commitment approach. The Sub-Funds that are under VaR approach to determine the global exposure, will use a 99% confidence level and an analysis time horizon of one month (20 days).

Where it is possible to determine an appropriate risk benchmark for a Sub-Fund as indicated in the table below, the relevant Sub-Fund will apply a Relative VaR risk management approach which will measure the risk profile of each Sub-Fund against a reference portfolio or risk benchmark (the “**Risk Benchmark**”). If for any reason it is not possible or appropriate to determine a Risk Benchmark for any Sub-Fund, then the Management Company will consider adopting an Absolute VaR risk management approach on all of a Sub-Fund’s portfolio positions. The table below lists the Risk Benchmarks assigned to each Sub-Fund, if applicable, as at the date of this Prospectus. The referenced Risk Benchmark may be subject to change, which shall be updated in this Prospectus at the next available opportunity. Information on the Risk Benchmark applicable to a Sub-Fund will be available upon request from the Management Company. Where a Sub-Fund’s Risk Benchmark is based on a combination of indices, the proportion of each index will be indicated as a percentage of the Risk Benchmark.

The column entitled “Maximum” refers to the regulatory risk limits applied to Sub-Funds in accordance with their global exposure approach. Under the Relative VaR approach, the global exposure of a Sub-Fund is determined calculating the VaR of the Sub-Fund’s current portfolio versus the VaR of the reference portfolio: the VaR of the Sub-Fund must be lower than twice the VaR of the reference portfolio (i.e.200%). In a case of a Sub-Fund for which an Absolute VaR approach is used, the maximum Absolute VaR that a Fund can have is 20% of its Net Asset Value (NAV). Under the commitment approach, a Sub-Fund’s total exposure to financial derivative instruments is limited to 100% of the Sub-Fund’s NAV.

Where the commitment approach is used for calculation of global exposure, the calculation is in principle based on the conversion of each financial derivative instrument position into the market value of an equivalent position in the underlying asset of that derivative, in accordance with the methods set out under applicable regulation.

The expected level of leverage per Sub-Fund for which a VaR risk management approach is used is also set out below, which has been calculated using the “Sum of Notionals” of the derivatives used in accordance with the CESR’s guidelines on “Risk Measurement and the Calculation of Global Exposure and Counterparty Risk for UCITS” (CESR/10-788). The “Sum of Notionals” calculation shows the total sum of the principal values of all derivatives used by the Sub-Fund, including those specific to Hedged Share Classes, and not taking into account any netting of derivative positions or delta adjustment for the effective market exposure of options.

Shareholders should note that the expected level of leverage is an estimate only of the average leverage over the medium term (3 years or more). There is the possibility of significantly higher leverage levels in certain circumstances, e.g. where the Investment Manager may make more extensive use of financial derivative instruments for investment purposes (within the limits of each Sub-Fund’s investment objective).

Further, an expected level of leverage does not necessarily represent an increase of risk in the Sub-Fund. This is because the sum of notionals calculation does not accurately reflect the market risk of a derivative and, in addition, aggregates the absolute sum of all long and short financial derivative instrument positions irrespective of the intended use of a derivative e.g. being either hedging or investment purposes. By way of illustration, an instrument with less interest rate duration (e.g. a 2 year interest rate swap) will require significantly more leverage before the market risk would be greater than the risk from an instrument with greater duration (e.g. a 30 year interest rate swap).

Further details on the average leverage levels, as calculated using the sum of notionals exposures, will also be disclosed in the Fund's annual financial statements for the relevant accounting period.

<b>Sub-Fund</b>	<b>Risk Management Approach</b>	<b>Maximum</b>	<b>Benchmark for Relative VaR</b>	<b>Expected Level of Leverage based on "Sum of Notionals" approach</b>
Asia Pacific Multi Asset Fund	Relative VaR	200%	50% MSCI AC Asia Pacific ex Japan Index 50% Markit iBoxx Asian Local Bond Index	160%
Asian Credit Sustainable Bond Fund	Relative VaR	200%	JP Morgan Asia Credit Diversified Index (USD)	30%
Asian High Yield Sustainable Bond Fund	Relative VaR	200%	JP Morgan Asia Credit Non-Investment Grade Index	50%
Asian SDG Equity Fund	Commitment	100%	N/A	N/A
China A Share Sustainable Equity Fund	Commitment	100%	N/A	N/A
Diversified Growth Fund	Absolute VaR	20%	N/A	150%
Diversified Income Fund	Absolute VaR	20%	N/A	190%
Emerging Markets Bond Fixed Maturity 2023 Fund	Commitment	100%	N/A	N/A



<b>Sub-Fund</b>	<b>Risk Management Approach</b>	<b>Maximum</b>	<b>Benchmark for Relative VaR</b>	<b>Expected Level of Leverage based on “Sum of Notionals” approach</b>
Emerging Markets Corporate Bond Fund	Relative VaR	200%	JP Morgan CEMBI Broad Diversified Index (USD)	50%
Emerging Markets SDG Equity Fund	Commitment	100%	N/A	N/A
Global Dynamic Dividend Fund	Commitment	100%	N/A	N/A
Frontier Markets Bond Fund	Relative VaR	200%	JP Morgan Next Generation Markets Index (USD)	30%
Indian Bond Fund	Relative VaR	200%	Markit iBoxx Asia India Index (USD)	30%
North American Smaller Companies Fund	Commitment	100%	N/A	N/A
Select Emerging Markets Bond Fund	Commitment	100%	N/A	N/A
Short Dated Enhanced Income Fund	Commitment	100%	N/A	N/A

The Management Company will ensure that the risk management and compliance procedures are adequate and have been effectively implemented and that it has the necessary expertise to manage the risk relating to the use of financial derivative instruments.

Upon request, you may obtain supplementary information relating to the quantitative limits that apply in the risk management of each Sub-Fund, to the methods chosen to this end and to the recent evolution of the risks and yields of the main categories of instruments from the Management Company or the Singapore Representative. In addition, please refer to the section entitled “RISK MANAGEMENT PROCESS” of the Luxembourg Prospectus for additional information regarding risk management methods.

## 18.1 Derivatives Risk

A Sub-Fund may invest in financial derivative instruments as part of its strategy. A Sub-Fund may use under certain conditions, options on indices and interest rates, bond futures and futures on indices and interest rates for investment purposes. The Sub-Funds may also hedge market and currency risks using futures, options and forward exchange contracts within the limits described in the “Investment Techniques and Instruments and Use of Financial Derivative Instruments” section in Appendix A of the Luxembourg Prospectus.

Different financial derivative instruments involve different levels of exposure to risk and can entail a high degree of leverage. Please refer to the “GENERAL RISK FACTORS - Financial Derivative Instruments” section in the Luxembourg Prospectus for details of the different financial derivatives instruments risks which you should be aware of.

## 18.2 Leverage Risk

Due to the low margin deposits normally required in trading derivative instruments, an extremely high degree of leverage is typical for trading in derivatives instruments. As a result, a relatively small price movement in a derivative contract may result in substantial losses to the investor. Investment in derivative transactions may result in losses in excess of the amount invested.

## 19. SOFT DOLLAR COMMISSIONS

None of the Investment Managers, the Sub-Investment Managers or any Connected Persons (collectively the “Managers”) currently receives soft dollar commissions on behalf of the Sub-Funds.

Please refer to paragraph 13 (Other Information) of Appendix C – General Information of the Luxembourg Prospectus for details on any soft dollar commissions that may be received by the Managers.

## 20. CALCULATION OF NET ASSET VALUE OF SHARES

- (1) The Net Asset Value of each Class of Shares will be determined on each Dealing Day for the relevant Sub-Fund.
- (2) The Net Asset Value of each Class of Shares (expressed in its currency of denomination) will be determined by aggregating the value of the assets, and deducting the liabilities, of the Sub-Fund allocated to such Class. For this purpose the assets of the Sub-Fund shall be deemed to include:
  - (i) all cash in hand or on, or instructed to be placed on, deposit, including any interest accrued or to be accrued thereon;
  - (ii) all bills and demand notes and accounts receivable (including proceeds of securities sold but not yet delivered);
  - (iii) all bonds, time notes, shares, stock, debenture stocks, units/shares in undertakings for collective investment, subscription rights, warrants, options and other investments and securities owned or contracted for by the Fund;
  - (iv) all stock, stock dividends, cash dividends and cash distributions receivable by the Fund to the extent information thereon is reasonably available to the Fund (provided that the Fund may make adjustments with regard to fluctuations in the market value of securities caused by trading ex-dividend or ex-rights or by similar practices);

- (v) all interest accrued on any interest-bearing securities owned by the Fund, except to the extent that such interest is included or reflected in the principal amount of such security; and
- (vi) all other assets of every kind and nature, including prepaid expenses.

Likewise, the liabilities of the Sub-Fund shall be deemed to include:

- (i) all loans, bills and accounts payable;
- (ii) all accrued or payable administrative expenses (including management, depositary's and corporate agent's fees and other fees payable to representatives and agents of the Fund);
- (iii) all known liabilities, present and future, including all matured contractual obligations for payments of money or property, including the amount of any unpaid dividends declared by the Fund where the date of the valuation falls subsequent to the record date for determination of the persons entitled thereto;
- (iv) an appropriate provision for future taxes based on capital and income as at the date of the valuation and any other reserves authorised and approved by the Board of Directors; and
- (v) all other liabilities of the Fund of whatever kind and nature, actual or contingent, except liabilities represented by Shares in the relevant Class towards third parties.

The value of financial derivative instruments used to manage the currency exposure on the hedged Share Classes will be allocated to the appropriate hedged Share Class. Depending on performance, the value may be either an asset or a liability and will be included in the calculation of Net Asset Value accordingly.

For the purposes of valuing its assets, no account shall be taken of monies held by the Management Company on behalf of the Fund for payment of dividends to Shareholders and for the purposes of establishing its liabilities, the Fund may take into account all administrative and other expenses with a regular or periodical character by calculating them for the entire year or any other period and by dividing the amount concerned proportionately for the relevant fractions of such period.

The value of such assets shall be determined as follows:

- (1) the value of any cash on hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received shall be deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full, in which case the value thereof shall be arrived at after making such discount as the Fund may consider appropriate in such case to reflect the true value thereof;
- (2) the value of securities and/or financial derivative instruments which are listed on any official stock exchange or traded on any other organised market at the last available stock price. Where such securities or other assets are quoted or dealt in or on more than one stock exchange or other organised markets, the directors shall select the principal of such stock exchanges or markets for such purposes;

- (3) in the event that any of the securities held in the Fund's portfolio on the relevant day are not listed on any stock exchange or traded on any organised market or if with respect to securities listed on any stock exchange or traded on any other organised market, the price as determined pursuant to sub paragraph (2) is not, in the opinion of the Board of Directors, representative of the fair market value of the relevant securities, the value of such securities will be determined prudently and in good faith based on the reasonably foreseeable sales price or any other appropriate valuation principles;
- (4) the financial derivative instruments which are not listed on any official stock exchange or traded on any other organised market will be valued in a reliable and verifiable manner on a daily basis and verified by a competent professional appointed by the Fund;
- (5) units or shares in underlying open-ended investment funds shall normally be valued at their last available net asset value reduced by any applicable charges. In accordance with point (7) below units or shares in underlying open-ended investment funds may be valued at their indicative price (as described below);
- (6) liquid assets and Money Market Instruments may be valued at market value plus any accrued interest or on an amortised cost basis as determined by the Board of Directors. All other assets, where practice allows, may be valued in the same manner. If the method of valuation on an amortised cost basis is used, the portfolio holding will be reviewed from time to time under the direction of the Board of Directors to determine whether a deviation exists between the Net Asset Value calculated using the market quotation and that calculated on an amortised cost basis. If a deviation exists which may result in a material dilution or other unfair result to investors or existing shareholders, appropriate corrective action will be taken including, if necessary, the calculation of the Net Asset Value by using available market quotations; and
- (7) in the event that the above mentioned calculation methods are inappropriate or misleading, the Board of Directors may adjust the value of any investment or permit some other method of valuation to be used for the assets of the Fund if it considers that the circumstances justify that such adjustment or other method of valuation should be adopted to reflect more fairly the value of such investments.

## **21. EU'S SUSTAINABLE FINANCE DISCLOSURE REGULATION – SUSTAINABILITY RISK INTEGRATION**

### **Sustainability Risk Integration**

abrdn, through its Management Company and Investment Managers, integrates sustainability risks and opportunities into its research, analysis and investment decision-making processes for the Sub-Funds.

All Sub-Funds are managed using an investment process integrating environmental, social and governance ("ESG") factors but unless specifically noted do not promote environmental or social characteristics or have specific sustainable investment objectives. For Sub-Funds that do not have sustainability-related characteristics or that do not pursue sustainable investment objectives, this means that whilst sustainability risk factors and risks are considered, they may or may not impact portfolio construction.

Further information on abrdn's approach on sustainable investing and sustainability risk integration are available on the website at [www.abrdn.com](http://www.abrdn.com) under "Sustainable Investing".

### **Sustainability-related disclosure in line with EU SFDR**

The European Union Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector ("SFDR") is designed to enable investors to better understand sustainability-related investment strategies, notably sustainability risk integration, promotion of environmental or social characteristics and pursuit of a sustainable investment objective.

As part of this enhanced transparency, investment funds are subject to disclosure requirements depending on the degree of consideration given to sustainability and binding investment criteria. The disclosure requirements are defined in the following SFDR Articles and further specified by Commission Delegated Regulation (EU) 2022/1288 (the "SFDR Delegated Regulation").

- **Article 6** – Sub-Funds which integrate sustainability risks into their investment process but do not give binding commitments, do not promote environmental and/or social characteristics and do not have sustainable investments as their objective.
- **Article 8**- Sub-Funds that promote social and/or environmental characteristics, invest in companies that follow good governance, give binding commitments but do not have a sustainable investment objective.
- **Article 9** – Sub-Funds that have sustainable investment or carbon reduction as their objective and give binding commitments.

The SFDR Article to which each Sub-Fund is subject is set out in the Appendix in respect of each Sub-Fund.

**Information regarding the environmental or social characteristics and the sustainable investment objective of Article 8 and 9 Sub-Funds respectively are set out in the Appendix in respect of each Sub-Fund and detailed in the SFDR Annex for each Sub-Fund, appended to the Luxembourg Prospectus.**

### **Principal adverse impact ("PAI") consideration**

Under SFDR all Sub-Funds have to indicate whether they consider PAIs on sustainability factors and if so, how this is applied.

PAI indicators are metrics that measure the negative effects on environmental and social matters. The Management Company considers PAIs within the investment process for all Article 8 and 9 Sub-Funds but not for Article 6 Sub-Funds. The Management Company assesses PAIs by using, amongst others, the PAI indicators referred to in the SFDR Delegated Regulation; however, dependent on data availability, quality and relevance to the investments not all SFDR PAI indicators may be considered.

The Management Company's approach to PAI consideration for each Sub-Fund is specified in the SFDR Annex, appended to the Luxembourg Prospectus.

### **Sustainable Investments**

The SFDR provides a general definition of "Sustainable Investment". This definition applies to Article 9 Sub-Funds which have a sustainable investment objective. In addition, Article 8 Sub-Funds may also set a minimum proportion of Sustainable Investments but they do not have a specific sustainable objective. The minimum proportion of Sustainable Investments

of each Sub-Fund, where applicable, is outlined in the Appendix in respect of each Sub-Fund and in the SFDR Annex.

In line with the SFDR definition, abrdn has developed an approach on how to satisfy the three criteria for Sustainable Investments in the relevant Sub-Funds as set out below. The three criteria are:

1. **Economic Contribution** - The economic activity makes a positive contribution to an environmental or social objective, this includes consideration of Environmental or Socially aligned revenues, Capex, Opex or sustainable operations.
2. **No Significant Harm** - The investment does not cause Significant Harm ("Do No Significant Harm"/ "DNSH") to any of the sustainable investment objectives.
3. **Good Governance** - The investee company follows good governance practices.

If the investment passes all of the above three tests, it can then be deemed as a Sustainable Investment. Additional information on Article 8 and 9 Sub-Funds' approaches to making Sustainable Investments is detailed in the SFDR Annex, appended to the Luxembourg Prospectus.

**EU Taxonomy (Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment)**

The EU Taxonomy regulation provides a methodology to identify whether economic activities can be considered environmentally sustainable ("Taxonomy-aligned") or not. Where a Sub-Fund invests in Taxonomy-aligned economic activities, these are included in the Sub-Fund's aggregated Sustainable Investment proportion as they will meet the three criteria set out above, in addition to being disclosed separately.

The investments underlying an Article 6 Sub-Fund do not take into account the EU criteria for environmentally sustainable economic activities.

Where Article 8 and 9 Sub-Funds have set a minimum proportion of investments in Taxonomy-aligned economic activities, the SFDR Annex sets out the environmental objective(s) of the Sub-Fund, including whether the activities qualify as transitional or enabling activities under the EU Taxonomy. Unless specifically stated within a Sub-Fund's investment objective and policy in the Appendix in respect of each Sub-Fund, the Sub-Funds do not currently set a minimum percentage of Taxonomy-alignment. This will be reviewed as the quality and availability of data evolves. Information on Sub-Funds' Taxonomy-alignment can also be found in the SFDR Annex, appended to the Luxembourg Prospectus.

The "do no significant harm" principle applies only to those investments underlying the Sub-Funds that take into account the EU criteria for environmentally sustainable economic activities.

The investments underlying the remaining portion of the Sub-Funds do not take into account the EU criteria for environmentally sustainable economic activities.

Please refer to the "EU'S SUSTAINABLE FINANCE DISCLOSURE REGULATION – SUSTAINABILITY RISK INTEGRATION" section in the Luxembourg Prospectus for further information on and details on abrdn's approach on sustainable investing and sustainability risk integration.

**22. INSOLVENCY OF PARTIES**

In the event of insolvency of the Management Company, the Investment Managers, the Sub-Investment Managers, the Investment Advisor or the Depositary, the appointment of such party will be terminated and a replacement or a successor entity will be appointed in its place, as contractually agreed by such parties and in accordance with applicable laws and regulations.

**23. QUERIES AND COMPLAINTS**

You may contact the Singapore Representative at (65) 6395 2709 to seek clarifications about the Fund or the Sub-Funds.

**24. OTHER MATERIAL INFORMATION**

You should refer to the Luxembourg Prospectus for other material information relating to the Sub-Funds.

## APPENDIX 1

### DIVERSIFIED GROWTH FUND

#### 1. Investment Objective, Policy and Strategy

- 1.1 The Diversified Growth Fund (also referred to in this Appendix as the “**Sub-Fund**”) is subject to Article 6 of the SFDR. Further information can be found in paragraph 21 of this Singapore Prospectus.
- 1.2 The Sub-Fund’s investment objective is to achieve capital growth combined with income by actively managing allocations in investments in worldwide Transferable Securities including, but not limited to, equity and equity-related securities, Investment Grade and Sub-Investment Grade Debt and Debt-Related Securities issued by governments, government-related bodies, corporations or multilateral development banks, cash, deposits and Money Market Instruments directly or indirectly through the use of UCITS or other UCIs.
- 1.3 The Sub-Fund aims to exceed the return on cash deposits (as currently measured by a benchmark of Euro Short Term Rate (“€STR”)) by 5% per annum over rolling five year periods (before charges).
- 1.4 There is however no certainty or promise that the Sub-Fund will achieve this level of return.
- 1.5 The Sub-Fund is a global fund insofar as its investments are not confined to or concentrated in any particular geographic region or market. The Sub-Fund’s investment exposures and returns may differ significantly from the benchmark. The Investment Manager uses its discretion (active management) to identify a diverse mix of investments which it believes are most appropriate for the investment objective. As a result of this diversification, and during extreme equity market falls, losses are expected to be below those of conventional global equity markets, with a volatility (a measure of the size of changes in the value of an investment) typically less than two thirds of equities.
- 1.6 The Sub-Fund may have exposure to currencies other than the Base Currency of up to 100% of its Net Asset Value. The Sub-Fund may utilise financial derivative instruments for hedging and/ or investment purposes, or to manage foreign exchange risks, subject to the conditions and within the limits laid down by applicable laws and regulations.
- 1.7 Without limiting the generality of the foregoing, the Investment Managers may alter the currency exposure of the Sub-Fund, solely through the use of derivative contracts (without buying or selling underlying Transferable Securities or currencies). Furthermore, the Sub-Fund’s portfolio may be fully or partially hedged back to the Base Currency if, in the opinion of the Investment Managers, this is believed to be appropriate.
- 1.8 Where Share Classes are denominated in a currency other than the Base Currency of the Sub-Fund, a currency benchmark will be typically used for performance comparison purposes. This will either be the benchmark of the Sub-Fund expressed in another currency or a different currency specific benchmark with similar characteristics.
- 1.9 The Base Currency of the Sub-Fund is Euro.
- 1.10 The Sub-Fund was launched on 13/06/2016.



## 2. Fees, Charges and Expenses

The fees, charges and expenses applicable to the Sub-Fund are set out in the tables below.

<b>Payable by You</b>	
Initial Sales Charge and/or Capacity Management Charge *	Class A Shares: Up to 5% of the Gross Investment Amount
Contingent Deferred Sales Charge	Nil
Redemption fee	Nil
Switching fee	Up to 1% of the Net Asset Value of the Shares being switched
<b>Payable by the Sub-Fund**:</b>	
The following fees and expenses will be incurred by the Fund on behalf of the Sub-Fund and will affect the Net Asset Value of the Sub-Fund.	
Investment Management Fees <sup>10</sup> (a) Retained by the Investment Manager (b) Paid by the Investment Manager to financial adviser (trailer fee)	Currently 1.20% for Class A Shares. (a) 40% to 100% of Investment Management Fee (b) 0% to 60% of Investment Management Fee <sup>11</sup>
Management Company Charge <sup>12</sup>	An amount not exceeding 0.05% of the Net Asset Value of the Sub-Fund.
General Administration Charge	A fixed rate charge not exceeding 0.10% of the Net Asset Value of the Sub-Fund.

\* Additional fees may be imposed and payable to appointed distributors that are in addition to the maximum Initial Sales Charge and/or Capacity Management Charge disclosed above, depending on the specific nature of services provided by the appointed distributor. You are advised to check with the relevant distributor in Singapore regarding whether such additional fees apply.

\*\*Please note that in respect of hedged Share Classes, an additional fee of up to 0.04% may be charged by the Investment Managers for providing the currency hedging services.

Each Sub-Fund may bear fees and costs incurred by the distributors/agents of abrdn Investments Luxembourg S.A. in centralising orders and supporting best execution (some of these agents may be affiliates of abrdn). Such fees and costs may each amount to 0.1% p.a. or more of the Sub-Fund's Net Asset Value, depending on the proportion that each fee or cost bears to the relevant Sub-Fund's Net Asset Value.

<sup>10</sup> The Investment Manager will receive fees which shall not exceed 3% of the Net Asset Value of the Sub-Fund. The fees are accrued daily and are paid in monthly arrears to the Investment Manager. Please note that the fees of the Sub-Investment Manager shall be borne by the Investment Manager.

<sup>11</sup> This range may change from time to time without prior notice. Your financial adviser is required to disclose to you the amount of trailer fee it receives from the Investment Manager.

<sup>12</sup> The Management Company Charge is accrued daily and payable monthly in arrears to the Management Company.

### 3. Performance of the Sub-Fund

Past Performance of the Share Classes of the Sub-Fund and its benchmark as of 31 May 2023\*

<b>ABRDN SICAV I – DIVERSIFIED GROWTH FUND</b>					
<b>Share Class and Inception Date</b>	<b>1 Year (%)</b>	<b>3 Years* (%)</b>	<b>5 Years* (%)</b>	<b>10 Years* (%)</b>	<b>Since Inception* (%)</b>
<b>Class A Acc Hedged SGD / LU1558495096 Inception date: 15/03/2017</b>					
Single NAV (adjusted)**	2.26	7.74	4.45	n/a	4.90
Single NAV (unadjusted)***	0.65	6.05	2.82	n/a	3.25
Benchmark (Hedged to SGD)	2.82	1.12	1.32	1.01	1.26
<b>Class A Alnc Hedged SGD / LU1577742718 Inception date: Not yet incepted</b>					
Single NAV (adjusted)**	n/a	n/a	n/a	n/a	n/a
Single NAV (unadjusted)***	n/a	n/a	n/a	n/a	n/a
Benchmark (Hedged to SGD)	n/a	n/a	n/a	n/a	n/a
<b>Class A Acc Hedged USD / LU1573954325 Inception date: 18/10/2018</b>					
Single NAV (adjusted)**	3.13	8.17	n/a	n/a	5.06
Single NAV (unadjusted)***	1.50	6.47	n/a	n/a	3.42
Benchmark (Hedged to USD)	3.46	1.24	1.53	n/a	1.48

<b>ABRDN SICAV I – DIVERSIFIED GROWTH FUND</b>					
<b>Share Class and Inception Date</b>	<b>1 Year (%)</b>	<b>3 Years* (%)</b>	<b>5 Years* (%)</b>	<b>10 Years* (%)</b>	<b>Since Inception* (%)</b>
<b>Class A Alnc Hedged USD / LU1573953434 Inception date: 18/10/2018</b>					
Single NAV (adjusted)**	2.98	8.11	n/a	n/a	5.02
Single NAV (unadjusted)***	1.35	6.41	n/a	n/a	3.37
Benchmark (Hedged to USD)	3.46	1.24	1.53	n/a	1.48
<b>Class A Alnc USD / LU1402172123 Inception date: Not yet incepted</b>					
Single NAV (adjusted)**	n/a	n/a	n/a	n/a	n/a
Single NAV (unadjusted)***	n/a	n/a	n/a	n/a	n/a
Benchmark (in USD)	n/a	n/a	n/a	n/a	n/a
<b>Class A Acc USD / LU1881888934 Inception date: 18/10/2018</b>					
Single NAV (adjusted)**	0.19	4.98	n/a	n/a	1.30
Single NAV (unadjusted)***	-1.36	3.37	n/a	n/a	-0.25
Benchmark (in USD)****	3.46	1.24	n/a	n/a	1.48
<b>Class A Acc EUR / LU1402171232 Inception date: 13/06/2016</b>					
Single NAV (adjusted)**	0.35	6.45	2.88	n/a	4.21

<b>ABRDN SICAV I – DIVERSIFIED GROWTH FUND</b>					
<b>Share Class and Inception Date</b>	<b>1 Year (%)</b>	<b>3 Years* (%)</b>	<b>5 Years* (%)</b>	<b>10 Years* (%)</b>	<b>Since Inception* (%)</b>
Single NAV (unadjusted)***	-1.20	4.81	1.30	n/a	2.61
Benchmark (in EUR)****	1.27	0.05	-0.13	n/a	-0.20
<p>*Average annual compounded return</p> <p>Benchmark: 1 MONTH EURIBOR +5% till 30/09/2021, then Euro Short Term Rate ("€STR") +5%. The benchmark was changed to the Euro Short Term Rate ("€STR") +5% as the 1 MONTH EURIBOR +5% is due to be discontinued.</p> <p>**Source: Lipper, Basis: Total Return, NAV to NAV, net of annual charges, gross of TER, taking into account any initial sales charges/capacity management charges and redemption fee payable, calculated on the assumption that dividends and distributions (if any) are reinvested net of all charges payable upon reinvestment, in the currency of the relevant Class. Based on monthly data.</p> <p>***Source: Lipper, Basis: Total Return, NAV to NAV, net of annual charges, taking into account any initial sales charges/capacity management charges and redemption fee payable, calculated on the assumption that dividends and distributions (if any) are reinvested net of all charges payable upon reinvestment, in the currency of the relevant Class. Based on monthly data.</p> <p>****Please note that the benchmark is priced monthly, and the benchmark figure for the period since inception is from the first month end after the inception date of the share class.</p> <p>Please note that in respect of newly incepted or not yet incepted Share Classes, a track record of at least one year as at 31 May 2023 is not available.</p>					

**Past performance of the Sub-Fund is not necessarily indicative of the future performance of the Sub-Fund.**

#### **4. Expense Ratio**

The expense ratio<sup>13</sup> of the Share Classes for the period 1 October 2021 to 30 September 2022 based on the Sub-Fund's latest audited accounts as at 30 September 2022 are:

<b>Sub-Fund</b>	<b>Expense Ratio</b>
Class A Acc Hedged SGD	1.59%
Class A Alnc Hedged SGD	n/a

<sup>13</sup> The following expenses, where applicable, are excluded from the calculation of the expense ratios:

- (a) brokerage and other transaction costs associated with the purchase and sales of investments;
- (b) interest expenses
- (c) foreign exchange gains and losses, whether realised or unrealised;
- (d) front end loads, backend loads and other costs arising on the purchase or sale of other funds;
- (e) tax deducted at source or arising from income received, including withholding tax; and
- (f) dividends and other distributions paid to Shareholders.

<b>Sub-Fund</b>	<b>Expense Ratio</b>
Class A Acc Hedged USD	1.59%
Class A Alnc Hedged USD	1.59%
Class A Alnc USD	n/a
Class A Acc USD	1.55%
Class A Acc EUR	1.55%

**5. Turnover Ratio**

The turnover ratio of the Sub-Fund for the period 1 October 2021 to 30 September 2022 based on the Sub-Fund's latest audited accounts was 50.82%. The turnover ratio, expressed as a percentage, reflects the volume of dealing in the Sub-Fund. It is calculated based on the lesser of purchases or sales of underlying investments of the Sub-Fund expressed as a percentage of the daily average Net Asset Value.

**6. Dividend Policy**

Accumulation Shares will declare, but do not intend to distribute, any dividends in respect of these Share Classes. Accordingly, the dividends attributable to these Share Classes will be accumulated in their respective Net Asset Values.

Income Shares intend to declare and distribute dividends.

## APPENDIX 2

### DIVERSIFIED INCOME FUND

#### 1. Investment Objective, Policy and Strategy

- 1.1 The Diversified Income Fund (also referred to in this Appendix as the “**Sub-Fund**”) is subject to Article 6 of the SFDR. Further information can be found in paragraph 21 of this Singapore Prospectus.
- 1.2 The Sub-Fund’s investment objective is to achieve income combined with capital growth by investing in worldwide Transferable Securities including, but not limited to, equity and equity-related securities, Investment Grade and Sub-Investment Grade Debt and Debt-Related Securities issued by governments, government-related bodies, corporations or multilateral development banks, cash, deposits and Money Market Instruments directly or indirectly through the use of UCITS or other UCIs.
- 1.3 The Sub-Fund aims to exceed the return on cash deposits (as currently measured by a benchmark of US Secured Overnight Financing Rate (“SOFR”)) by 5% per annum over rolling five year periods (before charges). There is however no certainty or promise that the Sub-Fund will achieve this level of return.
- 1.4 The Sub-Fund is a global fund insofar as its investments are not confined to or concentrated in any particular geographic region or market. The Sub-Fund’s investment exposures and returns may differ significantly from the benchmark. The Investment Manager uses its discretion (active management) to identify a diverse mix of investments which it believes are most appropriate for the investment objective.
- 1.5 As a result of this diversification, and during extreme equity market falls, losses are expected to be below those of conventional global equity markets, with a volatility (a measure of the size of changes in the value of an investment) typically less than two thirds of equities.
- 1.6 The Sub-Fund may have exposure to currencies other than the Base Currency of up to 100% of its Net Asset Value.
- 1.7 The Sub-Fund may utilise financial derivative instruments for hedging and/ or investment purposes, or to manage foreign exchange risks, subject to the conditions and within the limits laid down by applicable laws and regulations.
- 1.8 Without limiting the generality of the foregoing, the Investment Managers may alter the currency exposure of the Sub-Fund, solely through the use of derivative contracts (without buying or selling underlying Transferable Securities or currencies). Furthermore, the Sub-Fund’s portfolio may be fully or partially hedged back to the Base Currency if, in the opinion of the Investment Managers, this is believed to be appropriate.
- 1.9 Where Share Classes are denominated in a currency other than the Base Currency of the Sub-Fund, a currency specific benchmark will be typically used for performance comparison purposes. This will either be the benchmark of the Sub-Fund expressed in another currency or a different currency specific benchmark with similar characteristics.
- 1.10 The Base Currency of the Sub-Fund is US Dollars.
- 1.11 The Sub-Fund was launched on 01/06/2015.

## 2. Fees, Charges and Expenses

The fees, charges and expenses applicable to the Sub-Fund are set out in the tables below.

<b>Payable by You</b>	
Initial Sales Charge and/or Capacity Management Charge*	Class A Shares: Up to 5% of the Gross Investment Amount
Contingent Deferred Sales Charge	Nil
Redemption fee	Nil
Switching fee	Up to 1% of the Net Asset Value of the Shares being switched
<b>Payable by the Sub-Fund**:</b>	
The following fees and expenses will be incurred by the Fund on behalf of the Sub-Fund and will affect the Net Asset Value of the Sub-Fund.	
Investment Management Fees <sup>14</sup> (a) Retained by the Investment Manager (b) Paid by the Investment Manager to financial adviser (trailer fee)	Currently 1.20% for Class A Shares. (a) 40% to 100% of Investment Management Fee (b) 0% to 60% of Investment Management Fee <sup>15</sup>
Management Company Charge <sup>16</sup>	An amount not exceeding 0.05% of the Net Asset Value of the Sub-Fund.
General Administration Charge	A fixed rate charge not exceeding 0.10% of the Net Asset Value of the Sub-Fund.

\* Additional fees may be imposed and payable to appointed distributors that are in addition to the maximum Initial Sales Charge and/or Capacity Management Charge disclosed above, depending on the specific nature of services provided by the appointed distributor. You are advised to check with the relevant distributor in Singapore regarding whether such additional fees apply.

\*\*Please note that in respect of hedged Share Classes, an additional fee of up to 0.04% may be charged by the Investment Managers for providing the currency hedging services.

Each Sub-Fund may bear fees and costs incurred by the distributors/agents of abrdn Investments Luxembourg S.A. in centralising orders and supporting best execution (some of these agents may be affiliates of abrdn). Such fees and costs may each amount to 0.1% p.a. or more of the Sub-Fund's Net Asset Value, depending on the proportion that each fee or cost bears to the relevant Sub-Fund's Net Asset Value.

<sup>14</sup> The Investment Manager will receive fees which shall not exceed 3% of the Net Asset Value of the Sub-Fund. The fees are accrued daily and are paid in monthly arrears to the Investment Manager. Please note that the fees of the Sub-Investment Manager shall be borne by the Investment Manager.

<sup>15</sup> This range may change from time to time without prior notice. Your financial adviser is required to disclose to you the amount of trailer fee it receives from the Investment Manager.

<sup>16</sup> The Management Company Charge is accrued daily and payable monthly in arrears to the Management Company.

### 3. Performance of the Sub-Fund

Past Performance of the Share Classes of the Sub-Fund and its benchmark as of 31 May 2023\*

<b>ABRDN SICAV I – DIVERSIFIED INCOME FUND</b>					
<b>Share Class and Inception Date</b>	<b>1 Year (%)</b>	<b>3 Years* (%)</b>	<b>5 Years* (%)</b>	<b>10 Years* (%)</b>	<b>Since Inception* (%)</b>
<b>Class A MInc USD / LU1124234862</b> <b>Inception date: 01/06/2015</b>					
Single NAV (adjusted)**	3.02	7.54	5.03	n/a	5.25
Single NAV (unadjusted)***	1.44	5.89	3.43	n/a	3.64
Benchmark (in USD)	3.46	1.24	1.53	n/a	1.26
<b>Class A MInc Hedged SGD / LU1558495252</b> <b>Inception date: 15/03/2017</b>					
Single NAV (adjusted)**	2.35	7.24	4.52	n/a	4.66
Single NAV (unadjusted)***	0.75	5.55	2.89	n/a	3.02
Benchmark (Hedged to SGD)	2.82	1.12	1.32	n/a	1.26
<b>Class A Acc USD LU1124234946 /</b> <b>Inception date: 05/04/2017</b>					
Single NAV (adjusted)**	3.01	7.54	5.04	n/a	5.05
Single NAV (unadjusted)***	1.44	5.89	3.44	n/a	3.44
Benchmark (in USD)	3.46	1.24	1.53	n/a	1.51



<b>ABRDN SICAV I – DIVERSIFIED INCOME FUND</b>					
<b>Share Class and Inception Date</b>	<b>1 Year (%)</b>	<b>3 Years* (%)</b>	<b>5 Years* (%)</b>	<b>10 Years* (%)</b>	<b>Since Inception* (%)</b>
<b>Class A Acc Hedged SGD / LU1577743013 Inception date: Not yet incepted</b>					
Single NAV (adjusted)**	n/a	n/a	n/a	n/a	n/a
Single NAV (unadjusted)***	n/a	n/a	n/a	n/a	n/a
Benchmark (Hedged to SGD)	n/a	n/a	n/a	n/a	n/a
<p>*Average annual compounded return</p> <p>Benchmark: 1 MONTH USD LIBOR +5% till 30/09/21, then US Secured Overnight Financing Rate (“SOFR”) +5%. The benchmark 1 MONTH USD LIBOR +5% was introduced with effect from 17 February 2020 to address the new requirements laid down by the European Securities Markets Authority in their Q&amp;A on the application of the UCITS Directive dated 29 March 2019. The benchmark was changed to the US Secured Overnight Financing Rate (“SOFR”) +5% as the 1 MONTH USD LIBOR +5% is due to be discontinued.</p> <p>**Source: Lipper, Basis: Total Return, NAV to NAV, net of annual charges, gross of TER, taking into account any initial sales charges/capacity management charges and redemption fee payable, calculated on the assumption that dividends and distributions (if any) are reinvested net of all charges payable upon reinvestment, in the currency of the relevant Class. Based on monthly data.</p> <p>***Source: Lipper, Basis: Total Return, NAV to NAV, net of annual charges, taking into account any initial sales charges/capacity management charges and redemption fee payable, calculated on the assumption that dividends and distributions (if any) are reinvested net of all charges payable upon reinvestment, in the currency of the relevant Class. Based on monthly data.</p> <p>Please note that in respect of newly incepted or not yet incepted Share Classes, a track record of at least one year as at 31 May 2023 is not available.</p>					

**Past performance of the Sub-Fund is not necessarily indicative of the future performance of the Sub-Fund.**

#### 4. Expense Ratio

The expense ratios<sup>17</sup> of the Share Classes from 1 October 2021 to 30 September 2022 based on the Sub-Fund's latest audited accounts as at 30 September 2022 are:

Sub-Fund	Expense Ratio
Class A MInc Hedged SGD	1.59%
Class A MInc USD	1.55%
Class A Acc USD	1.55%
Class A Acc Hedged SGD	n/a

#### 5. Turnover Ratio

The turnover ratio of the Sub-Fund from 1 October 2021 to 30 September 2022 based on the Sub-Fund's latest audited accounts was 42.71%. The turnover ratio, expressed as a percentage, reflects the volume of dealing in the Sub-Fund. It is calculated based on the lesser of purchases or sales of underlying investments of the Sub-Fund expressed as a percentage of the daily average Net Asset Value.

#### 6. Dividend Policy

Accumulation Shares will declare, but do not intend to distribute, any dividends in respect of these Share Classes. Accordingly, the dividends attributable to these Share Classes will be accumulated in their respective Net Asset Values.

Income Shares intend to declare and distribute dividends.

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<sup>17</sup> The following expenses, where applicable, are excluded from the calculation of the expense ratios:

- (a) brokerage and other transaction costs associated with the purchase and sales of investments;
- (b) interest expenses;
- (c) foreign exchange gains and losses, whether realised or unrealised;
- (d) front end loads, backend loads and other costs arising on the purchase or sale of other funds;
- (e) tax deducted at source or arising from income received, including withholding tax; and
- (f) dividends and other distributions paid to Shareholders.

## APPENDIX 3

### NORTH AMERICAN SMALLER COMPANIES FUND

#### 1. Investment Objective, Policy and Strategy

- 1.1 The North American Smaller Companies Fund (also referred to in this Appendix as the “**Sub-Fund**”) is subject to Article 8 of the SFDR. Further information can be found in paragraph 21 of this Singapore Prospectus.
- 1.2 The Sub-Fund’s investment objective is long-term total return to be achieved by investing at least 70% of the Sub-Fund’s assets in small capitalisation equities and equity-related securities of companies listed, incorporated or domiciled in the United States of America (USA) or Canada or companies that derive a significant proportion of their revenues or profits from US or Canadian operations or have a significant proportion of their assets there. Investment in companies listed, incorporated or domiciled in Canada is not expected to exceed 20%
- 1.3 Small capitalisation companies are defined as any stock having a market capitalisation less than the 10th percentile stock of the overall US market.
- 1.4 The Sub-Fund is actively managed.
- 1.5 The Sub-Fund aims to outperform the Russell 2000 Index (USD) benchmark before charges.
- 1.6 The benchmark is also used as a reference point for portfolio construction and as a basis for setting risk constraints, but does not incorporate any sustainable criteria.
- 1.7 In order to achieve its objective, the Sub-Fund will take positions whose weightings diverge from the benchmark or invest in securities which are not included in the benchmark. The investments of the Sub-Fund may deviate significantly from the components of and their respective weightings in the benchmark.
- 1.8 Due to the active nature of the management process, the Sub-Fund’s performance profile may deviate significantly from that of the benchmark.
- 1.9 The Sub-Fund promotes environmental and social characteristics but does not have a sustainable investment objective. Investment in all equity and equity-related securities will follow the abrdn “North American Smaller Companies Promoting ESG Equity Investment Approach”.
- 1.10 Through the application of this approach the Sub-Fund does not apply a minimum threshold in Sustainable Investments. However, the Sub-Fund targets an ESG rating that is equal to or better, and a meaningfully lower carbon intensity, than the benchmark.
- 1.11 This approach utilises abrdn’s equity investment process, which enables portfolio managers to qualitatively identify and avoid ESG laggards. To complement this research, the abrdn ESG House store is used to quantitatively identify and exclude those companies exposed to the highest ESG risks. Additionally, abrdn apply a set of company exclusions which are related to the UN Global Compact, Controversial Weapons, Tobacco Manufacturing and Thermal Coal. More detail on this overall process is captured within the abrdn North American Smaller Companies Promoting ESG Equity Investment Approach, which is published at [www.abrdn.com](http://www.abrdn.com) under “Fund Centre”.
- 1.12 Engagement with external company management teams is used to evaluate the ownership structures, governance and management quality of those companies in order to inform portfolio construction.

- 1.13 Financial derivative instruments, money-market instruments and cash may not adhere to this approach.
- 1.14 The Sub-Fund may utilise derivative instruments for hedging and/or investment purposes, or to manage foreign exchange risks, subject to the conditions and within the limits laid down by applicable laws and regulations. The use of derivatives for hedging and/or investment purposes is expected to be very limited, mainly in those cases where there are significant inflows into the Sub-Fund so that cash can be invested while the Sub-Fund's investments in equity and equity related securities is maintained.
- 1.15 Where Share Classes are denominated in a currency other than the Base Currency of the Sub-Fund, a currency specific benchmark will be typically used for performance comparison purposes. This will either be the benchmark of the Sub-Fund expressed in another currency or a different currency specific benchmark with similar characteristics.
- 1.16 The Base Currency of the Sub-Fund is US Dollars.
- 1.17 The Sub-Fund was launched on 17/01/2011.

## 2. Fees, Charges and Expenses

The fees, charges and expenses applicable to the Sub-Fund are set out in the tables below.

<b>Payable by You</b>	
Initial Sales Charge and/or Capacity Management Charge *	Class A Shares: Up to 5% of the Gross Investment Amount
Contingent Deferred Sales Charge	Nil
Redemption fee	Nil
Switching fee	Up to 1% of the Net Asset Value of the Shares being switched
<b>Payable by the Sub-Fund**:</b>	
The following fees and expenses will be incurred by the Fund on behalf of the Sub-Fund and will affect the Net Asset Value of the Sub-Fund.	
Investment Management Fees <sup>18</sup> (a) Retained by the Investment Manager (b) Paid by the Investment Manager to financial adviser (trailer fee)	Currently 1.50% in respect of Class A Shares (a) 40% to 100% of Investment Management Fee (b) 0% to 60% of Investment Management Fee <sup>19</sup>
Management Company Charge <sup>20</sup>	An amount not exceeding 0.05% of the Net Asset Value of the Sub-Fund.
General Administration Charge	A fixed rate charge not exceeding 0.10% of the Net Asset Value of the Sub-Fund.

<sup>18</sup> The Investment Manager will receive fees which shall not exceed 3% of the Net Asset Value of the Sub-Fund. The fees are accrued daily and are paid in monthly arrears to the Investment Manager.

<sup>19</sup> This range may change from time to time without prior notice. Your financial adviser is required to disclose to you the amount of trailer fee it receives from the Investment Manager.

<sup>20</sup> The Management Company Charge is accrued daily and payable monthly in arrears to the Management Company.

\* Additional fees may be imposed and payable to appointed distributors that are in addition to the maximum Initial Sales Charge and/or Capacity Management Charge disclosed above, depending on the specific nature of services provided by the appointed distributor. You are advised to check with the relevant distributor in Singapore regarding whether such additional fees apply.

\*\*Please note that in respect of hedged Share Classes, an additional fee of up to 0.04% may be charged by the Investment Manager for providing the currency hedging services.

Each Sub-Fund may bear fees and costs incurred by the distributors/agents of abrdn Investments Luxembourg S.A. in centralising orders and supporting best execution (some of these agents may be affiliates of abrdn). Such fees and costs may each amount to 0.1% p.a. or more of the Sub-Fund's Net Asset Value, depending on the proportion that each fee or cost bears to the relevant Sub-Fund's Net Asset Value.

### 3. Performance of the Sub-Fund

Past Performance of the Share Classes of the Sub-Fund and its benchmark as of 31 May 2023\*

<b>ABRDN SICAV I – NORTH AMERICAN SMALLER COMPANIES FUND</b>					
<b>Share Class and Inception Date</b>	<b>1 Year (%)</b>	<b>3 Years* (%)</b>	<b>5 Years* (%)</b>	<b>10 Years* (%)</b>	<b>Since Inception* (%)</b>
<b>Class A Acc USD / LU0566484027</b> <b>Inception date: 01/10/2013</b>					
Single NAV (adjusted)**	-1.72	9.94	7.16	n/a	10.49
Single NAV (unadjusted)***	-3.38	8.06	5.33	n/a	8.60
Benchmark (in USD)	-4.94	9.42	2.76	n/a	6.71
<b>Class A Acc Hedged SGD / LU1559883803</b> <b>Inception date: 15/03/2017</b>					
Single NAV (adjusted)**	-2.77	9.26	6.34	n/a	7.49
Single NAV (unadjusted)***	-4.45	7.35	4.49	n/a	5.61
Benchmark (Hedged to SGD)	-6.06	8.71	1.84	n/a	4.80

<b>ABRDN SICAV I – NORTH AMERICAN SMALLER COMPANIES FUND</b>					
<b>Share Class and Inception Date</b>	<b>1 Year (%)</b>	<b>3 Years* (%)</b>	<b>5 Years* (%)</b>	<b>10 Years* (%)</b>	<b>Since Inception* (%)</b>
<p>*Average annual compounded return  Benchmark: Russell 2000 Index USD (1 day lag)</p> <p>**Source: Lipper, Basis: Total Return, NAV to NAV, net of annual charges, gross of TER, taking into account any initial sales charges/capacity management charges and redemption fee payable, calculated on the assumption that dividends and distributions (if any) are reinvested net of all charges payable upon reinvestment, in the currency of the relevant Class. Based on monthly data.</p> <p>***Source: Lipper, Basis: Total Return, NAV to NAV, net of annual charges, taking into account any initial sales charges/capacity management charges and redemption fee payable, calculated on the assumption that dividends and distributions (if any) are reinvested net of all charges payable upon reinvestment, in the currency of the relevant Class. Based on monthly data.</p> <p>Please note that in respect of newly incepted or not yet incepted Share Classes, a track record of at least one year as at 31 May 2023 is not available.</p>					

**Past performance of the Sub-Fund is not necessarily indicative of the future performance of the Sub-Fund.**

#### **4. Expense Ratio**

The expense ratios<sup>21</sup> of each of the Share Classes from 1 October 2021 to 30 September 2022 based on the Sub-Fund's latest audited accounts as at 30 September 2022 are:

<b>Sub-Fund</b>	<b>Expense Ratio</b>
Class A Acc USD	1.74%
Class A Acc Hedged SGD	1.78%

#### **5. Turnover Ratio**

The turnover ratio of the Sub-Fund from 1 October 2021 to 30 September 2022 based on the Sub-Fund's latest audited accounts was 121.37%. The turnover ratio, expressed as a percentage, reflects the volume of dealing in the Sub-Fund. It is calculated based on the lesser of purchases or sales of underlying investments of the Sub-Fund expressed as a percentage of the daily average Net Asset Value.

<sup>21</sup> The following expenses, where applicable, are excluded from the calculation of the expense ratios:

- brokerage and other transaction costs associated with the purchase and sales of investments;
- interest expenses;
- foreign exchange gains and losses, whether realised or unrealised;
- front end loads, backend loads and other costs arising on the purchase or sale of other funds;
- tax deducted at source or arising from income received, including withholding tax; and
- dividends and other distributions paid to Shareholders.

**6. Dividend Policy**

Accumulation Shares will declare, but do not intend to distribute, any dividends in respect of these Share Classes. Accordingly, the dividends attributable to these Share Classes will be accumulated in their respective Net Asset Values.

## APPENDIX 4

### SELECT EMERGING MARKETS BOND FUND

#### 1. Investment Objective, Policy and Strategy

- 1.1 The Select Emerging Markets Bond Fund (also referred to in this Appendix as the “**Sub-Fund**”) is subject to Article 6 of the SFDR. Further information can be found in paragraph 21 of this Singapore Prospectus.
- 1.2 The Sub-Fund’s investment objective is long-term total return to be achieved by investing at least two-thirds of the Sub-Fund’s assets in fixed interest securities which are issued by corporations with their registered office in, and/or government related bodies domiciled in an Emerging Market country.
- 1.3 The Sub-Fund may invest up to 100% of its Net Asset Value in Sub-Investment Grade Debt and Debt-Related Securities.
- 1.4 The Sub-Fund is actively managed.
- 1.5 The Sub-Fund aims to outperform the JP Morgan EMBI Global Diversified Index (USD) benchmark before charges.
- 1.6 The benchmark is also used as a reference point for portfolio construction and as a basis for setting risk constraints.
- 1.7 In order to achieve its objective, the Sub-Fund will take positions whose weightings diverge from the benchmark or invest in securities which are not included in the benchmark. The investments of the Sub-Fund may deviate significantly from the components of and their respective weightings in the benchmark.
- 1.8 Due to the active nature of the management process, the Sub-Fund’s performance profile may deviate significantly from that of the benchmark over the longer term.
- 1.9 Where Share Classes are denominated in a currency other than the Base Currency of the Sub-Fund, a currency specific benchmark will be typically used for performance comparison purposes. This will either be the benchmark of the Sub-Fund expressed in another currency or a different currency specific benchmark with similar characteristics.
- 1.10 The Base Currency of the Sub-Fund is US Dollars.
- 1.11 The Sub-Fund was launched on 15/08/2001.

#### 2. Fees, Charges and Expenses

The fees, charges and expenses applicable to the Sub-Fund are set out in the tables below.

<b>Payable by You</b>	
Initial Sales Charge and/or Capacity Management Charge *	Class A Shares: Up to 5% of the Gross Investment Amount
Contingent Deferred Sales Charge	Nil
Redemption fee	Nil
Switching fee	Up to 1% of the Net Asset Value of the Shares being switched



<b>Payable by the Sub-Fund**:</b>	
The following fees and expenses will be incurred by the Fund on behalf of the Sub-Fund and will affect the Net Asset Value of the Sub-Fund.	
Investment Manager Fee <sup>22</sup> (a) Retained by the Investment Manager (b) Paid by the Investment Manager to financial adviser (trailer fee)	Currently 1.50% in respect of Class A Shares (a) 40% to 100% of Investment Management Fee (b) 0% to 60% of Investment Management Fee <sup>23</sup>
Management Company Charge <sup>24</sup>	An amount not exceeding 0.05% of the Net Asset Value of the Sub-Fund.
General Administration Charge	A fixed rate charge not exceeding 0.10% of the Net Asset Value of the Sub-Fund.

\* Additional fees may be imposed and payable to appointed distributors that are in addition to the maximum Initial Sales Charge and/or Capacity Management Charge disclosed above, depending on the specific nature of services provided by the appointed distributor. You are advised to check with the relevant distributor in Singapore regarding whether such additional fees apply.

\*\*Please note that in respect of hedged Share Classes, an additional fee of up to 0.40% may be charged by the Investment Manager for providing the currency hedging services.

Each Sub-Fund may bear fees and costs incurred by the distributors/agents of abrdn Investments Luxembourg S.A. in centralising orders and supporting best execution (some of these agents may be affiliates of abrdn). Such fees and costs may each amount to 0.1% p.a. or more of the Sub-Fund's Net Asset Value, depending on the proportion that each fee or cost bears to the relevant Sub-Fund's Net Asset Value.

<sup>22</sup> The Investment Manager will receive fees which shall not exceed 3% of the Net Asset Value of the Sub-Fund. The fees are accrued daily and are paid in monthly arrears to the Investment Manager.

<sup>23</sup> This range may change from time to time without prior notice. Your financial adviser is required to disclose to you the amount of trailer fee it receives from the Investment Manager.

<sup>24</sup> The Management Company Charge is accrued daily and payable monthly in arrears to the Management Company.

### 3. Performance of the Sub-Fund

Past Performance of the Share Classes of the Sub-Fund and its benchmark as of 31 May 2023\*

<b>ABRDN SICAV I – SELECT EMERGING MARKETS BOND FUND</b>					
<b>Share Class and Inception Date</b>	<b>1 Year (%)</b>	<b>3 Years* (%)</b>	<b>5 Years* (%)</b>	<b>10 Years* (%)</b>	<b>Since Inception* (%)</b>
<b>Class A MInc USD / LU0132413252</b> <b>Inception date: 15/08/2001</b>					
Single NAV (adjusted)**	-1.87	-2.07	-0.74	1.64	8.24
Single NAV (unadjusted)***	-3.52	-3.72	-2.40	-0.07	6.41
Benchmark (in USD)	-1.48	-2.70	-0.13	2.08	6.49
<b>Class A Acc USD / LU0132414144</b> <b>Inception date: 15/08/2001</b>					
Single NAV (adjusted)**	-1.87	-2.07	-0.74	1.64	8.25
Single NAV (unadjusted)***	-3.52	-3.72	-2.41	-0.07	6.42
Benchmark (in USD)	-1.48	-2.70	-0.13	2.08	6.49
<b>Class A MInc Hedged SGD / LU1558495500</b> <b>Inception date: 15/03/2017</b>					
Single NAV (adjusted)**	-2.63	-2.42	-1.24	n/a	-0.28
Single NAV (unadjusted)***	-4.30	-4.09	-2.94	n/a	-2.00
Benchmark (Hedged to SGD)	-2.61	-3.18	-0.74	n/a	-0.19

<b>ABRDN SICAV I – SELECT EMERGING MARKETS BOND FUND</b>					
<b>Share Class and Inception Date</b>	<b>1 Year (%)</b>	<b>3 Years* (%)</b>	<b>5 Years* (%)</b>	<b>10 Years* (%)</b>	<b>Since Inception* (%)</b>
<b>Class A Acc Hedged SGD / LU1573954754</b> <b>Inception date: Not yet incepted</b>					
Single NAV (adjusted)**	n/a	n/a	n/a	n/a	n/a
Single NAV (unadjusted)***	n/a	n/a	n/a	n/a	n/a
Benchmark (Hedged to SGD)	n/a	n/a	n/a	n/a	n/a
<p>*Average annual compounded return Benchmark: JP Morgan EMBI Global Diversified Index (USD)</p> <p>**Source: Lipper, Basis: Total Return, NAV to NAV, net of annual charges, gross of TER, taking into account any initial sales charges/capacity management charges and redemption fee payable, calculated on the assumption that dividends and distributions (if any) are reinvested net of all charges payable upon reinvestment, in the currency of the relevant Class. Based on monthly data.</p> <p>***Source: Lipper, Basis: Total Return, NAV to NAV, net of annual charges, taking into account any initial sales charges/capacity management charges and redemption fee payable, calculated on the assumption that dividends and distributions (if any) are reinvested net of all charges payable upon reinvestment, in the currency of the relevant Class. Based on monthly data.</p> <p>Please note that in respect of newly incepted or not yet incepted Share Classes, a track record of at least one year as at 31 May 2023 is not available.</p>					

**Past performance of the Sub-Fund is not necessarily indicative of the future performance of the Sub-Fund.**

#### 4. Expense Ratio

The expense ratios<sup>25</sup> of each of Class from 1 October 2021 to 30 September 2022 based on the Sub-Fund's latest audited accounts as at 30 September 2022 are:

<b>Sub-Fund</b>	<b>Expense Ratio</b>
Class A MInc USD	1.71%
Class A Acc USD	1.71%
Class A MInc Hedged SGD	1.75%
Class A Acc Hedged SGD	n/a

#### 5. Turnover Ratio

The turnover ratio of the Sub-Fund from 1 October 2021 to 30 September 2022 based on the Sub-Fund's latest audited accounts was 88.78%. The turnover ratio, expressed as a percentage, reflects the volume of dealing in the Sub-Fund. It is calculated based on the lesser of purchases or sales of underlying investments of the Sub-Fund expressed as a percentage of the daily average Net Asset Value.

#### 6. Dividend Policy

Accumulation Shares will declare, but do not intend to distribute, any dividends in respect of these Share Classes. Accordingly, the dividends attributable to these Share Classes will be accumulated in their respective Net Asset Values.

Income Shares intend to declare and distribute dividends.

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<sup>25</sup> The following expenses, where applicable, are excluded from the calculation of the expense ratios:

- (a) brokerage and other transaction costs associated with the purchase and sales of investments;
- (b) interest expenses;
- (c) foreign exchange gains and losses, whether realised or unrealised;
- (d) front end loads, backend loads and other costs arising on the purchase or sale of other funds;
- (e) tax deducted at source or arising from income received, including withholding tax; and
- (f) dividends and other distributions paid to Shareholders.

## APPENDIX 5

### ASIA PACIFIC MULTI ASSET FUND

#### 1. Investment Objective, Policy and Strategy

- 1.1 The Asia Pacific Multi Asset Fund (also referred to in this Appendix as the “**Sub-Fund**”) is subject to Article 6 of the SFDR. Further information can be found in paragraph 21 of this Singapore Prospectus.
- 1.2 The Sub-Fund’s investment objective is long term total return to be achieved by investing at least two-thirds of the Sub-Fund’s assets in equities and equity-related securities of companies with their registered office in Asia Pacific countries (excluding Japan); and/or, of companies which have the preponderance of their business activities in Asia Pacific countries (excluding Japan); and/or, of holding companies that have the preponderance of their assets in companies with their registered office in Asia Pacific countries (excluding Japan), Investment Grade and Sub-Investment Grade Debt and Debt-Related Securities issued by governments, supranational institutions or government-related bodies that are domiciled in Asia Pacific countries (excluding Japan); and/or, Debt and Debt-Related Securities issued by companies that have their registered office in an Asia Pacific country (excluding Japan); and/or, issued by companies which have the preponderance of their business activities in an Asia Pacific country (excluding Japan); and/or, issued by holding companies that have the preponderance of their assets in companies with their registered office in an Asia Pacific country (excluding Japan), cash, deposits, and Money Market Instruments directly or indirectly through the use of UCITS or other UCIs.
- 1.3 The Sub-Fund may invest up to 30% of its net assets in Mainland China securities, although only up to 20% of its net assets may be invested directly in equity and equity-related securities through QFI regime, the Shanghai-Hong Kong and Shenzhen-Hong Kong Stock Connect programme or by any other available means.
- 1.4 The Sub-Fund may have exposure to currencies other than the Base Currency of up to 100% of its Net Asset Value.
- 1.5 The Sub-Fund may utilise financial derivative instruments for hedging and/or investment purposes, or to manage foreign exchange risks, subject to the conditions and within the limits laid down by applicable laws and regulations.
- 1.6 Without limiting the generality of the foregoing, the Investment Manager may alter the currency exposure of the Sub-Fund, solely through the use of derivative contracts (without buying or selling underlying Transferable Securities or currencies). Furthermore, the Sub-Fund’s portfolio may be fully or partially hedged back to the Base Currency if, in the opinion of the Investment Manager, this is believed to be appropriate.
- 1.7 The Sub-Fund is actively managed.
- 1.8 The Sub-Fund aims to outperform 50% MSCI AC Asia Pacific ex Japan Index, 50% Markit iBoxx Asian Local Bond Index (USD) before charges.
- 1.9 The benchmark is also used as a reference point for portfolio construction and as a basis for setting risk constraints.
- 1.10 In order to achieve its objective, the Sub-Fund will take positions whose weightings diverge from the benchmark or invest in securities which are not included in the benchmark. The investments of the Sub-Fund may deviate significantly from the components of and their respective weightings in the benchmarks.

- 1.11 Due to the active nature of the management process, the Sub-Fund's performance profile may deviate significantly from that of the benchmark over the longer term.
- 1.12 Where Share Classes are denominated in a currency other than the Base Currency of the Sub-Fund, a currency specific benchmark will typically be used for performance comparison purposes. This will either be the benchmark of the Sub-Fund expressed in another currency or a different currency specific benchmark with similar characteristics.
- 1.13 The Base Currency of the Sub-Fund is the US Dollar.
- 1.14 The Sub-Fund was launched on 24/11/2017.

## 2. Fees, Charges and Expenses

The fees, charges and expenses applicable to the Sub-Fund are set out in the tables below.

<b>Payable by You</b>	
Initial Sales Charge and/or Capacity Management Charge *	Class A Shares: Up to 5% of the Gross Investment Amount
Contingent Deferred Sales Charge	Nil
Redemption fee	Nil
Switching fee	Up to 1% of the Net Asset Value of the Shares being switched
<b>Payable by the Sub-Fund**:</b>	
The following fees and expenses will be incurred by the Fund on behalf of the Sub-Fund and will affect the Net Asset Value of the Sub-Fund.	
Investment Management Fees <sup>26</sup> (a) Retained by the Investment Manager (b) Paid by the Investment Manager to financial adviser (trailer fee)	Currently 1.30% for Class A Shares. (a) 40% to 100% of Investment Management Fee (b) 0% to 60% of Investment Management Fee <sup>27</sup>
Management Company Charge <sup>28</sup>	An amount not exceeding 0.05% of the Net Asset Value of the Sub-Fund.
General Administration Charge	A fixed rate charge not exceeding 0.10% of the Net Asset Value of the Sub-Fund.

\* Additional fees may be imposed and payable to appointed distributors that are in addition to the maximum Initial Sales Charge and/or Capacity Management Charge disclosed above, depending on the specific nature of services provided by the appointed distributor. You are advised to check with the relevant distributor in Singapore regarding whether such additional fees apply.

\*\*Please note that in respect of hedged Share Classes, an additional fee of up to 0.04% may be charged by the Investment Manager for providing the currency hedging services.

<sup>26</sup> The Investment Manager will receive fees which shall not exceed 3% of the Net Asset Value of the Sub-Fund. The fees are accrued daily and are paid in monthly arrears to the Investment Manager. Please note that the fees of the Sub-Investment Manager shall be borne by the Investment Manager.

<sup>27</sup> This range may change from time to time without prior notice. Your financial adviser is required to disclose to you the amount of trailer fee it receives from the Investment Manager.

<sup>28</sup> The Management Company Charge is accrued daily and payable monthly in arrears to the Management Company.

Each Sub-Fund may bear fees and costs incurred by the distributors/agents of abrdrn Investments Luxembourg S.A. in centralising orders and supporting best execution (some of these agents may be affiliates of abrdrn). Such fees and costs may each amount to 0.1% p.a. or more of the Sub-Fund's Net Asset Value, depending on the proportion that each fee or cost bears to the relevant Sub-Fund's Net Asset Value.

### 3. Performance of the Sub-Fund

Past Performance of the Share Classes of the Sub-Fund and its benchmark as of 31 May 2023\*

<b>ABRDN SICAV I – ASIA PACIFIC MULTI ASSET FUND</b>					
<b>Share Class and Inception Date</b>	<b>1 Year (%)</b>	<b>3 Years* (%)</b>	<b>5 Years* (%)</b>	<b>10 Years* (%)</b>	<b>Since Inception* (%)</b>
<b>Class A Acc USD / LU1629966141</b> <b>Inception date: 28/11/2003</b>					
Single NAV (adjusted)**	-7.37	1.70	-0.10	1.95	0
Single NAV (unadjusted)***	-8.83	0.11	-1.66	0.23	3.20
Benchmark (in USD)	-3.15	2.58	1.48	2.9	4.65
<p>*Average annual compounded return Benchmark: MSCI AC Asia Pacific ex Japan 50% Markit iBoxx Asian Local Bond Index (USD) 50%</p> <p>**Source: Lipper, Basis: Total Return, NAV to NAV, net of annual charges, gross of TER, taking into account any initial sales charges/capacity management charges and redemption fee payable, calculated on the assumption that dividends and distributions (if any) are reinvested net of all charges payable upon reinvestment, in the currency of the relevant Class. Based on monthly data.</p> <p>***Source: Lipper, Basis: Total Return, NAV to NAV, net of annual charges, taking into account any initial sales charges/capacity management charges and redemption fee payable, calculated on the assumption that dividends and distributions (if any) are reinvested net of all charges payable upon reinvestment, in the currency of the relevant Class. Based on monthly data.</p> <p>Please note that in respect of newly incepted or not yet incepted Share Classes, a track record of at least one year as at 31 May 2023 is not available.</p>					

**Past performance of the Sub-Fund is not necessarily indicative of the future performance of the Sub-Fund.**

#### 4. Expense Ratio

The expense ratios<sup>29</sup> of each of the Share Classes for the period 1 October 2021 to 30 September 2022 based on the Sub-Fund's latest audited accounts as at 30 September 2022 are:

Sub-Fund	Expense Ratio
Class A Acc USD	1.59%

#### 5. Turnover Ratio

The turnover ratio of the Sub-Fund for the period of 1 October 2021 to 30 September 2022 based on the Sub-Fund's latest audited accounts was 51.57%.

The turnover ratio, expressed as a percentage, reflects the volume of dealing in the Sub-Fund. It is calculated based on the lesser of purchases or sales of underlying investments of the Sub-Fund expressed as a percentage of the daily average Net Asset Value.

#### 6. Dividend Policy

Accumulation Shares will declare, but do not intend to distribute, any dividends in respect of these Share Classes. Accordingly, the dividends attributable to these Share Classes will be accumulated in their respective Net Asset Values.

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<sup>29</sup> The following expenses, where applicable, are excluded from the calculation of the expense ratios:

- (a) brokerage and other transaction costs associated with the purchase and sales of investments;
- (b) interest expenses;
- (c) foreign exchange gains and losses, whether realised or unrealised;
- (d) front end loads, backend loads and other costs arising on the purchase or sale of other funds;
- (e) tax deducted at source or arising from income received, including withholding tax; and
- (f) dividends and other distributions paid to Shareholders.



## APPENDIX 6

### CHINA A SHARE SUSTAINABLE EQUITY FUND<sup>30</sup>

#### 1. Investment Objective, Policy and Strategy

- 1.1 The China A Share Sustainable Equity Fund (also referred to in this Appendix as the “**Sub-Fund**”) is subject to Article 8 of the SFDR. Further information can be found in paragraph 21 of this Singapore Prospectus. The environmental and/or social characteristics promoted by the Sub-Fund are detailed below in this Appendix as well as in the SFDR Annex of the Sub-Fund which is appended to the Luxembourg Prospectus.
- 1.2 The Sub-Fund’s investment objective is long term total return to be achieved by investing, directly or indirectly (including through QFI, the Shanghai-Hong Kong and Shenzhen-Hong Kong Stock Connect programmes, participatory notes, equity linked notes and any other eligible means), at least 90% of its total assets in equity and equity-related securities of companies whose securities are listed on Chinese Stock Exchanges, including, without limitation, Class A Shares and Class B Shares of companies listed on the Chinese Stock Exchanges and corresponding H-shares or other equivalent securities authorised by the China Securities Regulatory Commission for purchase by non-Chinese investors.
- 1.3 The Sub-Fund’s Class A Shares are listed and traded on one of the Chinese Stock Exchanges. Purchase and ownership of Class A Shares is generally restricted to Chinese investors and selected foreign institutional investors that have obtained a QFI permit or have access to the Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect programmes.
- 1.4 The Sub-Fund is actively managed.
- 1.5 The Sub-Fund aims to outperform the MSCI China A Onshore Index (USD) benchmark before charges.
- 1.6 The benchmark is also used as a reference point for portfolio construction and as a basis for setting risk constraints, but does not incorporate any sustainable criteria.
- 1.7 In order to achieve its objective, the Sub-Fund will take positions whose weightings diverge from the benchmark and may invest in securities which are not included in the benchmark. The investments of the Sub-Fund may deviate significantly from the components of and their respective weightings in the benchmark.
- 1.8 Due to the active and sustainable nature of the management process, the Sub-Fund’s performance profile may deviate significantly from that of the benchmark.
- 1.9 The Sub-Fund promotes environmental and social characteristics but does not have a sustainable investment objective. The Sub-Fund contains high-quality companies that have been identified through abrdrn’s bottom-up equity research process which takes into consideration the sustainability of the business in its broadest sense and the company’s environmental, social and governance (ESG) performance.
- 1.10 Investment in all equity and equity-related securities will follow abrdrn’s “China A Share Sustainable Equity Investment Approach”.

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<sup>30</sup> Investors should note that the Additional Information required to be disclosed under paragraph 14 of the ESG Circular may be found in the SFDR Annex of the Sub-Fund which is appended to the Luxembourg Prospectus, and/or on the manager’s website at [www.abrdrn.com](http://www.abrdrn.com) under “Fund Centre”.

- 1.11 Through the application of this approach the Sub-Fund has an expected minimum of 20% in Sustainable Investments. Furthermore, the Sub-Fund targets an ESG rating that is equal to or better than, and to have a meaningfully lower carbon intensity than, the benchmark.
- 1.12 This approach utilises abrdn's equity investment process, which enables portfolio managers to qualitatively identify and focus investment in sustainable leaders and improvers. Sustainable leaders are viewed as companies with the best in class ESG credentials or products and services which address global environmental and societal challenges, whilst improvers are typically companies with average governance, ESG management practices and disclosure with potential for improvement.
- 1.13 Within abrdn's equity investment process, for all companies under coverage, the foundations of each business is analysed to ensure proper context for the Sub-Fund's investments. This includes the durability of its business model, the attractiveness of its industry, the strength of its financials and the sustainability of its economic moat. The portfolio managers also consider the quality of its management team and analyse the environmental, social and governance (ESG) opportunities and risks impacting the business and appraise how well these are managed. A proprietary score to articulate the quality attributes of each company will be assigned, one of which is the ESG Quality rating. This enables the portfolio managers to exclude companies with material ESG risks and positively skew the portfolio towards ESG opportunities and to build well-diversified, risk-adjusted portfolios.
- 1.14 To complement this research, the abrdn ESG House Score is used to quantitatively identify and exclude those companies exposed to the highest ESG risks. Additionally, abrdn apply a set of company exclusions which are related to the UN Global Compact, Norges Bank Investment Management (NBIM), Weapons, Tobacco, Gambling, Thermal Coal, Oil & Gas and Electricity Generation.
- 1.15 **More detail on this overall process is captured within the abrdn China A Share Sustainable Equity Investment Approach, which is published at [www.abrdn.com](http://www.abrdn.com) under "Fund Centre".**
- 1.16 Engagement with external company management teams is used to evaluate the ownership structures, governance and management quality of those companies in order to inform portfolio construction.
- 1.17 The abrdn China A Share Sustainable Equity Investment Approach reduces the benchmark investable universe by a minimum of 20%.
- 1.18 Financial derivative instruments, money-market instruments and cash may not adhere to this approach.
- 1.19 The Sub-Fund may utilise financial derivative instruments for hedging and/or investment purposes, or to manage foreign exchange risks, subject to the conditions and within the limits laid down by applicable laws and regulations. The use of derivatives for hedging and/or investment purposes is expected to be very limited, mainly in those cases where there are significant inflows into the Sub-Fund so that cash can be invested while the Sub-Fund's investments in equity and equity related securities is maintained.
- 1.20 Where Share Classes are denominated in a currency other than the Base Currency of the Sub-Fund, a currency specific benchmark will be typically used for performance comparison purposes. This will either be the benchmark of the Sub-Fund expressed in another currency or a different currency specific benchmark with similar characteristics.
- 1.21 The Base Currency of the Sub-Fund is the US Dollar.

1.22 The Sub-Fund was launched on 16/03/2015.

## 2. Fees, Charges and Expenses

The fees, charges and expenses applicable to the Sub-Fund are set out in the tables below.

<b>Payable by You</b>	
Initial Sales Charge and/or Capacity Management Charge *	Class A Shares: Up to 5% of the Gross Investment Amount
Contingent Deferred Sales Charge	Nil
Redemption fee	Nil
Switching fee	No switching allowed
<b>Payable by the Sub-Fund**:</b>	
The following fees and expenses will be incurred by the Fund on behalf of the Sub-Fund and will affect the Net Asset Value of the Sub-Fund.	
Investment Management Fees <sup>31</sup> (a) Retained by the Investment Manager (b) Paid by the Investment Manager to financial adviser (trailer fee)	Currently 1.75% for Class A Shares. (a) 40% to 100% of Investment Management Fee (b) 0% to 60% of Investment Management Fee <sup>32</sup>
Management Company Charge <sup>33</sup>	An amount not exceeding 0.05% of the Net Asset Value of the Sub-Fund.
General Administration Charge	A fixed rate charge not exceeding 0.10% of the Net Asset Value of the Sub-Fund.

\* Additional fees may be imposed and payable to appointed distributors that are in addition to the maximum Initial Sales Charge and/or Capacity Management Charge disclosed above, depending on the specific nature of services provided by the appointed distributor. You are advised to check with the relevant distributor in Singapore regarding whether such additional fees apply.

\*\*Please note that in respect of hedged Share Classes, an additional fee of up to 0.04% may be charged by the Investment Manager for providing the currency hedging services.

Each Sub-Fund may bear fees and costs incurred by the distributors/agents of abrdn Investments Luxembourg S.A. in centralising orders and supporting best execution (some of these agents may be affiliates of abrdn). Such fees and costs may each amount to 0.1% p.a. or more of the Sub-Fund's Net Asset Value, depending on the proportion that each fee or cost bears to the relevant Sub-Fund's Net Asset Value.

<sup>31</sup> The Investment Manager will receive fees which shall not exceed 3% of the Net Asset Value of the Sub-Fund. The fees are accrued daily and are paid in monthly arrears to the Investment Manager. Please note that the fees of the Sub-Investment Manager and the Investment Advisor shall be borne by the Investment Manager.

<sup>32</sup> This range may change from time to time without prior notice. Your financial adviser is required to disclose to you the amount of trailer fee it receives from the Investment Manager.

<sup>33</sup> The Management Company Charge is accrued daily and payable monthly in arrears to the Management Company.

### 3. Performance of the Sub-Fund

Past Performance of the Share Classes of the Sub-Fund and its benchmark as of 31 May 2023\*

<b>ABRDN SICAV I – CHINA A SHARE SUSTAINABLE EQUITY FUND</b>					
<b>Share Class and Inception Date</b>	<b>1 Year (%)</b>	<b>3 Years* (%)</b>	<b>5 Years* (%)</b>	<b>10 Years* (%)</b>	<b>Since Inception* (%)</b>
<b>Class A Acc USD / LU1146622755</b> <b>Inception date: 16/03/2015</b>					
Single NAV (adjusted)**	-13.36	0.93	1.57	n/a	7.15
Single NAV (unadjusted)***	-15.02	-1.02	-0.39	n/a	5.07
Benchmark (in USD)	-10.85	2.53	0.74	n/a	-0.92
<b>Class A Acc Hedged SGD / LU1820825898</b> <b>Inception date: 22/06/2018</b>					
Single NAV (adjusted)**	-14.34	0.28	n/a	n/a	1.50
Single NAV (unadjusted)***	-16.03	-1.69	n/a	n/a	-0.50
Benchmark (Hedged to SGD)	-12.04	1.74	n/a	n/a	1.37
<p>*Average annual compounded return Benchmark: MSCI China A Onshore Index (USD)</p> <p>**Source: Lipper, Basis: Total Return, NAV to NAV, net of annual charges, gross of TER, taking into account any initial sales charges/capacity management charges and redemption fee payable, calculated on the assumption that dividends and distributions (if any) are reinvested net of all charges payable upon reinvestment, in the currency of the relevant Class. Based on monthly data.</p> <p>***Source: Lipper, Basis: Total Return, NAV to NAV, net of annual charges, taking into account any initial sales charges/capacity management charges and redemption fee payable, calculated on the assumption that dividends and distributions (if any) are reinvested net of all charges payable upon reinvestment, in the currency of the relevant Class. Based on monthly data.</p> <p>Please note that in respect of newly incepted or not yet incepted Share Classes, a track record of at least one year as at 31 May 2023 is not available.</p>					

**Past performance of the Sub-Fund is not necessarily indicative of the future performance of the Sub-Fund.**

**4. Expense Ratio**

The expense ratios<sup>34</sup> of each of the Share Classes for the period 1 October 2021 to 30 September 2022 based on the Sub-Fund's latest audited accounts as at 30 September 2022 are:

<b>Sub-Fund</b>	<b>Expense Ratio</b>
Class A Acc USD	1.96%
Class A Acc Hedged SGD	2.00%

**5. Turnover Ratio**

The turnover ratio of the Sub-Fund for the period of 1 October 2021 to 30 September 2022 based on the Sub-Fund's latest audited accounts was 41.10%.

The turnover ratio, expressed as a percentage, reflects the volume of dealing in the Sub-Fund. It is calculated based on the lesser of purchases or sales of underlying investments of the Sub-Fund expressed as a percentage of the daily average Net Asset Value.

**6. Dividend Policy**

Accumulation Shares will declare, but do not intend to distribute, any dividends in respect of these Share Classes. Accordingly, the dividends attributable to these Share Classes will be accumulated in their respective Net Asset Values.

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<sup>34</sup> The following expenses, where applicable, are excluded from the calculation of the expense ratios:

- (a) brokerage and other transaction costs associated with the purchase and sales of investments;
- (b) interest expenses;
- (c) foreign exchange gains and losses, whether realised or unrealised;
- (d) front end loads, backend loads and other costs arising on the purchase or sale of other funds;
- (e) tax deducted at source or arising from income received, including withholding tax; and
- (f) dividends and other distributions paid to Shareholders.

## APPENDIX 7

### EMERGING MARKETS BOND FIXED MATURITY 2023 FUND

#### 1. Investment Objective, Policy and Strategy

- 1.1 The Emerging Markets Bond Fixed Maturity 2023 Fund (also referred to in this Appendix as the “**Sub-Fund**”) is subject to Article 6 of the SFDR. Further information can be found in paragraph 21 of this Singapore Prospectus.
- 1.2 The Sub-Fund’s investment objective is to achieve income and capital preservation over the term of the Sub-Fund by investing at least two-thirds of the Sub-Fund’s assets in Debt and Debt-Related Securities with a maturity equal to, or less than, the Sub-Fund’s term, ending on 2 October 2023, denominated in US Dollars and issued by corporations (including holding companies of such corporations) with their registered office, principal place of business or preponderance of their business activities in an Emerging Market country and/or governments or government-related bodies domiciled in an Emerging Market country.
- 1.3 The Sub-Fund may invest up to 50% of its Net Asset Value in Sub-Investment Grade Debt and Debt-Related Securities.
- 1.4 The Investment Manager will seek to reduce the risk of losses and the expected change (as measured by annual volatility) in the value of the Sub-Fund is not ordinarily expected to exceed 7.5%.
- 1.5 The Sub-Fund will employ techniques aiming to mitigate interest rate risk arising from fixed rate coupons.
- 1.6 It is intended that the Sub-Fund’s term will end on 2 October 2023 (the “**Maturity Date**”) when the Sub-Fund will be liquidated and Shares of the Sub-Fund will be compulsorily redeemed at the prevailing Net Asset Value per Share.
- 1.7 Over a period of approximately 12 months approaching the Sub-Fund’s Maturity Date, the Sub-Fund will no longer be subject to holding at least two-thirds of the assets in Debt and Debt-Related Securities; instead, the portfolio will be managed so that investments match the Maturity Date, by investing in shorter-dated financial instruments issued by governments or by corporate issuers such as commercial paper, bonds, notes, bills, deposits, certificates of deposits and cash, and/or in collective investment schemes which invest in these instruments.
- 1.8 The Sub-Fund is actively managed and does not use a benchmark for portfolio construction, risk management or performance assessment purposes.
- 1.9 The Sub-Fund is not a guaranteed fund and returns can be negative. Furthermore, the Sub-Fund is intended to be held to the Maturity Date. Investors who do not hold their Shares to the Maturity Date may suffer significant losses.
- 1.10 The Base Currency of the Sub-Fund is the US Dollar.
- 1.11 The Sub-Fund was launched on 1/10/2019.

## 2. Fees, Charges and Expenses

The fees, charges and expenses applicable to the Sub-Fund are set out in the tables below.

<b>Payable by You</b>	
Initial Sales Charge and/or Capacity Management Charge *	Class A Shares: Up to 5% of the Gross Investment Amount
Contingent Deferred Sales Charge	Nil
Redemption fee	Nil. However, please note that a dilution adjustment (which will typically not exceed 2% of the Net Asset Value of Units of the Sub-Fund being realised) will be applied to redemptions of Shares of the Sub-Fund where such redemptions are made before the Maturity Date of the Sub-Fund. Any dilution adjustment will be paid into the Sub-Fund and become part of the Sub-Fund.
Switching fee	No switching allowed.
<b>Payable by the Sub-Fund**:</b>	
The following fees and expenses will be incurred by the Fund on behalf of the Sub-Fund and will affect the Net Asset Value of the Sub-Fund.	
Investment Management Fees <sup>35</sup> (a) Retained by the Investment Manager (b) Paid by the Investment Manager to financial adviser (trailer fee)	Currently 0.50% for Class A Shares. (a) 40% to 100% of Investment Management Fee (b) 0% to 60% of Investment Management Fee <sup>36</sup>
Management Company Charge <sup>37</sup>	An amount not exceeding 0.05% of the Net Asset Value of the Sub-Fund.
General Administration Charge	A fixed rate charge not exceeding 0.10% of the Net Asset Value of the Sub-Fund.

\* Additional fees may be imposed and payable to appointed distributors that are in addition to the maximum Initial Sales Charge and/or Capacity Management Charge disclosed above, depending on the specific nature of services provided by the appointed distributor. You are advised to check with the relevant distributor in Singapore regarding whether such additional fees apply.

\*\*Please note that in respect of hedged Share Classes, an additional fee of up to 0.04% may be charged by the Investment Manager for providing the currency hedging services.

Each Sub-Fund may bear fees and costs incurred by the distributors/agents of abrdn Investments Luxembourg S.A. in centralising orders and supporting best execution (some of these agents may be affiliates of abrdn). Such fees and costs may each amount to 0.1%

<sup>35</sup> The Investment Manager will receive fees which shall not exceed 3% of the Net Asset Value of the Sub-Fund. The fees are accrued daily and are paid in monthly arrears to the Investment Manager.

<sup>36</sup> This range may change from time to time without prior notice. Your financial adviser is required to disclose to you the amount of trailer fee it receives from the Investment Manager.

<sup>37</sup> The Management Company Charge is accrued daily and payable monthly in arrears to the Management Company.

p.a. or more of the Sub-Fund's Net Asset Value, depending on the proportion that each fee or cost bears to the relevant Sub-Fund's Net Asset Value.

### 3. Performance of the Sub-Fund

Past Performance of the Share Classes of the Sub-Fund as of 31 May 2023\*

<b>ABRDN SICAV I – EMERGING MARKETS BOND FIXED MATURITY 2023 FUND</b>					
<b>Share Class and Inception Date</b>	<b>1 Year (%)</b>	<b>3 Years* (%)</b>	<b>5 Years* (%)</b>	<b>10 Years* (%)</b>	<b>Since Inception* (%)</b>
<b>Class A Acc Hedged SGD / LU2030340835</b> <b>Inception date: 01/10/2019</b>					
Single NAV (adjusted)**	3.26	-0.74	n/a	n/a	-0.89
Single NAV (unadjusted)***	2.60	-1.37	n/a	n/a	-1.52
<b>Class A QInc Hedged SGD / LU2030340165</b> <b>Inception date: 01/10/2019</b>					
Single NAV (adjusted)**	3.26	-0.74	n/a	n/a	-0.90
Single NAV (unadjusted)***	2.61	-1.37	n/a	n/a	-1.53
<b>Class A QInc USD / LU2030340082</b> <b>Inception date: 01/10/2019</b>					
Single NAV (adjusted)**	3.80	-0.55	n/a	n/a	-0.64
Single NAV (unadjusted)***	3.18	-1.14	n/a	n/a	-1.23
*Average annual compounded return					
**Source: Lipper, Basis: Total Return, NAV to NAV, net of annual charges, gross of TER, taking into account any initial sales charges/capacity management charges and redemption fee payable, calculated on the assumption that dividends and distributions (if any) are reinvested net of all charges payable upon reinvestment, in the currency of the relevant Class. Based on monthly data.					
***Source: Lipper, Basis: Total Return, NAV to NAV, net of annual charges, taking into account any initial sales charges/capacity management charges and redemption fee					



<b>ABRDN SICAV I – EMERGING MARKETS BOND FIXED MATURITY 2023 FUND</b>					
<b>Share Class and Inception Date</b>	<b>1 Year (%)</b>	<b>3 Years* (%)</b>	<b>5 Years* (%)</b>	<b>10 Years* (%)</b>	<b>Since Inception* (%)</b>
payable, calculated on the assumption that dividends and distributions (if any) are reinvested net of all charges payable upon reinvestment, in the currency of the relevant Class. Based on monthly data.					
The Sub-Fund is actively managed and does not use a benchmark for portfolio construction, risk management or performance assessment purposes.					
Please note that in respect of newly incepted or not yet incepted Share Classes, a track record of at least one year as at 31 May 2023 is not available.					

#### 4. Expense Ratio

The expense ratios<sup>38</sup> of each of the Share Classes for the period 1 October 2021 to 30 September 2022 based on the Sub-Fund's latest audited accounts as at 30 September 2022 are:

<b>Sub-Fund</b>	<b>Expense Ratio</b>
Class A Acc Hedged SGD	0.64%
Class A QInc Hedged SGD	0.64%
Class A QInc USD	0.60%

#### 5. Turnover Ratio

The turnover ratio of the Sub-Fund for the period of 1 October 2021 to 30 September 2022 based on the Sub-Fund's latest audited accounts was 32.32%. The turnover ratio, expressed as a percentage, reflects the volume of dealing in the Sub-Fund. It is calculated based on the lesser of purchases or sales of underlying investments of the Sub-Fund expressed as a percentage of the daily average Net Asset Value.

#### 6. Dividend Policy

Accumulation Shares will declare, but do not intend to distribute, any dividends in respect of these Share Classes. Accordingly, the dividends attributable to these Share Classes will be accumulated in their respective Net Asset Values.

Income Shares intend to declare and distribute dividends.

<sup>38</sup> The following expenses, where applicable, are excluded from the calculation of the expense ratios:

- brokerage and other transaction costs associated with the purchase and sales of investments;
- interest expenses;
- foreign exchange gains and losses, whether realised or unrealised;
- front end loads, backend loads and other costs arising on the purchase or sale of other funds;
- tax deducted at source or arising from income received, including withholding tax; and
- dividends and other distributions paid to Shareholders.

## APPENDIX 8

### EMERGING MARKETS CORPORATE BOND FUND

#### 1. Investment Objective, Policy and Strategy

- 1.1 The Emerging Markets Corporate Bond Fund (also referred to in this Appendix as the “**Sub-Fund**”) is subject to Article 8 of the SFDR. Further information can be found in paragraph 21 of this Singapore Prospectus.
- 1.2 The Sub-Fund’s investment objective is long term total return to be achieved by investing at least two-thirds of the Sub-Fund’s assets in Debt and Debt-Related Securities which are issued by corporations (including government-owned corporations) with their registered office or principal place of business in a CEMBI Emerging Market<sup>39</sup>; and/or by corporations which carry out the preponderance of their business activities (as determined by the Investment Manager) in a CEMBI Emerging Market; and/or by holding companies that have the preponderance of their assets invested in corporations with their registered office in a CEMBI Emerging Market and/or the preponderance of their business activities (as determined by the Investment Manager) in a CEMBI Emerging Market as at the date of investment.
- 1.3 The Sub-Fund may invest up to 100% of its Net Asset Value in Sub-Investment Grade Debt and Debt-Related Securities.
- 1.4 The Sub-Fund is actively managed.
- 1.5 The Sub-Fund aims to outperform the JP Morgan CEMBI Broad Diversified Index (USD) benchmark before charges.
- 1.6 The benchmark is also used as a reference point for portfolio construction and as a basis for setting risk constraints, but does not incorporate any sustainable criteria.
- 1.7 In order to achieve its objective, the Sub-Fund will take positions whose weightings diverge from the benchmark or invest in securities which are not included in the benchmark. The investments of the Sub-Fund may deviate significantly from the components of and their respective weightings in the benchmark. Due to the active nature of the management process, the Sub-Fund’s performance profile may deviate significantly from that of the benchmark over the longer term.
- 1.1 The Sub-Fund promotes environmental and social characteristics but does not have a sustainable investment objective.
- 1.2 Investment in all Debt and Debt-Related Securities issued by corporations will follow the abrdrn Emerging Markets Corporate Bond Promoting ESG Investment Approach”.
- 1.3 Through the application of this approach, the Sub-Fund has an expected minimum of 15% in Sustainable Investments. Furthermore, the Sub-Fund targets a lower carbon intensity than the benchmark.
- 1.4 This approach utilises abrdrn’s fixed income investment process, which enables portfolio managers to qualitatively assess how ESG factors are likely to impact on the company’s ability to repay its debt, both now and in the future. To complement this research, the abrdrn ESG House Score is used to quantitatively identify and exclude those companies exposed

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<sup>39</sup> “**CEMBI Emerging Market**” means any Emerging Market and any country that is included in the CEMBI Broad Diversified Index (or any successor index, if revised). “**Emerging Market**” means any country that is included in the MSCI series of indices or FTSE Emerging Markets series of indices or JP Morgan Emerging Market series of indices (or composites thereof or any successor series), or any country classified by the World Bank as a low to upper middle income country.

to the highest ESG risks. In addition, abrdn apply a set of company exclusions, which are related to the UN Global Compact, Controversial Weapons, Tobacco Manufacturing and Thermal Coal. While these exclusions are applied at a company level, investment is permitted in Green bonds, Social bonds or Sustainable bonds issued by companies otherwise excluded by the environmental screens, where the proceeds of such issues can be confirmed as having a positive environmental impact.

- 1.5 Engagement with external company management teams is a part of abrdn's investment process and ongoing stewardship programme. This process evaluates the ownership structures, governance and management quality of those companies, in order to inform portfolio construction. As part of this, where the engagement process identifies companies in high carbon emitting sectors with ambitious and credible targets to decarbonise their operations, up to 5% of assets may be invested in these companies in order to support their transition to ultimately comply with the environmental screens.
- 1.6 Further detail of this overall process is captured within the "Emerging Markets Corporate Bond Promoting ESG Investment Approach", which is published at [www.abrdn.com](http://www.abrdn.com) under "Fund Centre".
- 1.7 Investment in financial derivative instruments, money-market instruments and cash may not adhere to this approach.
- 1.8 The Sub-Fund may utilise financial derivative instruments for hedging and/or investment purposes, or to manage foreign exchange risks, subject to the conditions and within the limits laid down by applicable laws and regulations.
- 1.9 Without limiting the generality of the foregoing, the Investment Manager may alter the currency exposure of the Sub-Fund, solely through the use of derivative contracts (without buying or selling underlying Transferable Securities or currencies). The Sub-Fund's portfolio will typically be hedged back to the Base Currency.
- 1.10 Where Share Classes are denominated in a currency other than the Base Currency of the Sub-Fund, a currency specific benchmark will be typically used for performance comparison purposes. This will either be the benchmark of the Sub-Fund expressed in another currency or a different currency specific benchmark with similar characteristics.
- 1.8 The Base Currency of the Sub-Fund is the US Dollar.
- 1.9 The Sub-Fund was launched on 30/12/2010.

## 2. Fees, Charges and Expenses

The fees, charges and expenses applicable to the Sub-Fund are set out in the tables below.

<b>Payable by You</b>	
Initial Sales Charge and/or Capacity Management Charge *	Class A Shares: Up to 5% of the Gross Investment Amount
Contingent Deferred Sales Charge	Nil
Redemption fee	Nil
Switching fee	Up to 1% of the Net Asset Value of the Shares being switched

<b>Payable by the Sub-Fund**:</b>	
The following fees and expenses will be incurred by the Fund on behalf of the Sub-Fund and will affect the Net Asset Value of the Sub-Fund.	
Investment Management Fees <sup>40</sup>	Currently 1.50% for Class A Shares.
(a) Retained by the Investment Manager	(a) 40% to 100% of Investment Management Fee
(b) Paid by the Investment Manager to financial adviser (trailer fee)	(b) 0% to 60% of Investment Management Fee <sup>41</sup>
Management Company Charge <sup>42</sup>	An amount not exceeding 0.05% of the Net Asset Value of the Sub-Fund.
General Administration Charge	A fixed rate charge not exceeding 0.10% of the Net Asset Value of the Sub-Fund.

\* Additional fees may be imposed and payable to appointed distributors that are in addition to the maximum Initial Sales Charge and/or Capacity Management Charge disclosed above, depending on the specific nature of services provided by the appointed distributor. You are advised to check with the relevant distributor in Singapore regarding whether such additional fees apply.

\*\*Please note that in respect of hedged Share Classes, an additional fee of up to 0.04% may be charged by the Investment Manager for providing the currency hedging services.

Each Sub-Fund may bear fees and costs incurred by the distributors/agents of abrdn Investments Luxembourg S.A. in centralising orders and supporting best execution (some of these agents may be affiliates of abrdn). Such fees and costs may each amount to 0.1% p.a. or more of the Sub-Fund's Net Asset Value, depending on the proportion that each fee or cost bears to the relevant Sub-Fund's Net Asset Value.

<sup>40</sup> The Investment Manager will receive fees which shall not exceed 3% of the Net Asset Value of the Sub-Fund. The fees are accrued daily and are paid in monthly arrears to the Investment Manager.

<sup>41</sup> This range may change from time to time without prior notice. Your financial adviser is required to disclose to you the amount of trailer fee it receives from the Investment Manager.

<sup>42</sup> The Management Company Charge is accrued daily and payable monthly in arrears to the Management Company.

### 3. Performance of the Sub-Fund

Past Performance of the Share Classes of the Sub-Fund and its benchmark as of 31 May 2023\*

<b>ABRDN SICAV I – EMERGING MARKETS CORPORATE BOND FUND</b>					
<b>Share Class and Inception Date</b>	<b>1 Year (%)</b>	<b>3 Years* (%)</b>	<b>5 Years* (%)</b>	<b>10 Years* (%)</b>	<b>Since Inception* (%)</b>
<b>Class A MInc USD / LU0566480033</b> <b>Inception date: 07/03/2011</b>					
Single NAV (adjusted)**	0.42	0.78	2.08	3.54	4.49
Single NAV (unadjusted)***	-1.28	-0.91	0.37	1.81	2.73
Benchmark (in USD)	1.34	0.03	2.09	3.05	3.80
<b>Class A Acc USD / LU0566480116</b> <b>Inception date: 07/03/2011</b>					
Single NAV (adjusted)**	0.42	0.78	2.08	3.54	4.49
Single NAV (unadjusted)***	-1.28	-0.91	0.37	1.81	2.73
Benchmark (in USD)	1.34	0.03	2.09	3.05	3.80
<b>Class A MInc Hedged SGD / LU1820826276</b> <b>Inception date: 22/06/2018</b>					
Single NAV (adjusted)**	-0.17	0.54	n/a	n/a	1.92
Single NAV (unadjusted)***	-1.89	-1.19	n/a	n/a	0.18
Benchmark (Hedged to SGD)	0.42	-0.30	n/a	n/a	1.70

<b>ABRDN SICAV I – EMERGING MARKETS CORPORATE BOND FUND</b>					
<b>Share Class and Inception Date</b>	<b>1 Year (%)</b>	<b>3 Years* (%)</b>	<b>5 Years* (%)</b>	<b>10 Years* (%)</b>	<b>Since Inception* (%)</b>
<b>Class A Acc Hedged SGD / LU1820825971 Inception date: 22/06/2018</b>					
Single NAV (adjusted)**	-0.17	0.54	n/a	n/a	1.93
Single NAV (unadjusted)***	-1.90	-1.18	n/a	n/a	0.18
Benchmark (Hedged to SGD)	0.42	-0.30	n/a	n/a	1.70
<p>*Average annual compounded return Benchmark: JP Morgan Corporate EMBI Broad Diversified Index (USD)</p> <p>**Source: Lipper, Basis: Total Return, NAV to NAV, net of annual charges, gross of TER, taking into account any initial sales charges/capacity management charges and redemption fee payable, calculated on the assumption that dividends and distributions (if any) are reinvested net of all charges payable upon reinvestment, in the currency of the relevant Class. Based on monthly data.</p> <p>***Source: Lipper, Basis: Total Return, NAV to NAV, net of annual charges, taking into account any initial sales charges/capacity management charges and redemption fee payable, calculated on the assumption that dividends and distributions (if any) are reinvested net of all charges payable upon reinvestment, in the currency of the relevant Class. Based on monthly data.</p> <p>Please note that in respect of newly incepted or not yet incepted Share Classes, a track record of at least one year as at 31 May 2023 is not available.</p>					

**Past performance of the Sub-Fund is not necessarily indicative of the future performance of the Sub-Fund.**

#### 4. Expense Ratio

The expense ratios<sup>43</sup> of each of the Share Classes for the period 1 October 2021 to 30 September 2022 based on the Sub-Fund's latest audited accounts as at 30 September 2022 are:

Sub-Fund	Expense Ratio
Class A MInc USD	1.70%
Class A Acc USD	1.70%
Class A MInc Hedged SGD	1.74%
Class A Acc Hedged SGD	1.74%

#### 5. Turnover Ratio

The turnover ratio of the Sub-Fund for the period of 1 October 2021 to 30 September 2022 based on the Sub-Fund's latest audited accounts was 61.10%.

The turnover ratio, expressed as a percentage, reflects the volume of dealing in the Sub-Fund. It is calculated based on the lesser of purchases or sales of underlying investments of the Sub-Fund expressed as a percentage of the daily average Net Asset Value.

#### 6. Dividend Policy

Accumulation Shares will declare, but do not intend to distribute, any dividends in respect of these Share Classes. Accordingly, the dividends attributable to these Share Classes will be accumulated in their respective Net Asset Values.

Income Classes intend to declare and distribute dividends.

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<sup>43</sup> The following expenses, where applicable, are excluded from the calculation of the expense ratios:

- (a) brokerage and other transaction costs associated with the purchase and sales of investments;
- (b) interest expenses;
- (c) foreign exchange gains and losses, whether realised or unrealised;
- (d) front end loads, backend loads and other costs arising on the purchase or sale of other funds;
- (e) tax deducted at source or arising from income received, including withholding tax; and
- (f) dividends and other distributions paid to Shareholders.

## APPENDIX 9

### INDIAN BOND FUND

#### 1. Investment Objective, Policy and Strategy

- 1.1 The Indian Bond Fund (also referred to in this Appendix as the “**Sub-Fund**”) is subject to Article 6 of the SFDR. Further information can be found in paragraph 21 of this Singapore Prospectus.
- 1.2 The Sub-Fund’s investment objective is long term total return to be achieved by investing at least two-thirds of the Sub-Fund’s assets in Indian Rupee denominated Debt and Debt-Related Securities which are issued by government or government-related bodies domiciled in India, and/or corporations (including holding companies of such corporations) with their registered office, principal place of business or the preponderance of their business activities in India.
- 1.3 The Sub-Fund may also invest in Debt and Debt-Related Securities issued by non-Indian corporations or governments which are denominated in Indian Rupee.
- 1.4 Whilst the Sub-Fund will aim to maintain a minimum of 80% in Debt and Debt-Related Securities denominated in Indian Rupee in normal market conditions, there may be exceptional circumstances where investment in Indian domestic fixed income securities may be restricted by Indian domestic regulation. In such circumstances, the Sub-Fund may have substantial exposure to non-Indian Rupee denominated Debt and Debt-Related Securities outside of India.
- 1.5 Exposure to non-Indian Rupee denominated Debt and Debt-Related Securities will be in USD denominated Debt and Debt-Related Securities. Any non-Indian Rupee exposure within the Sub-Fund’s portfolio will typically be converted to Indian Rupee using financial derivative instruments.
- 1.6 The Sub-Fund may utilise financial derivative instruments for hedging and/or investment purposes, or to manage foreign exchange risks, subject to the conditions and within the limits laid down by applicable laws and regulations.
- 1.7 The Sub-Fund is actively managed.
- 1.8 The Sub-Fund does not aim to outperform any benchmark and there is no benchmark used as a reference for portfolio construction.
- 1.9 Where Share Classes are denominated in a currency other than the Base Currency of the Sub-Fund, a benchmark will be typically used for performance comparison purposes.
- 1.10 The Markit iBoxx Asia India Index (USD) (referred to in this Appendix as the “**Index**”) is used as a basis for setting risk constraints.
- 1.11 The Investment Manager seeks to reduce the risk of significant changes in the value of the Sub-Fund compared to the Index. The potential change in value of the Sub-Fund (as measured by expected volatility) is not ordinarily expected to exceed 150% of the potential change in value of the Index over the longer term.
- 1.12 The Index is a government bond only index. Investors should be aware that the Indian bond market operates with capital controls as of writing in 2019. Other than the requirement for foreign investors to register as foreign portfolio investors (FPIs), foreign exposure to the bond market is capped and investment in bonds is regulated via a quota system, with separate quotas for government, corporate and state debt bonds. These quotas can be used



freely until the entire limit for each quota respectively is utilised. As a result, it is possible that at certain times the Investment Manager may not have full access to the market or parts thereof, which may influence the ability to manage risk versus the index. As a result the Sub-Fund seeks to provide diversified exposure to the overall local currency bond market rather than replicate or manage exposure against the Index.

1.13 The Base Currency of the Sub-Fund is the US Dollar.

1.14 The Sub-Fund was launched on 01/09/2015.

## 2. Fees, Charges and Expenses

The fees, charges and expenses applicable to the Sub-Fund are set out in the tables below.

<b>Payable by You</b>	
Initial Sales Charge and/or Capacity Management Charge *	Class A Shares: Up to 5% of the Gross Investment Amount
Contingent Deferred Sales Charge	Nil
Redemption fee	Nil
Switching fee	Up to 1% of the Net Asset Value of the Shares being switched
<b>Payable by the Sub-Fund**:</b>	
The following fees and expenses will be incurred by the Fund on behalf of the Sub-Fund and will affect the Net Asset Value of the Sub-Fund.	
Investment Management Fees <sup>44</sup> (a) Retained by the Investment Manager (b) Paid by the Investment Manager to financial adviser (trailer fee)	Currently 1.00% for Class A Shares. (a) 40% to 100% of Investment Management Fee (b) 0% to 60% of Investment Management Fee <sup>45</sup>
Management Company Charge <sup>46</sup>	An amount not exceeding 0.05% of the Net Asset Value of the Sub-Fund.
General Administration Charge	A fixed rate charge not exceeding 0.10% of the Net Asset Value of the Sub-Fund.

\* Additional fees may be imposed and payable to appointed distributors that are in addition to the maximum Initial Sales Charge and/or Capacity Management Charge disclosed above, depending on the specific nature of services provided by the appointed distributor. You are advised to check with the relevant distributor in Singapore regarding whether such additional fees apply.

\*\*Please note that in respect of hedged Share Classes, an additional fee of up to 0.04% may be charged by the Investment Manager for providing the currency hedging services.

<sup>44</sup> The Investment Manager will receive fees which shall not exceed 3% of the Net Asset Value of the Sub-Fund. The fees are accrued daily and are paid in monthly arrears to the Investment Manager. Please note that the fees of the Sub-Investment Manager shall be borne by the Investment Manager.

<sup>45</sup> This range may change from time to time without prior notice. Your financial adviser is required to disclose to you the amount of trailer fee it receives from the Investment Manager.

<sup>46</sup> The Management Company Charge is accrued daily and payable monthly in arrears to the Management Company.

Each Sub-Fund may bear fees and costs incurred by the distributors/agents of abrdn Investments Luxembourg S.A. in centralising orders and supporting best execution (some of these agents may be affiliates of abrdn). Such fees and costs may each amount to 0.1% p.a. or more of the Sub-Fund's Net Asset Value, depending on the proportion that each fee or cost bears to the relevant Sub-Fund's Net Asset Value.

### 3. Performance of the Sub-Fund

Past Performance of the Share Classes of the Sub-Fund and its benchmark as of 31 May 2023\*

<b>ABRDN SICAV I – INDIAN BOND FUND</b>					
<b>Share Class and Inception Date</b>	<b>1 Year (%)</b>	<b>3 Years* (%)</b>	<b>5 Years* (%)</b>	<b>10 Years* (%)</b>	<b>Since Inception* (%)</b>
<b>Class A MInc USD / LU1254412114</b> <b>Inception date: 01/09/2015</b>					
Single NAV (adjusted)**	2.03	2.13	3.66	n/a	4.45
Single NAV (unadjusted)***	0.72	0.82	2.33	n/a	3.10
Benchmark (in USD)	3.65	1.86	4.09	n/a	4.96
<p>*Average annual compounded return Benchmark: HSBC ALBI India Local Currency Government Bond Index till 31/03/2016, then Markit iBoxx ALBI India Index till 31/12/2016, then Markit iBoxx Asia India Index (USD). The benchmarks were changed during the life of the Sub-Fund better reflect the Sub-Fund's investment universe.</p> <p>**Source: Lipper, Basis: Total Return, NAV to NAV, net of annual charges, gross of TER, taking into account any initial sales charges/capacity management charges and redemption fee payable, calculated on the assumption that dividends and distributions (if any) are reinvested net of all charges payable upon reinvestment, in the currency of the relevant Class. Based on monthly data.</p> <p>***Source: Lipper, Basis: Total Return, NAV to NAV, net of annual charges, taking into account any initial sales charges/capacity management charges and redemption fee payable, calculated on the assumption that dividends and distributions (if any) are reinvested net of all charges payable upon reinvestment, in the currency of the relevant Class. Based on monthly data.</p> <p>Please note that in respect of newly incepted or not yet incepted Share Classes, a track record of at least one year as at 31 May 2023 is not available.</p>					

**Past performance of the Sub-Fund is not necessarily indicative of the future performance of the Sub-Fund.**

#### 4. Expense Ratio

The expense ratios<sup>47</sup> of each of the Share Classes for the period 1 October 2021 to 30 September 2022 based on the Sub-Fund's latest audited accounts as at 30 September 2022 are:

Sub-Fund	Expense Ratio
Class A MInc USD	1.30%

#### 5. Turnover Ratio

The turnover ratio of the Sub-Fund for the period of 1 October 2021 to 30 September 2022 based on the Sub-Fund's latest audited accounts was 19.44%.

The turnover ratio, expressed as a percentage, reflects the volume of dealing in the Sub-Fund. It is calculated based on the lesser of purchases or sales of underlying investments of the Sub-Fund expressed as a percentage of the daily average Net Asset Value.

#### 6. Dividend Policy

Income Classes intend to declare and distribute dividends.

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<sup>47</sup> The following expenses, where applicable, are excluded from the calculation of the expense ratios:

- (a) brokerage and other transaction costs associated with the purchase and sales of investments;
- (b) interest expenses;
- (c) foreign exchange gains and losses, whether realised or unrealised;
- (d) front end loads, backend loads and other costs arising on the purchase or sale of other funds;
- (e) tax deducted at source or arising from income received, including withholding tax; and
- (f) dividends and other distributions paid to Shareholders.

## APPENDIX 10

### FRONTIER MARKETS BOND FUND

#### 1. Investment Objective, Policy and Strategy

- 1.1 The Frontier Markets Bond Fund (also referred to in this Appendix as the “**Sub-Fund**”) is subject to Article 6 of the SFDR. Further information can be found in paragraph 21 of this Singapore Prospectus.
- 1.2 The Sub-Fund's investment objective is to achieve long term total return by investing at least two-thirds of the Sub-Fund's assets in Debt and Debt-Related Securities which are (i) issued by governments or government related bodies domiciled in a Frontier Market country and/or issued by corporations (including holding companies of such corporations) with their registered office, principal place of business or preponderance of their business activities in a Frontier Market country; and/or (ii) denominated in the currency of a Frontier Market country as at the date of investment.
- 1.3 Frontier Market countries include the constituents of the MSCI Frontier Markets series of indices or FTSE Frontier Markets series of indices or JP Morgan Frontier Markets series of indices, or any country classified by the World Bank as a low income country. In addition, there are a number of countries that exhibit similar characteristics to the countries on these indices, which the Investment Manager regards as suitable for investment by the Fund.
- 1.4 The Fund may invest up to 100% of its Net Asset Value in Sub-Investment Grade Debt and Debt-Related Securities.
- 1.5 The Sub-Fund may utilise financial derivative instruments for hedging and/or investment purposes, or to manage foreign exchange risks, subject to the conditions and within the limits laid down by applicable laws and regulations.
- 1.6 Without limiting the generality of the foregoing, the Investment Manager may alter the currency exposure of the Sub-Fund, solely through the use of derivative contracts (without buying or selling underlying Transferable Securities or currencies). Furthermore, the Sub-Fund's portfolio may be fully or partially hedged back to the Base Currency if, in the opinion of the Investment Manager, this is believed to be appropriate.
- 1.7 The Sub-Fund is actively managed.
- 1.8 The Sub-Fund does not aim to outperform any benchmark and there is no benchmark used as a reference for portfolio construction.
- 1.9 The NEXGEM Index (USD) (referred to in this Appendix as the “**Index**”) is used as a basis for setting risk constraints.
- 1.10 The Investment Manager seeks to reduce the risk of significant changes in the value of the Sub-Fund compared to the Index. The potential change in value of the Sub-Fund (as measured by expected volatility) is not ordinarily expected to exceed 150% of the potential change in value of the Index over the longer term.
- 1.11 The Base Currency of the Sub-Fund is the US Dollar.
- 1.12 The Sub-Fund was launched on 25/09/2013.

## 2. Fees, Charges and Expenses

The fees, charges and expenses applicable to the Sub-Fund are set out in the tables below.

<b>Payable by You</b>	
Initial Sales Charge and/or Capacity Management Charge *	Class A Shares: Up to 5% of the Gross Investment Amount
Contingent Deferred Sales Charge	Nil
Redemption fee	Nil
Switching fee	Up to 1% of the Net Asset Value of the Shares being switched
<b>Payable by the Sub-Fund**:</b>	
The following fees and expenses will be incurred by the Fund on behalf of the Sub-Fund and will affect the Net Asset Value of the Sub-Fund.	
Investment Management Fees <sup>48</sup> (a) Retained by the Investment Manager (b) Paid by the Investment Manager to financial adviser (trailer fee)	Currently 1.50% for Class A Shares. (a) 40% to 100% of Investment Management Fee (b) 0% to 60% of Investment Management Fee <sup>49</sup>
Management Company Charge <sup>50</sup>	An amount not exceeding 0.05% of the Net Asset Value of the Sub-Fund.
General Administration Charge	A fixed rate charge not exceeding 0.10% of the Net Asset Value of the Sub-Fund.

\* Additional fees may be imposed and payable to appointed distributors that are in addition to the maximum Initial Sales Charge and/or Capacity Management Charge disclosed above, depending on the specific nature of services provided by the appointed distributor. You are advised to check with the relevant distributor in Singapore regarding whether such additional fees apply.

\*\*Please note that in respect of hedged Share Classes, an additional fee of up to 0.04% may be charged by the Investment Manager for providing the currency hedging services.

Each Sub-Fund may bear fees and costs incurred by the distributors/agents of abrdrn Investments Luxembourg S.A. in centralising orders and supporting best execution (some of these agents may be affiliates of abrdrn). Such fees and costs may each amount to 0.1% p.a. or more of the Sub-Fund's Net Asset Value, depending on the proportion that each fee or cost bears to the relevant Sub-Fund's Net Asset Value.

<sup>48</sup> The Investment Manager will receive fees which shall not exceed 3% of the Net Asset Value of the Sub-Fund. The fees are accrued daily and are paid in monthly arrears to the Investment Manager.

<sup>49</sup> This range may change from time to time without prior notice. Your financial adviser is required to disclose to you the amount of trailer fee it receives from the Investment Manager.

<sup>50</sup> The Management Company Charge is accrued daily and payable monthly in arrears to the Management Company.

### 3. Performance of the Sub-Fund

Past Performance of the Share Classes of the Sub-Fund and its benchmark as of 31 May 2023\*

<b>ABRDN SICAV I – FRONTIER MARKETS BOND FUND</b>					
<b>Share Class and Inception Date</b>	<b>1 Year (%)</b>	<b>3 Years* (%)</b>	<b>5 Years* (%)</b>	<b>10 Years* (%)</b>	<b>Since Inception* (%)</b>
<b>Class A Acc USD / LU1725895616</b> <b>Inception date: 22/12/2017</b>					
Single NAV (adjusted)**	-1.45	1.91	2.20	n/a	1.81
Single NAV (unadjusted)***	-3.18	0.12	0.41	n/a	0.02
<b>Class A Acc Hedged EUR / LU1919971074</b> <b>Inception date: 30/01/2019</b>					
Single NAV (adjusted)**	-4.27	0.20	n/a	n/a	0.10
Single NAV (unadjusted)***	-5.99	-1.60	n/a	n/a	-1.70
<b>Class A MIncA USD / LU1997142366</b> <b>Inception date: 13/06/2019</b>					
Single NAV (adjusted)**	-1.46	1.92	n/a	n/a	1.16
Single NAV (unadjusted)***	-3.19	0.13	n/a	n/a	-0.62
<b>Class A Acc Hedged SGD / LU2066861621</b> <b>Inception date: 15/11/2019</b>					
Single NAV (adjusted)	-2.27	1.55	n/a	n/a	-1.03
Single NAV (unadjusted)	-4.03	-0.27	n/a	n/a	-2.81

<b>ABRDN SICAV I – FRONTIER MARKETS BOND FUND</b>					
<b>Share Class and Inception Date</b>	<b>1 Year (%)</b>	<b>3 Years* (%)</b>	<b>5 Years* (%)</b>	<b>10 Years* (%)</b>	<b>Since Inception* (%)</b>
<b>Class A MIncA Hedged SGD / LU2066861894</b> <b>Inception date: 15/11/2019</b>					
Single NAV (adjusted)	-2.27	1.56	n/a	n/a	-1.02
Single NAV (unadjusted)	-4.02	-0.26	n/a	n/a	-2.80
<b>Class A MIncA Hedged EUR</b> <b>Inception date: Not yet launched</b>					
Single NAV (adjusted)	n/a	n/a	n/a	n/a	n/a
Single NAV (unadjusted)	n/a	n/a	n/a	n/a	n/a
<b>Class A Acc Hedged AUD Inception date: Not yet launched</b>					
Single NAV (adjusted)	-1.46	1.92	n/a	n/a	1.16
Single NAV (unadjusted)	-3.19	0.13	n/a	n/a	-0.62
Single NAV (unadjusted)	-17.48	-5.43	n/a	n/a	-3.29
<b>Class A MIncA Hedged AUD / LU2066862199</b> <b>Inception date: 15/11/2019</b>					
Single NAV (adjusted)	-2.98	1.11	n/a	n/a	-1.53
Single NAV (unadjusted)	-4.72	-0.71	n/a	n/a	-3.30
<p>*Average annual compounded return</p> <p>Benchmark: There is currently no appropriate benchmark for the Sub-Fund. The Sub-Fund is actively managed within its objective and is consequently not constrained by a benchmark.</p> <p>**Source: Lipper, Basis: Total Return, NAV to NAV, net of annual charges, gross of TER, taking into account any initial sales charges/capacity management charges and redemption fee payable, calculated on the assumption that dividends and distributions</p>					

<b>ABRDN SICAV I – FRONTIER MARKETS BOND FUND</b>					
<b>Share Class and Inception Date</b>	<b>1 Year (%)</b>	<b>3 Years* (%)</b>	<b>5 Years* (%)</b>	<b>10 Years* (%)</b>	<b>Since Inception* (%)</b>
(if any) are reinvested net of all charges payable upon reinvestment, in the currency of the relevant Class. Based on monthly data.					
***Source: Lipper, Basis: Total Return, NAV to NAV, net of annual charges, taking into account any initial sales charges/capacity management charges and redemption fee payable, calculated on the assumption that dividends and distributions (if any) are reinvested net of all charges payable upon reinvestment, in the currency of the relevant Class. Based on monthly data.					
Please note that in respect of newly incepted or not yet incepted Share Classes, a track record of at least one year as at 31 May 2023 is not available.					

**Past performance of the Sub-Fund is not necessarily indicative of the future performance of the Sub-Fund.**

#### **4. Expense Ratio**

The expense ratios<sup>51</sup> of each of the Share Classes for the period 1 October 2021 to 30 September 2022 based on the Sub-Fund's latest audited accounts as at 30 September 2022 are:

<b>Sub-Fund</b>	<b>Expense Ratio</b>
Class A Acc USD	1.79%
Class A Acc Hedged EUR	1.83%
Class A MIncA USD	1.79%
Class A Acc Hedged SGD	1.83%
Class A MIncA Hedged SGD	1.83%
Class A MIncA Hedged EUR	n/a
Class A Acc Hedged AUD	n/a
Class A MIncA Hedged AUD	1.83%

<sup>51</sup> The following expenses, where applicable, are excluded from the calculation of the expense ratios:

- (a) brokerage and other transaction costs associated with the purchase and sales of investments;
- (b) interest expenses;
- (c) foreign exchange gains and losses, whether realised or unrealised;
- (d) front end loads, backend loads and other costs arising on the purchase or sale of other funds;
- (e) tax deducted at source or arising from income received, including withholding tax; and
- (f) dividends and other distributions paid to Shareholders.



**5. Turnover Ratio**

The turnover ratio of the Sub-Fund for the period of 1 October 2021 to 30 September 2022 based on the Sub-Fund's latest audited accounts was 42.98%.

The turnover ratio, expressed as a percentage, reflects the volume of dealing in the Sub-Fund. It is calculated based on the lesser of purchases or sales of underlying investments of the Sub-Fund expressed as a percentage of the daily average Net Asset Value.

**6. Dividend Policy**

Accumulation Shares will declare, but do not intend to distribute, any dividends in respect of these Share Classes. Accordingly, the dividends attributable to these Share Classes will be accumulated in their respective Net Asset Values.

Accelerated Income Classes intend to declare and distribute dividends.

## APPENDIX 11

### GLOBAL DYNAMIC DIVIDEND FUND

#### 1. Investment Objective, Policy and Strategy

- 1.1 The Global Dynamic Dividend Fund (also referred to in this Appendix as the “**Sub-Fund**”) is subject to Article 6 of the SFDR. Further information can be found in paragraph 21 of this Singapore Prospectus.
- 1.2 The Sub-Fund’s investment objective is to achieve income combined with long-term capital growth by investing at least two-thirds of the Sub-Fund’s assets in equities and equity-related securities of companies.
- 1.3 The Sub-Fund is actively managed.
- 1.4 The Sub-Fund aims to outperform the MSCI AC World (Net) Index (USD) with a yield greater than the benchmark before charges.
- 1.5 The benchmark is also used as a reference point for portfolio construction and as a basis for setting risk constraints.
- 1.6 In order to achieve its objective, the Sub-Fund will take positions whose weightings diverge from the benchmark or invest in securities which are not included in the benchmark. The investments of the Sub-Fund may deviate significantly from the components of and their respective weightings in the benchmark. Due to the active nature of the management process, the Sub-Fund’s performance profile may deviate significantly from that of the benchmark over the longer term.
- 1.7 Dividends (if any) that are declared in respect of the Sub-Fund will:
- (i) be distributed to Shareholders in respect of Income Shares of the Sub-Fund; and
  - (ii) be re-invested into the Sub-Fund in respect of Accumulation Shares of the Sub-Fund.
- 1.8 Where Share Classes are denominated in a currency other than the Base Currency of the Sub-Fund, a currency specific benchmark will typically be used for performance comparison purposes. This will either be the benchmark of the Sub-Fund expressed in another currency or a different currency specific benchmark with similar characteristics.
- 1.9 The Base Currency of the Sub-Fund is the US Dollar.
- 1.10 The Sub-Fund was launched on 14/10/2020.

#### 2. Fees, Charges and Expenses

The fees, charges and expenses applicable to the Sub-Fund are set out in the tables below.

<b>Payable by You</b>	
Initial Sales Charge and/or Capacity Management Charge *	Class A Shares: Up to 5% of the Gross Investment Amount
Contingent Deferred Sales Charge	Nil
Redemption fee	Nil
Switching fee	Up to 1% of the Net Asset Value of the Shares being switched

<b>Payable by the Sub-Fund**:</b>	
The following fees and expenses will be incurred by the Fund on behalf of the Sub-Fund and will affect the Net Asset Value of the Sub-Fund.	
Investment Management Fees <sup>52</sup>	Currently 1.50% for Class A Shares
(a) Retained by the Investment Manager	(a) 40% to 100% of Investment Management Fee
(b) Paid by the Investment Manager to financial adviser (trailer fee)	(b) 0% to 60% of Investment Management Fee <sup>53</sup>
Management Company Charge <sup>54</sup>	An amount not exceeding 0.05% of the Net Asset Value of the Sub-Fund.
General Administration Charge	A fixed rate charge not exceeding 0.10% of the Net Asset Value of the Sub-Fund.

\* Additional fees may be imposed and payable to appointed distributors that are in addition to the maximum Initial Sales Charge and/or Capacity Management Charge disclosed above, depending on the specific nature of services provided by the appointed distributor. You are advised to check with the relevant distributor in Singapore regarding whether such additional fees apply.

\*\*Please note that in respect of hedged Share Classes, an additional fee of up to 0.04% may be charged by the Investment Manager for providing the currency hedging services.

Each Sub-Fund may bear fees and costs incurred by the distributors/agents of abrdn Investments Luxembourg S.A. in centralising orders and supporting best execution (some of these agents may be affiliates of abrdn). Such fees and costs may each amount to 0.1% p.a. or more of the Sub-Fund's Net Asset Value, depending on the proportion that each fee or cost bears to the relevant Sub-Fund's Net Asset Value.

<sup>52</sup> The Investment Manager will receive fees which shall not exceed 3% of the Net Asset Value of the Sub-Fund. The fees are accrued daily and are paid in monthly arrears to the Investment Manager.

<sup>53</sup> This range may change from time to time without prior notice. Your financial adviser is required to disclose to you the amount of trailer fee it receives from the Investment Manager.

<sup>54</sup> The Management Company Charge is accrued daily and payable monthly in arrears to the Management Company.

### 3. Performance of the Sub-Fund

Past Performance of the Share Classes of the Sub-Fund and its benchmark as of 31 May 2023\*

<b>ABRDN SICAV I – GLOBAL DYNAMIC DIVIDEND FUND</b>					
<b>Share Class and Inception Date</b>	<b>1 Year (%)</b>	<b>3 Years* (%)</b>	<b>5 Years* (%)</b>	<b>10 Years* (%)</b>	<b>Since Inception* (%)</b>
<b>Class A Acc USD / LU2237443622</b> <b>Inception date: 14/10/2020</b>					
Single NAV (adjusted)**	0.79	n/a	n/a	n/a	7.23
Single NAV (unadjusted)***	-0.88	n/a	n/a	n/a	5.44
Benchmark (in USD)	0.85	n/a	n/a	n/a	5.49
<b>Class A Gross MIncA USD / LU2237443382</b> <b>Inception date: 14/10/2020</b>					
Single NAV (adjusted)**	0.79	n/a	n/a	n/a	7.23
Single NAV (unadjusted)***	-0.88	n/a	n/a	n/a	5.45
Benchmark (in USD)	0.85	n/a	n/a	n/a	5.49
<b>Class A Acc Hedged SGD / LU2237443978</b> <b>Inception date: 14/10/2020</b>					
Single NAV (adjusted)**	-0.28	n/a	n/a	n/a	6.61
Single NAV (unadjusted)***	-1.98	n/a	n/a	n/a	4.79
Benchmark (Hedged to SGD)	-0.61	n/a	n/a	n/a	4.72

<b>ABRDN SICAV I – GLOBAL DYNAMIC DIVIDEND FUND</b>					
<b>Share Class and Inception Date</b>	<b>1 Year (%)</b>	<b>3 Years* (%)</b>	<b>5 Years* (%)</b>	<b>10 Years* (%)</b>	<b>Since Inception* (%)</b>
<b>Class A Gross MIncA Hedged SGD / LU2237443549</b> <b>Inception date: 14/10/2020</b>					
Single NAV (adjusted)**	-0.33	n/a	n/a	n/a	6.58
Single NAV (unadjusted)***	-2.03	n/a	n/a	n/a	4.77
Benchmark (Hedged to SGD)	-0.61	n/a	n/a	n/a	4.72
<b>Class A Gross MIncA Hedged AUD / LU2377459651</b> <b>Inception date: 04/10/2021</b>					
Single NAV (adjusted)**	-1.68	n/a	n/a	n/a	-2.29
Single NAV (unadjusted)***	-3.36	n/a	n/a	n/a	-3.96
Benchmark (Hedged to AUD)	-2.09	n/a	n/a	n/a	-6.03
<b>Class A Gross MIncA Hedged CNH / LU2377459735</b> <b>Inception date: 04/10/2021</b>					
Single NAV (adjusted)**	-0.99	n/a	n/a	n/a	-0.38
Single NAV (unadjusted)***	-2.67	n/a	n/a	n/a	-2.07
Benchmark (Hedged to CNH)	-1.35	n/a	n/a	n/a	-4.03

<b>ABRDN SICAV I – GLOBAL DYNAMIC DIVIDEND FUND</b>					
<b>Share Class and Inception Date</b>	<b>1 Year (%)</b>	<b>3 Years* (%)</b>	<b>5 Years* (%)</b>	<b>10 Years* (%)</b>	<b>Since Inception* (%)</b>
<b>Class A Gross MIncA Hedged CAD / LU2377459909</b> <b>Inception date: 04/10/2021</b>					
Single NAV (adjusted)**	-0.26	n/a	n/a	n/a	-1.14
Single NAV (unadjusted)***	-1.96	n/a	n/a	n/a	-2.82
Benchmark (Hedged to CAD)	-0.39	n/a	n/a	n/a	-4.54
<b>Class A Gross MIncA Hedged GBP / LU2377460071</b> <b>Inception date: 04/10/2021</b>					
Single NAV (adjusted)**	-1.19	n/a	n/a	n/a	-1.61
Single NAV (unadjusted)***	-2.87	n/a	n/a	n/a	-3.29
Benchmark (Hedged to GBP)	-1.59	n/a	n/a	n/a	-5.37
<p>*Average annual compounded return Benchmark: MSCI AC World (Net) Index (USD).</p> <p>**Source: Lipper, Basis: Total Return, NAV to NAV, net of annual charges, gross of TER, taking into account any initial sales charges/capacity management charges and redemption fee payable, calculated on the assumption that dividends and distributions (if any) are reinvested net of all charges payable upon reinvestment, in the currency of the relevant Class. Based on monthly data.</p> <p>***Source: Lipper, Basis: Total Return, NAV to NAV, net of annual charges, taking into account any initial sales charges/capacity management charges and redemption fee payable, calculated on the assumption that dividends and distributions (if any) are reinvested net of all charges payable upon reinvestment, in the currency of the relevant Class. Based on monthly data.</p> <p>Please note that in respect of newly incepted or not yet incepted Share Classes, a track record of at least one year as at 31 May 2023 is not available.</p>					

#### 4. Expense Ratio

The expense ratios<sup>55</sup> of each of the Share Classes for the period 1 October 2021 to 30 September 2022 based on the Sub-Fund's latest audited accounts as at 30 September 2022 are:

Sub-Fund	Expense Ratio
Class A Acc USD	1.69%
Class A Gross MIncA USD	1.69%
Class A Acc Hedged SGD	1.73%
Class A Gross MIncA Hedged SGD	1.73%
Class A Gross MIncA Hedged AUD	1.73%
Class A Gross MIncA Hedged CNH	1.73%
Class A Gross MIncA Hedged CAD	1.73%
Class A Gross MIncA Hedged GBP	1.73%

#### 5. Turnover Ratio

The turnover ratio of the Sub-Fund for the period of 1 October 2021 to 30 September 2022 based on the Sub-Fund's latest audited accounts was 112.82%.

The turnover ratio, expressed as a percentage, reflects the volume of dealing in the Sub-Fund. It is calculated based on the lesser of purchases or sales of underlying investments of the Sub-Fund expressed as a percentage of the daily average Net Asset Value.

#### 6. Dividend Policy

Accumulation Shares will declare, but do not intend to distribute, any dividends in respect of these Share Classes. Accordingly, the dividends attributable to these Share Classes will be accumulated in their respective Net Asset Values.

Gross Income Shares intend to declare and distribute dividends.

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<sup>55</sup> The following expenses, where applicable, are excluded from the calculation of the expense ratios:

- (a) brokerage and other transaction costs associated with the purchase and sales of investments;
- (b) interest expenses;
- (c) foreign exchange gains and losses, whether realised or unrealised;
- (d) front end loads, backend loads and other costs arising on the purchase or sale of other funds;
- (e) tax deducted at source or arising from income received, including withholding tax; and
- (f) dividends and other distributions paid to Shareholders.

## APPENDIX 12

### ASIAN SDG EQUITY FUND<sup>56</sup>

#### 1. Investment Objective, Policy and Strategy

- 1.1 The Asian SDG Equity Fund (also referred to in this Appendix as the “**Sub-Fund**”) is subject to Article 9 of the SFDR. Further information can be found in paragraph 21 of this Singapore Prospectus.
- 1.2 The Sub-Fund’s investment objective is to achieve long term growth by investing in companies in Asia Pacific (excluding Japan) countries which in our view will make a positive contribution to society through their alignment achieving the United Nation’s Sustainable Development Goals (“**SDGs**”).
- 1.3 The Sub-Fund invests at least 90% of the Sub-Fund’s assets in its investment universe. This is defined as equities and equity-related securities of companies that are under active research coverage by the investment team and are listed, incorporated or domiciled in Asia Pacific countries (excluding Japan), or companies that derive a significant proportion of their revenues or profits from Asia Pacific (excluding Japan) operations or have a significant proportion of their assets in those countries.
- 1.4 The Sub-Fund may also invest in equities and equity-related securities of companies that have a connection with a Frontier Market.
- 1.5 The Sub-Fund may invest up to 30% of its net assets in Mainland China equities and equity-related securities, although only up to 20% of its net assets may be invested directly through QFI regime, the Shanghai-Hong Kong and Shenzhen-Hong Kong Stock Connect programme or by any other available means.
- 1.6 Investment in all equity and equity related securities will follow the abrdn “Asian SDG Equity Investment Approach”. Financial derivative instruments, money-market instruments and cash may not adhere to this approach.
- 1.7 Through the application of this approach, the Sub-Fund has an expected minimum of 75% in Sustainable Investments, including a minimum commitment of 15% to assets with an environmental objective and 15% to social objectives. Furthermore, the Sub-Fund targets a lower carbon intensity that the benchmark.
- 1.8 This approach identifies companies which are aligned to the Sustainable Development Goals. These goals are designed to address the world’s major long-term challenges. These include climate change, growing social inequality, and unsustainable production and consumption. The Sub-Fund will invest in companies with minimum of 20% of their revenue, profit, capital or operating expenditure or research and development linked to the UN’s SDGs. For companies classified in the benchmark as “Financials”, alternative measures of materiality are used based on loans and customer base, details of which can be found in the abrdn Asian SDG Equity Investment Approach. The Sub-Fund will also invest up to 20% in SDG leaders. These are companies that are considered to be integral to the supply chain for progressing towards the UN’s SDGs, but may not currently meet the 20% materiality requirement.

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<sup>56</sup> Investors should note that the Additional Information required to be disclosed under paragraph 14 of the ESG Circular may be found in the SFDR Annex of the Sub-Fund which is appended to the Luxembourg Prospectus, and/or on the manager’s website at [www.abrdn.com](http://www.abrdn.com) under “Fund Centre”.



- 1.9 Engagement with external company management teams is used to evaluate the ownership structures, governance and management quality of those companies in order to inform portfolio construction.
- 1.10 In addition we apply a set of company exclusion which are related to normative screening (UN Global Compact, ILO and OECD), Norge Bank Investment Management (NBIM), State-Owned Enterprises (SOE), Weapons, Tobacco, Gambling, Alcohol, Thermal Coal, Oil & Gas, and Electricity Generation. Further details of this overall process is captured within the abrdn Asian SDG Equity Investment Approach, which is published at [www.abrdn.com](http://www.abrdn.com) under "Fund Centre".
- 1.11 The portfolio construction and Asian SDG Equity Investment Approach, reduces the investment universe by a minimum of 20%. Please refer to the SFDR Annex of the Sub-Fund which is appended to the Luxembourg Prospectus for further information on the sustainable investment objective of the Sub-Fund.
- 1.12 The Sub-Fund is actively managed.
- 1.13 The Sub-Fund aims to outperform the MSCI AC Asia Pacific ex Japan Index (USD) benchmark before charges.
- 1.14 The benchmark is also used as a reference point for portfolio construction and as a basis for setting risk constraints, but does not incorporate any sustainable criteria.
- 1.15 In order to achieve its objective, the Sub-Fund will take positions whose weightings diverge from the benchmark and may invest in securities which are not included in the benchmark. The investments of the Sub-Fund may deviate significantly from the components of and their respective weightings in the benchmark. Due to the active and sustainable nature of the management process, the Sub-Fund's performance profile may deviate significantly from that of the benchmark.
- 1.16 The Sub-Fund may utilise financial derivative instruments for hedging and/or investment purposes, or to manage foreign exchange risks, subject to the conditions and within the limits laid down by applicable laws and regulations. The use of derivatives for hedging and/or investment purposes is expected to be very limited, mainly in those cases where there are significant inflows into the Sub-Fund so that cash can be invested while the Sub-Fund's investments in equity and equity related securities is maintained.
- 1.17 Where Share Classes are denominated in a currency other than the Base Currency of the Sub-Fund, a currency specific benchmark will typically be used for performance comparison purposes. This will either be the benchmark of the Sub-Fund expressed in another currency or a different currency specific benchmark with similar characteristics.
- 1.18 The Base Currency of the Sub-Fund is the US Dollar.
- 1.19 The Sub-Fund was launched on 25/08/2020.

## 2. Fees, Charges and Expenses

The fees, charges and expenses applicable to the Sub-Fund are set out in the tables below.

<b>Payable by You</b>	
Initial Sales Charge and/or Capacity Management Charge *	Class A Shares: Up to 5% of the Gross Investment Amount
Contingent Deferred Sales Charge	Nil
Redemption fee	Nil
Switching fee	Up to 1% of the Net Asset Value of the Shares being switched
<b>Payable by the Sub-Fund**:</b> The following fees and expenses will be incurred by the Fund on behalf of the Sub-Fund and will affect the Net Asset Value of the Sub-Fund.	
<b>Investment Management Fees<sup>57</sup></b>	Currently 1.30% for Class A Shares
(a) Retained by the Investment Manager	(a) 40% to 100% of Investment Management Fee
(b) Paid by the Investment Manager to financial adviser (trailer fee)	(b) 0% to 60% of Investment Management Fee <sup>58</sup>
Management Company Charge <sup>59</sup>	An amount not exceeding 0.05% of the Net Asset Value of the Sub-Fund.
General Administration Charge	A fixed rate charge not exceeding 0.10% of the Net Asset Value of the Sub-Fund.

\* Additional fees may be imposed and payable to appointed distributors that are in addition to the maximum Initial Sales Charge and/or Capacity Management Charge disclosed above, depending on the specific nature of services provided by the appointed distributor. You are advised to check with the relevant distributor in Singapore regarding whether such additional fees apply.

\*\*Please note that in respect of hedged Share Classes, an additional fee of up to 0.04% may be charged by the Investment Manager for providing the currency hedging services.

Each Sub-Fund may bear fees and costs incurred by the distributors/agents of abrdn Investments Luxembourg S.A. in centralising orders and supporting best execution (some of these agents may be affiliates of abrdn). Such fees and costs may each amount to 0.1% p.a. or more of the Sub-Fund's Net Asset Value, depending on the proportion that each fee or cost bears to the relevant Sub-Fund's Net Asset Value.

<sup>57</sup> The Investment Manager will receive fees which shall not exceed 3% of the Net Asset Value of the Sub-Fund. The fees are accrued daily and are paid in monthly arrears to the Investment Manager. Please note that the fees of the Sub-Investment Manager shall be borne by the Investment Manager.

<sup>58</sup> This range may change from time to time without prior notice. Your financial adviser is required to disclose to you the amount of trailer fee it receives from the Investment Manager.

<sup>59</sup> The Management Company Charge is accrued daily and payable monthly in arrears to the Management Company.

### 3. Performance of the Sub-Fund

Past Performance of the Share Classes of the Sub-Fund and its benchmark as of 31 May 2023\*

<b>ABRDN SICAV I – ASIAN SDG EQUITY FUND</b>					
<b>Share Class and Inception Date</b>	<b>1 Year (%)</b>	<b>3 Years* (%)</b>	<b>5 Years* (%)</b>	<b>10 Years* (%)</b>	<b>Since Inception* (%)</b>
<b>Class A Acc USD / LU2153591404</b> <b>Inception date: 25/08/2020</b>					
Single NAV (adjusted)**	-6.17	n/a	n/a	n/a	0.36
Single NAV (unadjusted)***	-7.59	n/a	n/a	n/a	-1.16
Benchmark (in USD)	-7.51	n/a	n/a	n/a	-2.44
<b>Class A Acc Hedged SGD / LU2348773727</b> <b>Inception date: 01/07/2021</b>					
Single NAV (adjusted)**	-7.25	n/a	n/a	n/a	-13.19
Single NAV (unadjusted)***	-8.69	n/a	n/a	n/a	-14.49
Benchmark (Hedged to SGD)	-9.19	n/a	n/a	n/a	-14.41
<p>*Average annual compounded return</p> <p>The benchmark used for this sub-fund is MSCI AC Asia Pacific ex Japan Index (USD).</p> <p>**Source: Lipper, Basis: Total Return, NAV to NAV, net of annual charges, gross of TER, taking into account any initial sales charges/capacity management charges and redemption fee payable, calculated on the assumption that dividends and distributions (if any) are reinvested net of all charges payable upon reinvestment, in the currency of the relevant Class. Based on monthly data.</p> <p>***Source: Lipper, Basis: Total Return, NAV to NAV, net of annual charges, taking into account any initial sales charges/capacity management charges and redemption fee payable, calculated on the assumption that dividends and distributions (if any) are reinvested net of all charges payable upon reinvestment, in the currency of the relevant Class. Based on monthly data.</p> <p>Please note that in respect of newly incepted or not yet incepted Share Classes, a track record of at least one year as at 31 May 2023 is not available.</p>					

#### 4. Expense Ratio

The expense ratios<sup>60</sup> of each of the Share Classes for the period 1 October 2021 to 30 September 2022 based on the Sub-Fund's latest audited accounts as at 30 September 2022 are:

Sub-Fund	Expense Ratio
Class A Acc USD	1.54%
Class A Acc Hedged SGD	1.58%

#### 5. Turnover Ratio

The turnover ratio of the Sub-Fund for the period of 1 October 2021 to 30 September 2022 based on the Sub-Fund's latest audited accounts was 30.73%.

The turnover ratio, expressed as a percentage, reflects the volume of dealing in the Sub-Fund. It is calculated based on the lesser of purchases or sales of underlying investments of the Sub-Fund expressed as a percentage of the daily average Net Asset Value.

#### 6. Dividend Policy

Accumulation Shares do not intend to declare any dividends in respect of these Share Classes. Accordingly, the investment income attributable to these Share Classes will be accumulated in their respective Net Asset Values.

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<sup>60</sup> The following expenses, where applicable, are excluded from the calculation of the expense ratios:

- (a) brokerage and other transaction costs associated with the purchase and sales of investments;
- (b) interest expenses;
- (c) foreign exchange gains and losses, whether realised or unrealised;
- (d) front end loads, backend loads and other costs arising on the purchase or sale of other funds;
- (e) tax deducted at source or arising from income received, including withholding tax; and
- (f) dividends and other distributions paid to Shareholders.

## APPENDIX 13

### EMERGING MARKETS SDG EQUITY FUND<sup>61</sup>

#### 1. Investment Objective, Policy and Strategy

- 1.1 The Emerging Markets SDG Equity Fund (also referred to in this Appendix as the “**Sub-Fund**”) is subject to Article 9 of the SFDR. Further information can be found in paragraph 21 of this Singapore Prospectus.
- 1.2 The Sub-Fund’s investment objective is to achieve long term growth by investing in companies in Emerging Market countries which in our view will make a positive contribution to society through their alignment achieving the United Nation’s Sustainable Development Goals (“SDGs”).
- 1.3 The Sub-Fund invests at least 90% of the Sub-Fund’s assets in its investment universe. This is defined as equities and equity-related securities of companies that are under active research coverage by the investment team and are listed, incorporated or domiciled in Emerging Markets, or companies that derive a significant proportion of their revenues or profits from Emerging Market countries operations or have a significant proportion of their assets in those countries.
- 1.4 The Sub-Fund may also invest in equities and equity-related securities of companies that have a connection with a Frontier Market.
- 1.5 The Sub-Fund may invest up to 30% of its net assets in Mainland China equities and equity-related securities, although only up to 20% of its net assets may be invested directly through QFI regime, the Shanghai-Hong Kong and Shenzhen-Hong Kong Stock Connect programme or by any other available means.
- 1.6 Investment in all equity and equity related securities will follow the abrdn “Emerging Markets SDG Equity Investment Approach”. Financial derivative instruments, money-market instruments and cash may not adhere to this approach.
- 1.7 Through the application of this approach the Sub-Fund has an expected minimum of 75% in Sustainable Investments, including a minimum commitment of 15% to assets with an environmental objective and 15% to social objectives. Furthermore, the Sub-Fund targets a lower carbon intensity than the benchmark.
- 1.8 This approach identifies companies which are aligned to the Sustainable Development Goals. These goals are designed to address the world’s major long-term challenges. These include climate change, growing social inequality, and unsustainable production and consumption. The Sub-Fund will invest in companies with minimum of 20% of their revenue, profit, capital or operating expenditure or research and development linked to the UN’s SDGs. For companies classified in the benchmark as “Financials”, alternative measures of materiality are used based on loans and customer base, details of which can be found in the abrdn Emerging Markets SDG Equity Approach. The Sub-Fund will also invest up to 20% in SDG leaders. These are companies that are considered to be integral to the supply chain for progressing towards the UN’s SDG’s, but may not currently meet the 20% materiality requirement.

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<sup>61</sup> Investors should note that the Additional Information required to be disclosed under paragraph 14 of the ESG Circular may be found in the SFDR Annex of the Sub-Fund which is appended to the Luxembourg Prospectus, and/or on the manager’s website at [www.abrdn.com](http://www.abrdn.com) under “Fund Centre”.

- 1.9 Engagement with external company management teams is used to evaluate the ownership structures, governance and management quality of those companies in order to inform portfolio construction.
- 1.10 In addition we apply a set of company exclusion which are related to normative screening (UN Global Compact, ILO and OECD), Norges Bank Investment Management (NBIM), State-Owned Enterprises (SOE), Weapons, Tobacco, Thermal Coal, Oil & Gas, and Electricity Generation. Further detail of this overall process is captured within the abrdn Emerging Markets SDG Equity Investment Approach, which is published at [www.abrdn.com](http://www.abrdn.com) under "Fund Centre".
- 1.11 The portfolio construction and Emerging Markets SDG Equity Investment Approach, reduces the investment universe by a minimum of 20%. Please refer to the SFDR Annex of the Sub-Fund which is appended to the Luxembourg Prospectus for further information on the sustainable investment objective of the Sub-Fund.
- 1.12 The Sub-Fund is actively managed.
- 1.13 The Sub-Fund aims to outperform the MSCI Emerging Markets Index (USD) benchmark before charges.
- 1.14 The benchmark is also used as a reference point for portfolio construction and as a basis for setting risk constraints, but does not incorporate any sustainable criteria.
- 1.15 In order to achieve its objective, the Sub-Fund will take positions whose weightings diverge from the benchmark and may invest in securities which are not included in the benchmark. The investments of the Sub-Fund may deviate significantly from the components of and their respective weightings in the benchmark. Due to the active and sustainable nature of the management process, the Sub-Fund's performance profile may deviate significantly from that of the benchmark over the longer term.
- 1.16 The Sub-Fund may utilise financial derivative instruments for hedging and/or investment purposes, or to manage foreign exchange risks, subject to the conditions and within the limits laid down by applicable laws and regulations. The use of derivatives for hedging and/or investment purposes is expected to be very limited, mainly in those cases where there are significant inflows into the Sub-Fund so that cash can be invested while the Sub-Fund's investments in equity and equity related securities is maintained.
- 1.17 Where Share Classes are denominated in a currency other than the Base Currency of the Sub-Fund, a currency specific benchmark will typically be used for performance comparison purposes. This will either be the benchmark of the Sub-Fund expressed in another currency or a different currency specific benchmark with similar characteristics.
- 1.18 The Base Currency of the Sub-Fund is the US Dollar.
- 1.19 The Sub-Fund was launched on 09/12/2020.

## 2. Fees, Charges and Expenses

The fees, charges and expenses applicable to the Sub-Fund are set out in the tables below.

<b>Payable by You</b>	
Initial Sales Charge and/or Capacity Management Charge *	Class A Shares: Up to 5% of the Gross Investment Amount
Contingent Deferred Sales Charge	Nil
Redemption fee	Nil
Switching fee	Up to 1% of the Net Asset Value of the Shares being switched
<b>Payable by the Sub-Fund**:</b> The following fees and expenses will be incurred by the Fund on behalf of the Sub-Fund and will affect the Net Asset Value of the Sub-Fund.	
<b>Investment Management Fees</b> <sup>62</sup>	Currently 1.30% for Class A Shares
(a) Retained by the Investment Manager	(a) 40% to 100% of Investment Management Fee
(b) Paid by the Investment Manager to financial adviser (trailer fee)	(b) 0% to 60% of Investment Management Fee <sup>63</sup>
Management Company Charge <sup>64</sup>	An amount not exceeding 0.05% of the Net Asset Value of the Sub-Fund.
General Administration Charge	A fixed rate charge not exceeding 0.10% of the Net Asset Value of the Sub-Fund.

\* Additional fees may be imposed and payable to appointed distributors that are in addition to the maximum Initial Sales Charge and/or Capacity Management Charge disclosed above, depending on the specific nature of services provided by the appointed distributor. You are advised to check with the relevant distributor in Singapore regarding whether such additional fees apply.

\*\*Please note that in respect of hedged Share Classes, an additional fee of up to 0.04% may be charged by the Investment Manager for providing the currency hedging services.

Each Sub-Fund may bear fees and costs incurred by the distributors/agents of abrdrn Investments Luxembourg S.A. in centralising orders and supporting best execution (some of these agents may be affiliates of abrdrn). Such fees and costs may each amount to 0.1% p.a. or more of the Sub-Fund's Net Asset Value, depending on the proportion that each fee or cost bears to the relevant Sub-Fund's Net Asset Value.

<sup>62</sup> The Investment Manager will receive fees which shall not exceed 3% of the Net Asset Value of the Sub-Fund. The fees are accrued daily and are paid in monthly arrears to the Investment Manager. Please note that the fees of the Sub-Investment Manager shall be borne by the Investment Manager.

<sup>63</sup> This range may change from time to time without prior notice. Your financial adviser is required to disclose to you the amount of trailer fee it receives from the Investment Manager.

<sup>64</sup> The Management Company Charge is accrued daily and payable monthly in arrears to the Management Company.

### 3. Performance of the Sub-Fund

Past Performance of the Share Classes of the Sub-Fund and its benchmark as of 31 May 2023\*

<b>ABRDN SICAV I – EMERGING MARKETS SDG EQUITY FUND</b>					
<b>Share Class and Inception Date</b>	<b>1 Year (%)</b>	<b>3 Years* (%)</b>	<b>5 Years* (%)</b>	<b>10 Years* (%)</b>	<b>Since Inception* (%)</b>
<b>Class A Acc USD / LU2153592121</b> <b>Inception date: 09/12/2020</b>					
Single NAV (adjusted)**	-0.50	n/a	n/a	n/a	-4.52
Single NAV (unadjusted)***	-2.01	n/a	n/a	n/a	-5.97
Benchmark (in USD)	-8.07	n/a	n/a	n/a	-7.80
<b>Class A Acc Hedged SGD / LU2348774022</b> <b>Inception date: 01/07/2021</b>					
Single NAV (adjusted)**	-1.67	n/a	n/a	n/a	-14.57
Single NAV (unadjusted)***	-3.20	n/a	n/a	n/a	-15.90
Benchmark (Hedged to SGD)	-9.64	n/a	n/a	n/a	-15.31
<p>*Average annual compounded return</p> <p>The benchmark used for this sub-fund is MSCI Emerging Markets Index (USD).</p> <p>**Source: Lipper, Basis: Total Return, NAV to NAV, net of annual charges, gross of TER, taking into account any initial sales charges/capacity management charges and redemption fee payable, calculated on the assumption that dividends and distributions (if any) are reinvested net of all charges payable upon reinvestment, in the currency of the relevant Class. Based on monthly data.</p> <p>***Source: Lipper, Basis: Total Return, NAV to NAV, net of annual charges, taking into account any initial sales charges/capacity management charges and redemption fee payable, calculated on the assumption that dividends and distributions (if any) are reinvested net of all charges payable upon reinvestment, in the currency of the relevant Class. Based on monthly data.</p> <p>Please note that in respect of newly incepted or not yet incepted Share Classes, a track record of at least one year as at 31 May 2023 is not available.</p>					



#### 4. Expense Ratio

The expense ratios<sup>65</sup> of each of the Share Classes for the period 1 October 2021 to 30 September 2022 based on the Sub-Fund's latest audited accounts as at 30 September 2022 are:

Sub-Fund	Expense Ratio
Class A Acc USD	1.54% (annualised)
Class A Acc Hedged SGD	1.58% (annualised)

#### 5. Turnover Ratio

The turnover ratio of the Sub-Fund for the period of 1 October 2021 to 30 September 2022 based on the Sub-Fund's latest audited accounts was 38.26%. The turnover ratio, expressed as a percentage, reflects the volume of dealing in the Sub-Fund. It is calculated based on the lesser of purchases or sales of underlying investments of the Sub-Fund expressed as a percentage of the daily average Net Asset Value.

#### 6. Dividend Policy

Accumulation Shares do not intend to declare any dividends in respect of these Share Classes. Accordingly, the investment income attributable to these Share Classes will be accumulated in their respective Net Asset Values.

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<sup>65</sup> The following expenses, where applicable, are excluded from the calculation of the expense ratios:

- (a) brokerage and other transaction costs associated with the purchase and sales of investments;
- (b) interest expenses;
- (c) foreign exchange gains and losses, whether realised or unrealised;
- (d) front end loads, backend loads and other costs arising on the purchase or sale of other funds;
- (e) tax deducted at source or arising from income received, including withholding tax; and
- (f) dividends and other distributions paid to Shareholders.

## APPENDIX 14

### ASIAN CREDIT SUSTAINABLE BOND FUND<sup>66</sup>

#### 1. Investment Objective, Policy and Strategy

- 1.1 The Asian Credit Sustainable Bond Fund (also referred to in this Appendix as the “**Sub-Fund**”) is subject to Article 8 of the SFDR. Further information can be found in paragraph 21 of this Singapore Prospectus. The environmental and/or social characteristics promoted by the Sub-Fund are detailed below in this Appendix as well as in the SFDR Annex of the Sub-Fund which is appended to the Luxembourg Prospectus.
- 1.2 The Sub-Fund’s investment objective is long term total return to be achieved by investing at least 90% of assets in Debt and Debt-Related Securities issued by corporations and governments, including sub-sovereigns, inflation-linked, convertible, asset backed and mortgage backed bonds.
- 1.3 At least two-thirds of the Sub-Fund’s assets will be invested in Debt and Debt-Related Securities which are issued by corporations (including government-owned corporations or holding companies of such corporations) with their registered office or principal place of business in an Asian country; and/or issued by corporations (or holding companies of such corporations) which carry out the preponderance of their business activities in an Asian country.
- 1.4 The Sub-Fund is actively managed.
- 1.5 The Sub-Fund aims to outperform the JP Morgan Asia Credit Diversified Index (USD) before charges.
- 1.6 The benchmark is also used as a reference point for portfolio construction and as a basis for setting risk constraints, but does not incorporate any sustainable criteria.
- 1.7 In order to achieve its objective, the Sub-Fund will take positions whose weightings diverge from the benchmark or invest in securities which are not included in the benchmark. The investments of the Sub-Fund may deviate significantly from the components of and their respective weightings in the benchmark. Due to the active nature of the management process, the Sub-Fund’s performance profile may deviate significantly from that of the benchmark over the longer term.
- 1.8 The Sub-Fund promotes environmental and social characteristics but does not have a sustainable investment objective. The Sub-Fund seeks to deliver long-term performance by allocating capital to companies which demonstrate strong management of their environmental, social and governance (ESG) risks and opportunities.
- 1.9 Investment in Debt and Debt-Related Securities will follow the abrdrn "Asian Credit Sustainable Bond Investment Approach".
- 1.10 Through the application of this approach, the Sub-Fund has an expected minimum of 15% in Sustainable Investments. Furthermore, the Sub-Fund targets an ESG rating that is equal to or better, and a meaningfully lower carbon intensity, than the benchmark.
- 1.11 This approach utilises abrdrn’s fixed income investment process, which enables portfolio managers to qualitatively assess how ESG factors are likely to impact on the company’s ability to repay its debt, both now and in the future. The portfolio is underpinned by abrdrn’s

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<sup>66</sup> Investors should note that the Additional Information required to be disclosed under paragraph 14 of the ESG Circular may be found in the SFDR Annex of the Sub-Fund which is appended to the Luxembourg Prospectus, and/or on the manager’s website at [www.abrdrn.com](http://www.abrdrn.com) under “Fund Centre”.

well-established active management approach of security selection tailored to the overall environment, which combines fundamental and ESG considerations into individual name, sector and top-down portfolio construction decisions. An assessment of a company's sustainability is supported by proprietary company rating models and a deeply embedded ESG framework utilising on-desk Fixed Income and central ESG resources.

- 1.12 To complement this research, the abrdrn ESG House Score; or a suitable external alternative, is used to quantitatively identify and exclude those companies exposed to the highest ESG risks. In addition, abrdrn apply a set of company exclusions, which are related to the UN Global Compact, Weapons, Tobacco, Thermal Coal, Oil & Gas and Electricity Generation. While these exclusions are applied at a company level, investment is permitted in Green bonds, Social bonds or Sustainable bonds issued by companies otherwise excluded by the environmental screens, where the proceeds of such issues can be confirmed as having a positive environmental impact.
- 1.13 Engagement with external company management teams is a part of abrdrn's investment process and ongoing stewardship programme. This process evaluates the ownership structures, governance and management quality of those companies to identify and support not only companies that already demonstrate strong characteristics but also companies making positive improvements in their sustainable business practices. In line with this, up to 5% of assets may be invested in companies which deviate from certain exclusion criteria, but that are assessed on a forward-looking basis as presenting a strong opportunity to make significant, positive and measurable change over the medium term, subject to internal peer review and ongoing monitoring of progress against defined milestones. In addition, where the engagement process identifies companies in high carbon emitting sectors with ambitious and credible targets to decarbonise their operations, up to 5% of assets may be invested in these companies in order to support their transition to ultimately comply with the environmental screens.
- 1.14 **Further detail of this overall process is captured within the Asian Credit Sustainable Bond Investment Approach, which is published at [www.abrdrn.com](http://www.abrdrn.com) under "Fund Centre".**
- 1.15 The "Asian Credit Sustainable Bond Investment Approach" reduces the benchmark investable universe by a minimum of 20%.
- 1.16 Investment in financial derivative instruments, money market instruments and cash may not adhere to this approach.
- 1.17 The Sub-Fund may utilise financial derivative instruments for hedging and/or investment purposes, or to manage foreign exchange risks, subject to the conditions and within the limits laid down by applicable laws and regulations.
- 1.18 Without limiting the generality of the foregoing, the Investment Manager may alter the currency exposure of the Sub-Fund, solely through the use of derivative contracts (without buying or selling underlying Transferable Securities or currencies). Furthermore, the Sub-Fund's portfolio may be fully or partially hedged back to the Base Currency if, in the opinion of the Investment Manager, this is believed to be appropriate.
- 1.19 Where Share Classes are denominated in a currency other than the Base Currency of the Sub-Fund, a currency specific benchmark will typically be used for performance comparison purposes. This will either be the benchmark of the Sub-Fund expressed in another currency or a different currency specific benchmark with similar characteristics.
- 1.20 The Base Currency of the Sub-Fund is the US Dollar.

1.21 The Sub-Fund was launched on 31/05/1984.

## 2. Fees, Charges and Expenses

The fees, charges and expenses applicable to the Sub-Fund are set out in the tables below.

<b>Payable by You</b>	
Initial Sales Charge and/or Capacity Management Charge *	Class A Shares: Up to 5% of the Gross Investment Amount
Contingent Deferred Sales Charge	Nil
Redemption fee	Nil
Switching fee	Up to 1% of the Net Asset Value of the Shares being switched
<b>Payable by the Sub-Fund**:</b>	
The following fees and expenses will be incurred by the Fund on behalf of the Sub-Fund and will affect the Net Asset Value of the Sub-Fund.	
<b>Investment Management Fees</b> <sup>67</sup>	Currently 1.20% for Class A Shares
(a) Retained by the Investment Manager	(a) 40% to 100% of Investment Management Fee
(b) Paid by the Investment Manager to financial adviser (trailer fee)	(b) 0% to 60% of Investment Management Fee <sup>68</sup>
Management Company Charge <sup>69</sup>	An amount not exceeding 0.05% of the Net Asset Value of the Sub-Fund.
General Administration Charge	A fixed rate charge not exceeding 0.10% of the Net Asset Value of the Sub-Fund.

\* Additional fees may be imposed and payable to appointed distributors that are in addition to the maximum Initial Sales Charge and/or Capacity Management Charge disclosed above, depending on the specific nature of services provided by the appointed distributor. You are advised to check with the relevant distributor in Singapore regarding whether such additional fees apply.

\*\*Please note that in respect of hedged Share Classes, an additional fee of up to 0.04% may be charged by the Investment Manager for providing the currency hedging services.

Each Sub-Fund may bear fees and costs incurred by the distributors/agents of abrdn Investments Luxembourg S.A. in centralising orders and supporting best execution (some of these agents may be affiliates of abrdn). Such fees and costs may each amount to 0.1% p.a. or more of the Sub-Fund's Net Asset Value, depending on the proportion that each fee or cost bears to the relevant Sub-Fund's Net Asset Value.

<sup>67</sup> The Investment Manager will receive fees which shall not exceed 3% of the Net Asset Value of the Sub-Fund. The fees are accrued daily and are paid in monthly arrears to the Investment Manager. Please note that the fees of the Sub-Investment Manager shall be borne by the Investment Manager.

<sup>68</sup> This range may change from time to time without prior notice. Your financial adviser is required to disclose to you the amount of trailer fee it receives from the Investment Manager.

<sup>69</sup> The Management Company Charge is accrued daily and payable monthly in arrears to the Management Company.

### 3. Performance of the Sub-Fund

Past Performance of the Share Classes of the Sub-Fund and its benchmark as of 31 May 2023\*

<b>ABRDN SICAV I – ASIAN CREDIT SUSTAINABLE BOND FUND</b>					
<b>Share Class and Inception Date</b>	<b>1 Year (%)</b>	<b>3 Years* (%)</b>	<b>5 Years* (%)</b>	<b>10 Years* (%)</b>	<b>Since Inception* (%)</b>
<b>Class A Acc USD / LU1254413948</b> <b>Inception date: 01/09/2015</b>					
Single NAV (adjusted)**	-0.57	-2.13	0.99	n/a	2.35
Single NAV (unadjusted)***	-1.94	-3.48	-0.41	n/a	0.89
Benchmark (in USD)	0.15	-0.94	1.77	n/a	2.51
<b>Class A QInc USD / LU1254413864</b> <b>Inception date:01/09/2015</b>					
Single NAV (adjusted)**	-0.57	-2.13	0.99	n/a	2.35
Single NAV (unadjusted)***	-1.94	-3.48	-0.41	n/a	0.89
Benchmark (in USD)	0.15	-0.94	1.77	n/a	2.51
<b>Class A Gross MIncA USD / LU2407215891</b> <b>Inception date: 29/12/2021</b>					
Single NAV (adjusted)**	-0.54	n/a	n/a	n/a	-9.09
Single NAV (unadjusted)***	-1.92	n/a	n/a	n/a	-10.34
Benchmark (in USD)	0.15	n/a	n/a	n/a	-6.14
<b>Class A Acc Hedged SGD / LU2407215628</b> <b>Inception date: 29/12/2021</b>					

<b>ABRDN SICAV I – ASIAN CREDIT SUSTAINABLE BOND FUND</b>					
<b>Share Class and Inception Date</b>	<b>1 Year (%)</b>	<b>3 Years* (%)</b>	<b>5 Years* (%)</b>	<b>10 Years* (%)</b>	<b>Since Inception* (%)</b>
Single NAV (adjusted)**	-1.19	n/a	n/a	n/a	-9.51
Single NAV (unadjusted)***	-2.59	n/a	n/a	n/a	-10.80
Benchmark (Hedged to SGD)	-0.73	n/a	n/a	n/a	-6.72
<b>Class A Gross MIncA Hedged SGD / LU2407215545 Inception date: 29/12/2021</b>					
Single NAV (adjusted)**	-1.17	n/a	n/a	n/a	-9.50
Single NAV (unadjusted)***	-2.58	n/a	n/a	n/a	-10.79
Benchmark (Hedged to SGD)	-0.73	n/a	n/a	n/a	-6.72
<p>*Average annual compounded return</p> <p>The benchmark used for this sub-fund is JP Morgan Asia Credit Diversified Index (USD).</p> <p>**Source: Lipper, Basis: Total Return, NAV to NAV, net of annual charges, gross of TER, taking into account any initial sales charges/capacity management charges and redemption fee payable, calculated on the assumption that dividends and distributions (if any) are reinvested net of all charges payable upon reinvestment, in the currency of the relevant Class. Based on monthly data.</p> <p>***Source: Lipper, Basis: Total Return, NAV to NAV, net of annual charges, taking into account any initial sales charges/capacity management charges and redemption fee payable, calculated on the assumption that dividends and distributions (if any) are reinvested net of all charges payable upon reinvestment, in the currency of the relevant Class. Based on monthly data.</p> <p>Please note that in respect of newly incepted or not yet incepted Share Classes, a track record of at least one year as at 31 May 2023 is not available.</p>					

#### 4. Expense Ratio

The expense ratios<sup>70</sup> of each of the Share Classes for the period 1 October 2021 to 30 September 2022 based on the Sub-Fund's latest audited accounts as at 30 September 2022 are:

Sub-Fund	Expense Ratio
Class A Acc USD	1.40%
Class A QInc USD	1.40%
Class A Gross MIncA USD	1.40%
Class A Acc Hedged SGD	1.44%
Class A Gross MIncA Hedged SGD	1.44%

#### 5. Turnover Ratio

The turnover ratio of the Sub-Fund for the period of 1 October 2021 to 30 September 2022 based on the Sub-Fund's latest audited accounts was 40.86%.

The turnover ratio, expressed as a percentage, reflects the volume of dealing in the Sub-Fund. It is calculated based on the lesser of purchases or sales of underlying investments of the Sub-Fund expressed as a percentage of the daily average Net Asset Value.

#### 6. Dividend Policy

Accumulation Shares do not intend to declare any dividends in respect of these Share Classes. Accordingly, the investment income attributable to these Share Classes will be accumulated in their respective Net Asset Values.

Income Shares and Gross Income Shares intend to declare and distribute dividends.

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<sup>70</sup> The following expenses, where applicable, are excluded from the calculation of the expense ratios:

- (a) brokerage and other transaction costs associated with the purchase and sales of investments;
- (b) interest expenses;
- (c) foreign exchange gains and losses, whether realised or unrealised;
- (d) front end loads, backend loads and other costs arising on the purchase or sale of other funds;
- (e) tax deducted at source or arising from income received, including withholding tax; and
- (f) dividends and other distributions paid to Shareholders.

## APPENDIX 15

### ASIAN HIGH YIELD SUSTAINABLE BOND FUND<sup>71</sup>

#### 1. Investment Objective, Policy and Strategy

- 1.1 The Asian High Yield Sustainable Bond Fund (also referred to in this Appendix as the “**Sub-Fund**”) is subject to Article 8 of the SFDR. Further information can be found in paragraph 21 of this Singapore Prospectus. The environmental and/or social characteristics promoted by the Sub-Fund are detailed below in this Appendix as well as in the SFDR Annex of the Sub-Fund which is appended to the Luxembourg Prospectus.
- 1.2 The Sub-Fund’s investment objective is long term total return to be achieved by investing at least 90% of assets in Debt and Debt-Related Securities issued by corporations, governments and government-related bodies.
- 1.3 The Sub-Fund will invest at least 70% of its assets in sub-investment grade and unrated Debt and Debt-Related Securities issued by corporations (including government-owned corporations or holding companies of such corporations) that are incorporated or domiciled in an Asian country and/or corporations (including government-owned corporations or holding companies of such corporations) that derive a significant proportion of their revenues or profits from Asian countries and/or holding companies that have a significant proportion of their assets in corporations with their registered office in an Asian country and/or governments, supranational institutions or government-related bodies that are domiciled in an Asian country.
- 1.4 The Sub-Fund may also invest in other Debt and Debt-Related Securities including investment grade and sub-investment grade bonds, local currency debt, subordinated financials, sub-sovereigns, inflation-linked, convertible, asset backed and mortgage backed bonds. This may include up to 20% in Debt and Debt-Related Securities issued outside of Asia.
- 1.5 The Sub-Fund may invest up to 20% of assets in contingent convertible bonds.
- 1.6 The Sub-Fund is actively managed.
- 1.7 The Sub-Fund aims to outperform the JP Morgan Asia Credit Non-Investment Grade Index (USD) benchmark before charges.
- 1.8 The benchmark is also used as a reference point for portfolio construction and as a basis for setting risk constraints, but does not incorporate any sustainable criteria.
- 1.9 In order to achieve its objective, the Sub-Fund will take positions whose weightings diverge from the benchmark or invest in securities which are not included in the benchmark. The investments of the Sub-Fund may deviate significantly from the components of and their respective weightings in the benchmark. Due to the active nature of the management process, the Sub-Fund’s performance profile may deviate significantly from that of the benchmark over the longer term.
- 1.10 The Sub-Fund promotes environmental and social characteristics but does not have a sustainable investment objective. The Sub-Fund seeks to deliver long-term performance by allocating capital to companies which demonstrate strong management of their environmental, social and governance (ESG) risks and opportunities.

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<sup>71</sup> Investors should note that the Additional Information required to be disclosed under paragraph 14 of the ESG Circular may be found in the SFDR Annex of the Sub-Fund which is appended to the Luxembourg Prospectus, and/or on the manager’s website at [www.abrdn.com](http://www.abrdn.com) under “Fund Centre”.



- 1.11 Investment in Debt and Debt-Related Securities issued by corporations will follow the abrdrn "Asian High Yield Sustainable Investment Approach".
- 1.12 Through the application of this approach, the Sub-Fund has an expected minimum of 15% in Sustainable Investments. Furthermore, the Sub-Fund targets an ESG rating that is equal to or better, and a meaningfully lower carbon intensity, than the benchmark.
- 1.13 This approach utilises abrdrn's fixed income investment process, which enables portfolio managers to qualitatively assess how ESG factors are likely to impact on the company's ability to repay its debt, both now and in the future. The portfolio is underpinned by abrdrn's well-established active management approach of security selection tailored to the overall environment, which combines fundamental and ESG considerations into the individual name, sector and top-down portfolio construction decisions. An assessment of a company's sustainability is supported by proprietary company rating models and a deeply embedded ESG framework utilising on-desk Fixed Income and central ESG resources.
- 1.14 To complement this research, the abrdrn ESG House Score; or a suitable external alternative, is used to quantitatively identify and exclude those companies exposed to the highest ESG risks. In addition, abrdrn apply a set of company exclusions, which are related to the UN Global Compact, Weapons, Tobacco, Thermal Coal, Oil & Gas and Electricity Generation. While these exclusions are applied at a company level, investment is permitted in Green bonds, Social bonds or Sustainable bonds issued by companies otherwise excluded by the environmental screens, where the proceeds of such issues can be confirmed as having a positive environmental impact.
- 1.15 Engagement with external company management teams is a part of abrdrn's investment process and ongoing stewardship programme. This process evaluates the ownership structures, governance and management quality of those companies to identify and support not only companies that already demonstrate strong characteristics but also companies making positive improvements in their sustainable business practices. In line with this, up to 5% of assets may be invested in companies which deviate from certain exclusion criteria, but that are assessed on a forward-looking basis as presenting a strong opportunity to make significant, positive and measurable change over the medium term, subject to internal peer review and ongoing monitoring of progress against defined milestones. In addition, where the engagement process identifies companies in high carbon emitting sectors with ambitious and credible targets to decarbonise their operations, up to 5% of assets may be invested in these companies in order to support their transition to ultimately comply with the environmental screens.
- 1.16 **Further detail of this overall process is captured within the Asian High Yield Sustainable Investment Approach, which is published at [www.abrdrn.com](http://www.abrdrn.com) under "Fund Centre ".**
- 1.17 The Asian High Yield Sustainable Investment Approach reduces the benchmark investable universe by a minimum of 20%.
- 1.18 Investment in financial derivative instruments, money market instruments and cash may not adhere to this approach.
- 1.19 The Sub-Fund may utilise financial derivative instruments for hedging and/or investment purposes, or to manage foreign exchange risks, subject to the conditions and within the limits laid down by applicable laws and regulations.
- 1.20 Without limiting the generality of the foregoing, the Investment Manager may alter the currency exposure of the Sub-Fund, solely through the use of derivative contracts (without buying or selling underlying Transferable Securities or currencies). Furthermore, the Sub-

Fund's portfolio may be fully or partially hedged back to the Base Currency if, in the opinion of the Investment Manager, this is believed to be appropriate.

- 1.21 Where Share Classes are denominated in a currency other than the Base Currency of the Sub-Fund, a currency specific benchmark will typically be used for performance comparison purposes. This will either be the benchmark of the Sub-Fund expressed in another currency or a different currency specific benchmark with similar characteristics.
- 1.22 The Base Currency of the Sub-Fund is the US Dollar.
- 1.23 The Sub-Fund was launched on 08/02/2023.

## 2. Fees, Charges and Expenses

The fees, charges and expenses applicable to the Sub-Fund are set out in the tables below.

<b>Payable by You</b>	
Initial Sales Charge and/or Capacity Management Charge *	Class A Shares: Up to 5% of the Gross Investment Amount
Contingent Deferred Sales Charge	Nil
Redemption fee	Nil
Switching fee	Up to 1% of the Net Asset Value of the Shares being switched
<b>Payable by the Sub-Fund**:</b>	
The following fees and expenses will be incurred by the Fund on behalf of the Sub-Fund and will affect the Net Asset Value of the Sub-Fund.	
<b>Investment Management Fees</b> <sup>72</sup>	Currently 1.10% for Class A Shares
(a) Retained by the Investment Manager	(a) 40% to 100% of Investment Management Fee
(b) Paid by the Investment Manager to financial adviser (trailer fee)	(b) 0% to 60% of Investment Management Fee <sup>73</sup>
Management Company Charge <sup>74</sup>	An amount not exceeding 0.05% of the Net Asset Value of the Sub-Fund.
General Administration Charge	A fixed rate charge not exceeding 0.10% of the Net Asset Value of the Sub-Fund.

\* Additional fees may be imposed and payable to appointed distributors that are in addition to the maximum Initial Sales Charge and/or Capacity Management Charge disclosed above, depending on the specific nature of services provided by the appointed distributor. You are advised to check with the relevant distributor in Singapore regarding whether such additional fees apply.

<sup>72</sup> The Investment Manager will receive fees which shall not exceed 3% of the Net Asset Value of the Sub-Fund. The fees are accrued daily and are paid in monthly arrears to the Investment Manager. Please note that the fees of the Sub-Investment Manager shall be borne by the Investment Manager.

<sup>73</sup> This range may change from time to time without prior notice. Your financial adviser is required to disclose to you the amount of trailer fee it receives from the Investment Manager.

<sup>74</sup> The Management Company Charge is accrued daily and payable monthly in arrears to the Management Company.

\*\*Please note that in respect of hedged Share Classes, an additional fee of up to 0.04% may be charged by the Investment Manager for providing the currency hedging services.

Each Sub-Fund may bear fees and costs incurred by the distributors/agents of abrdrn Investments Luxembourg S.A. in centralising orders and supporting best execution (some of these agents may be affiliates of abrdrn). Such fees and costs may each amount to 0.1% p.a. or more of the Sub-Fund's Net Asset Value, depending on the proportion that each fee or cost bears to the relevant Sub-Fund's Net Asset Value.

### **3. Performance of the Sub-Fund**

Please note that as the Sub-Fund was incepted for less than a year as at the date of this Singapore Prospectus, a track record of at least one year is not available. The benchmark of the Sub-Fund is JP Morgan Asia Credit Non-Investment Grade Index (USD).

### **4. Expense Ratio**

No expense ratios for the Share Classes of the Sub-Fund are available as the Sub-Fund was not incepted as at 30 September 2022.

### **5. Turnover Ratio**

No turnover ratio for the Sub-Fund is available as the Sub-Fund was not incepted as at 30 September 2022.

The turnover ratio, expressed as a percentage, reflects the volume of dealing in the Sub-Fund. It is calculated based on the lesser of purchases or sales of underlying investments of the Sub-Fund expressed as a percentage of the daily average Net Asset Value.

### **6. Dividend Policy**

Accumulation Shares do not intend to declare any dividends in respect of these Share Classes. Accordingly, the investment income attributable to these Share Classes will be accumulated in their respective Net Asset Values.

Gross Income Shares intend to declare and distribute dividends.

## APPENDIX 16

### SHORT DATED ENHANCED INCOME FUND

#### 1. Investment Objective, Policy and Strategy

- 1.1 The Short Dated Enhanced Income Fund (also referred to in this Appendix as the “**Sub-Fund**”) is subject to Article 6 of the SFDR. Further information can be found in paragraph 21 of this Singapore Prospectus.
- 1.2 The Sub-Fund’s investment objective is to achieve long-term total return combined with liquidity (by virtue of the high quality short-dated nature of the portfolio), whilst aiming to avoid loss of capital.
- 1.3 The objective is to be achieved by investing at least 70% of assets in Debt and Debt-Related Securities issued by corporations and governments anywhere in the world (including in Emerging Market countries) with a maturity of up to 5 years, including sub-sovereigns, inflation-linked and convertible bonds.
- 1.4 The Sub-Fund is actively managed.
- 1.5 The Sub-Fund aims to achieve a yield in excess of the Bloomberg Global Corporate Aggregate 1-3 Year Index (USD Hedged) over rolling three-year periods (before charges). There is however no certainty or promise that the Sub-Fund will achieve this level of return.
- 1.6 At least 50% of the Sub-Fund’s assets will be invested in Investment Grade Debt and Debt-Related Securities issued by corporations worldwide, including in Emerging Market countries.
- 1.7 The Sub-Fund may invest up to 20% of assets in Sub-Investment Grade Debt and Debt-Related Securities.
- 1.8 There is no benchmark used for portfolio construction or as a basis for setting risk constraints in the management of the Sub-Fund. However, the investment team will seek to maintain a minimum average credit rating of A- and an average duration within a range of one year to two years for the portfolio in normal circumstances. While this may fluctuate, duration will not exceed two and a half years at any time.
- 1.9 The Sub-Fund may utilise financial derivative instruments for hedging and/or to manage foreign exchange risks, subject to the conditions and within the limits laid down by applicable laws and regulations.
- 1.10 The Sub-Fund's portfolio will typically be hedged back to the Base Currency.
- 1.11 Where Share Classes are denominated in a currency other than the Base Currency of the Sub-Fund, a currency specific benchmark will typically be used for performance comparison purposes. This will either be the benchmark of the Sub-Fund expressed in another currency or a different currency specific benchmark with similar characteristics.
- 1.12 The Base Currency of the Sub-Fund is the US Dollar.
- 1.13 The Sub-Fund will be launched on or around 6 July 2023 (or such time as may be determined by the Investment Managers).

## 2. Fees, Charges and Expenses

The fees, charges and expenses applicable to the Sub-Fund are set out in the tables below.

<b>Payable by You</b>	
Initial Sales Charge and/or Capacity Management Charge *	Class A and Class X*** Shares: Up to 5% of the Gross Investment Amount
Contingent Deferred Sales Charge	Nil
Redemption fee	Nil
Switching fee	Up to 1% of the Net Asset Value of the Shares being switched
<b>Payable by the Sub-Fund**:</b>	
The following fees and expenses will be incurred by the Fund on behalf of the Sub-Fund and will affect the Net Asset Value of the Sub-Fund.	
Investment Management Fees <sup>75</sup> (a) Retained by the Investment Manager (b) Paid by the Investment Manager to financial adviser (trailer fee)	Currently 0.50% for Class A Shares (a) 40% to 100% of Investment Management Fee (b) 0% to 60% of Investment Management Fee <sup>76</sup>  Currently 0.25% for Class X Shares*** (a) 100% of Investment Management Fee (b) 0% of Investment Management Fee <sup>76</sup>
Management Company Charge <sup>77</sup>	An amount not exceeding 0.05% of the Net Asset Value of the Sub-Fund.
General Administration Charge	A fixed rate charge not exceeding 0.10% of the Net Asset Value of the Sub-Fund.

\* Additional fees may be imposed and payable to appointed distributors that are in addition to the maximum Initial Sales Charge and/or Capacity Management Charge disclosed above, depending on the specific nature of services provided by the appointed distributor. You are advised to check with the relevant distributor in Singapore regarding whether such additional fees apply.

\*\*Please note that in respect of hedged Share Classes, an additional fee of up to 0.04% may be charged by the Investment Manager for providing the currency hedging services.

\*\*\*Please note that Class X Shares of the Sub-Fund has not been launched as of the date of this Singapore Prospectus.

<sup>75</sup> The Investment Manager will receive fees which shall not exceed 3% of the Net Asset Value of the Sub-Fund. The fees are accrued daily and are paid in monthly arrears to the Investment Manager.

<sup>76</sup> This range may change from time to time without prior notice. Your financial adviser is required to disclose to you the amount of trailer fee it receives from the Investment Manager.

<sup>77</sup> The Management Company Charge is accrued daily and payable monthly in arrears to the Management Company.

Each Sub-Fund may bear fees and costs incurred by the distributors/agents of abrdrn Investments Luxembourg S.A. in centralising orders and supporting best execution (some of these agents may be affiliates of abrdrn). Such fees and costs may each amount to 0.1% p.a. or more of the Sub-Fund's Net Asset Value, depending on the proportion that each fee or cost bears to the relevant Sub-Fund's Net Asset Value.

**3. Performance of the Sub-Fund**

Please note that as the Sub-Fund was incepted for less than a year as at the date of this Singapore Prospectus, a track record of at least one year is not available. The benchmark of the Sub-Fund is Bloomberg Global Corporate Aggregate 1-3 Year Index (USD Hedged).

**4. Expense Ratio**

No expense ratios for the Share Classes of the Sub-Fund are available as the Sub-Fund was not incepted as at 30 September 2022.

**5. Turnover Ratio**

No turnover ratio for the Sub-Fund is available as the Sub-Fund was not incepted as at 30 September 2022.

The turnover ratio, expressed as a percentage, reflects the volume of dealing in the Sub-Fund. It is calculated based on the lesser of purchases or sales of underlying investments of the Sub-Fund expressed as a percentage of the daily average Net Asset Value.

**6. Dividend Policy**

Accumulation Shares will declare, but do not intend to distribute, any dividends in respect of these Share Classes. Accordingly, the dividends attributable to these Share Classes will be accumulated in their respective Net Asset Values.

**abrdn SICAV I**

- **abrdn SICAV I – Asia Pacific Multi Asset Fund**
- **abrdn SICAV I – Asian Credit Sustainable Bond Fund**
- **abrdn SICAV I – Asian High Yield Sustainable Bond Fund**
- **abrdn SICAV I – Asian SDG Equity Fund**
- **abrdn SICAV I – China A Share Sustainable Equity Fund**
- **abrdn SICAV I – Diversified Growth Fund**
- **abrdn SICAV I – Diversified Income Fund**
- **abrdn SICAV I - Emerging Markets Bond Fixed Maturity 2023 Fund**
- **abrdn SICAV I – Emerging Markets Corporate Bond Fund**
- **abrdn SICAV I – Emerging Markets SDG Equity Fund**
- **abrdn SICAV I – Frontier Markets Bond Fund**
- **abrdn SICAV I – Global Dynamic Dividend Fund**
- **abrdn SICAV I – Indian Bond Fund**
- **abrdn SICAV I – North American Smaller Companies Fund**
- **abrdn SICAV I – Select Emerging Markets Bond Fund**
- **abrdn SICAV I – Short Dated Enhanced Income Fund**

**Singapore Prospectus**

Signed:

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Signed by ANDREIA CAMARA  
for and on behalf of each director of abrdn SICAV I

NADYA WELLS  
Director of abrdn SICAV I

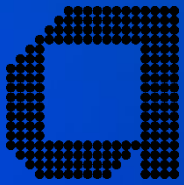
IAN BOYLAND  
Director of abrdn SICAV I

SUSANNE VAN DOOTINGH  
Director of abrdn SICAV I

HUGH YOUNG  
Director of abrdn SICAV I

ANDREY BERZINS  
Director of abrdn SICAV I

STEPHEN BIRD  
Director of abrdn SICAV I



# abrdn SICAV I

Prospectus  
5 June 2023

[abrdn.com](https://abrdn.com)

VISA 2023/173273-441-0-PC

L'apposition du visa ne peut en aucun cas servir  
d'argument de publicité  
Luxembourg, le 2023-06-08  
Commission de Surveillance du Secteur Financier



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## **IMPORTANT INFORMATION**

**This Prospectus should be read in its entirety before making an application for Shares. If you are in any doubt about the contents of this Prospectus, you should consult your stockbroker, bank manager, lawyer, accountant or other authorised professional financial adviser.**

To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Prospectus is in accordance with the facts and does not omit anything material to such information. Accordingly, the Directors of abrdn SICAV I accept responsibility for the information contained in this Prospectus.

Statements made in this Prospectus are based on the law and practice currently in force in the Grand Duchy of Luxembourg and are subject to changes in such law and practice.

abrdn SICAV I is authorised as an undertaking for collective investment in transferable securities under the law dated 17 December 2010 on undertakings for collective investments, as amended (the "Law") and qualifies as a UCITS.

Shares are offered on the basis of the information contained in the current Prospectus, the latest Key Investor Information Document and the latest Annual Report and Accounts or Interim Report and Accounts (if more recent than the Annual Report and Accounts) containing the audited financial statements, and any subsequent unaudited Interim Report of abrdn SICAV I if issued thereafter, which are available from the registered office of abrdn SICAV I in Luxembourg. Depending on applicable legal and regulatory requirements (comprising but not limited to MiFID) in the countries of distribution, additional information on abrdn SICAV I, the Funds and the Shares may be made available to investors under the responsibility of local intermediaries / distributors ("Mandatory Additional Information").

Except for Mandatory Additional Information, no dealer, salesperson or any other person is authorised to give any information or make any representations other than those contained in this Prospectus and the documents referred to herein in connection with the offer made hereby, and, if given, any such information or representations should be regarded as unauthorised and should accordingly not be relied upon.

The distribution of this Prospectus and the offering or purchase of the Shares may be restricted in certain jurisdictions. No persons receiving a copy of this Prospectus or the accompanying Application Form in any such jurisdiction may treat this Prospectus or such Application Form as constituting an invitation to them to subscribe for Shares, nor should they in any event use such Application Form, unless in the relevant jurisdiction such an invitation could lawfully be made to them and such Application Form could lawfully be used without compliance with any local registration or other legal requirements. It is the responsibility of any persons in possession of this Prospectus and any persons wishing to apply for Shares pursuant to this Prospectus to inform themselves of and to observe all applicable laws and regulations of any relevant jurisdiction. Prospective applicants for Shares and any person in possession of this Prospectus should inform themselves as to the legal requirements of so applying, and such possession, and of any applicable exchange control regulations and applicable taxes in the countries of their respective citizenship, residence, ordinary residence or domicile. Accordingly, this Prospectus does not constitute an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not lawful or in which the person making such offer or solicitation is not qualified to do so or to anyone to whom it is unlawful to make such offer or solicitation.

### **United States of America**

The Shares have not been registered under the United States Securities Act of 1933, as amended, and abrdn SICAV I has not been registered under the United States Investment Company Act of 1940, as amended. Accordingly, the Shares may not be directly or indirectly offered or sold in the United States of America or any of its states, territories, possessions or other areas subject to its jurisdiction or to or for the benefit of a "US Person". A "US Person" for these purposes means a national or resident of the United States or any of its states, territories, possessions or areas, subject to its jurisdiction (the "United States") and any partnership, corporation or other entity organised or created under the laws of the United States or of any political subdivision thereof.

Notwithstanding the foregoing, the Shares may be offered or sold in the United States or to or for the benefit of US Persons with the prior consent of abrdn SICAV I and in a manner exempt from registration under the said Acts.

### **Canada**

The Shares of abrdn SICAV I will not be publicly offered in Canada. Any offering of Shares in Canada will be made only by way of private placement: (i) pursuant to a Canadian offering memorandum containing certain prescribed disclosure, (ii) on a basis which is exempt from the requirement that abrdn SICAV I prepare and file a prospectus with the relevant Canadian securities regulatory authorities pursuant to applicable requirements in the relevant Canadian jurisdictions, and (iii) to persons or entities that are "permitted clients" (as such term is defined in National Instrument 31-103 Registration Requirements, Exemptions and On-going Registrant Obligations). The Management Company, which acts as the manager of abrdn SICAV I and as its private placement agent in Canada, is not registered in any capacity in any jurisdiction in Canada and as such it may rely on one or more exemptions from various registration requirements in certain Canadian jurisdictions. If a Canadian-resident Investor, or an Investor that has become a Canadian-resident after purchasing Shares, is required to be a "permitted client" and does not qualify, or no longer qualifies, as a "permitted client", the Investor will not be able to purchase any additional Shares and may be required to redeem its outstanding Shares.

### **Shareholder Rights**

abrdn SICAV I draws the investors' attention to the fact that any investor will only be able to fully exercise his investor rights directly against abrdn SICAV I, notably the right to participate in General Meetings of Shareholders if the investor is registered himself and in his own name in the register of Shareholders of abrdn SICAV I. In cases where an investor invests in abrdn SICAV I through an intermediary investing into abrdn SICAV I in its own name but on behalf of the investor, it may not always be possible for the investor to exercise certain shareholder rights directly against abrdn SICAV I. Investors are advised to take advice on their rights.

**General**

The recognition, registration or authorisation of abrdn SICAV I in any jurisdiction does not require any authority to approve or disapprove or take responsibility for the adequacy or accuracy of this or any Prospectus or the portfolios of securities held by abrdn SICAV I. Neither should recognition or registration be taken to imply any responsibility of any authority for the financial soundness of any investment scheme, or that investment in such a scheme is recommended, or that any statements made or opinions expressed with regard to that scheme are correct. Any statement to the contrary is unauthorised and unlawful.

abrdn SICAV I may following the publication of this Prospectus be authorised for public marketing in other countries. Details of current Fund authorisations are available from the registered office of abrdn SICAV I or the Transfer Agent.

This Prospectus may be translated into other languages. In the event that there is any inconsistency or ambiguity in relation to the meaning of any word or phrase in any translation, the English text shall prevail except to the extent (but only to the extent) required by the law of any jurisdiction where the Shares are sold, that in an action based upon disclosure in a Prospectus in a language other than English, the language of the Prospectus on which such action is based shall prevail and all disputes as to the terms thereof shall be governed and construed in accordance with Luxembourg law.

## GLOSSARY

This glossary is intended to help readers who may be unfamiliar with the terms used in this Prospectus.

<b>Application Form</b>	The application form available from the Management Company, the Transfer Agent or local distributors.
<b>Articles of Incorporation</b>	The articles of incorporation of abrdn SICAV I.
<b>Associate</b>	A company within the abrdn plc group of companies.
<b>Base Currency</b>	In relation to a Fund means the base currency for the relevant Fund detailed under "Fund Information".
<b>Benchmark Regulation</b>	Regulation (EU) 2016/1011 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds.
<b>Board of Directors/Board</b>	The board of directors of abrdn SICAV I.
<b>Bond Connect</b>	Bond Connect is an initiative for mutual bond market access between Hong Kong and China as further described in the "Investing in Mainland China" section of the "General Risk Factors".
<b>BRL</b>	All references to "BRL" are to the Brazilian Real, the currency of Brazil.
<b>Business Day</b>	A day on which banks in Luxembourg are open for business (24 December is not a Business Day).
<b>CEMBI</b>	The JP Morgan Corporate Emerging Markets Bond Index.
<b>CEMBI Emerging Market*</b>	Any Emerging Market and any country that is included in the CEMBI Broad Diversified Index (or any successor index, if revised). * <i>This definition applies to abrdn SICAV I – Emerging Markets Corporate Bond Fund.</i>
<b>China A-Shares</b>	Mainland China's domestic shares listed on the Chinese Stock Exchanges, which are available to Mainland China's domestic investors, QFI, and through other eligible channels, and quoted in RMB.
<b>China B-Shares</b>	Mainland China's domestic shares listed and traded in foreign currencies on the Chinese Stock Exchanges, which are available to Mainland China's domestic investors, and QFI.
<b>Chinese Stock Exchanges</b>	Mainland China's domestic stock exchanges comprising the Shanghai and Shenzhen Stock Exchanges, or their successors.
<b>CIBM</b>	The China interbank bond market as further described in the "Investing in Mainland China" section of the "General Risk Factors".
<b>CIS</b>	A free association of former Soviet republics in the Soviet Union prior to its dissolution in December 1991. The original member states include: Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Russia, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan. Georgia, originally a member, withdrew from the association in 2009 but is included in the group for the purposes of this Prospectus.
<b>Class(es) of Shares/Share Class(es)/ Classes</b>	Pursuant to the Articles of Incorporation, the Board of Directors may decide to issue, within each Fund, separate classes of Shares (hereinafter referred to as a "Share Class" or "Class of Shares" or "Class", as appropriate) whose assets will be commonly invested but where a specific initial or redemption charge structure, fee structure, minimum subscription amount, currency, dividend policy or other feature may be applied.
<b>Closed-Ended Fund</b>	A collective investment scheme with a fixed number of shares in issue and which is typically listed or traded on a stock exchange. Supply and demand for the shares determines whether they trade at a premium or discount to the value of the underlying assets held by the collective investment scheme. Closed-ended funds include but are not limited to investment trusts and business development companies.
<b>Connected Person</b>	A person or corporation related by common ownership as more fully defined in Article 16 of the Articles of Incorporation.
<b>CSDCC</b>	The China Securities Depository and Clearing Corporation Limited.
<b>CSRC</b>	The China Securities Regulatory Commission.
<b>CSSF</b>	<i>Commission de Surveillance du Secteur Financier</i> or its successor.

<b>Dealing Day</b>	With respect to any Fund, a day on which Shares are available for subscription, switching and redemption. Dealing Days are specified under the section "Dealing in Shares of abrdn SICAV I".
<b>Debt and Debt-Related Securities</b>	Includes but is not limited to inflation linked bonds, convertible and non-convertible corporate and non-corporate debt securities, preferred securities, privately placed securities (which are securities sold directly in a negotiated sale to institutional or private investors rather than a public offering such as privately placed bonds), fixed and floating rate bonds, zero-coupon and discount bonds, debentures, notes, certificates of deposit, banker's acceptances, bills of exchange, commercial paper, treasury bills, asset-backed securities and mortgage-backed securities.
<b>Directive 2009/65/EC</b>	Directive 2009/65/EC on the coordination of laws, regulations and administrative provision relating to undertakings for collective investment in transferable securities, as amended.
<b>Directors</b>	Members of the Board.
<b>Eastern Europe</b>	The states of Central and Eastern Europe, including Russia, Turkey, the CIS and Balkan countries (being those countries which were formerly part of the Federal Republic of Yugoslavia (namely, Bosnia and Herzegovina, Croatia, Kosovo, Macedonia, Montenegro, Serbia and Slovenia) and Albania).
<b>EEA</b>	The European Economic Area (the EU, Norway, Iceland and Liechtenstein).
<b>Efficient Portfolio Management</b>	Techniques and instruments relating to transferable securities and money market instruments as further described in the section "Techniques and Instruments" in Appendix A.
<b>Eligible Market</b>	A stock exchange or Regulated Market in one of the Eligible States.
<b>Eligible State</b>	Any Member State of the EU or any other state in Eastern and Western Europe, Asia, Africa, Australia, North America, South America and Oceania.
<b>Emerging Market</b>	Any country that is included in the MSCI Emerging Markets series of indices or FTSE Emerging Markets series of indices or JP Morgan Emerging Market series of indices (or composites thereof or any successor series) or any country classified by the World Bank as a low to upper middle income country.
<b>ESG</b>	Environmental, social and governance.
<b>EU</b>	European Union.
<b>Euro</b>	All references to "Euro" and "€" are to the currency introduced at the third stage of economic union pursuant to the Treaty establishing the European Union.
<b>Frontier Debt Market</b>	Any country that is included in the J.P. Morgan Next Generation Markets Index (NEXGEM) or a composite index thereof (or any successor index, if revised), or any country which is an Emerging Market but which, in the opinion of the Investment Manager, demonstrates equivalent economic characteristics of countries in the J.P. Morgan Next Generation Markets Index.
<b>Frontier Market</b>	Any country that is included in the MSCI Frontier Markets Index or a composite index thereof (or any successor index, if revised), or any country which is an Emerging Market but which, in the opinion of the Investment Manager, demonstrates economic characteristics of countries in the MSCI Frontier Markets Index.
<b>Fund</b>	A sub-fund of abrdn SICAV I.
<b>GITA</b>	German Investment Tax Reform Act dated 19 July 2016.
<b>Institutional Investor</b>	An institutional investor within the meaning of the Law and the practice of the CSSF.
<b>Gross Investment Amount</b>	The amount submitted by or on behalf of an investor for investment in any of the Funds and out of which any initial or other charges will be paid prior to investment.
<b>Investment Grade</b>	Having a rating of at least BBB- by Standard & Poor's or at least Baa3 by Moody's Investor Services or at least BBB- by Fitch Ratings, or be considered equivalent by the Investment Manager using similar credit criteria at the time of purchase. In the case of split ratings, the highest rating can be used. Where three ratings apply, the median rating will be used for the following funds: abrdn SICAV I – Global Corporate Sustainable Bond Fund and abrdn SICAV I - Climate Transition Bond Fund.

<b>Latin America</b>	Argentina, Belize, Bolivia, Brazil, Chile, Colombia, Costa Rica, Ecuador, El Salvador, French Guyana, Guatemala, Guyana, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, Puerto Rico, Suriname, Uruguay and Venezuela.
<b>Law</b>	The Luxembourg law of 17 December 2010 on undertakings for collective investment, as amended.
<b>Mainland China</b>	PRC excluding Hong Kong, Macau and Taiwan.
<b>Member State</b>	A member state as defined in the Law.
<b>MiFID</b>	Directive 2014/65/EU on markets in financial instruments and Regulation EU 600/2014 on markets in financial instruments and any EU or Luxembourg implementing laws and regulations.
<b>Money Market Instruments</b>	Instruments normally dealt in on the money market which are liquid, and have a value which can be accurately determined at any time.
<b>Net Asset Value</b>	In relation to any Class of Shares in a Fund, the value of the net assets of that Fund attributable to that Class and calculated in accordance with the provisions described in Section 1 of Appendix B.
<b>Other UCIs</b>	An undertaking for collective investment which has as its sole object the collective investment in transferable securities and/or other liquid financial assets of capital raised from the public and which operates on the principle of risk spreading and the units/shares of which are at the request of holders repurchased or redeemed directly or indirectly out of those undertakings' assets provided that action taken to ensure that the stock exchange value of such units/shares does not significantly vary shall be regarded as equivalent to such repurchase or redemption.
<b>PRC</b>	People's Republic of China.
<b>PRC Custodian</b>	Citibank (China) Co., Ltd.
<b>PRIIPS KID<sup>1</sup></b>	Key information documents for retail and insurance-based packaged investment products within the meaning of Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for retail and insurance-based packaged investment products, as amended.
<b>QFI</b>	Qualified foreign investor(s) (including, if applicable, qualified foreign institutional investors ("QFII") and Renminbi qualified foreign institutional investors ("RQFII")), as defined under laws and regulations governing the establishment and operation of the qualified foreign institutional investors regime in the PRC.
<b>QFI Eligible Securities</b>	Securities and investments permitted to be held or made by a QFI under the QFI Regulations.
<b>QFI Regulations</b>	The laws and regulations governing the establishment and operation of the QFI regime in the PRC, as may be promulgated and/or amended from time to time.
<b>Regulated Market</b>	A regulated market as defined in MiFID, namely a market which appears on the list of the regulated markets drawn up by each Member State, which functions regularly, is characterized by the fact that regulations issued or approved by the competent authorities define the conditions for the operation of the market, the conditions for access to the market and the conditions that must be satisfied by a financial instrument before it can effectively be dealt in on the market, requiring compliance with all the reporting and transparency requirements laid down by MiFID and any other market which is regulated, operates regularly and is recognised and open to the public in an Eligible State.
<b>REITs</b>	A Real Estate Investment Trust which is an entity that buys and manages shares in a real estate portfolio or direct real estate. This may include, but is not limited to, investing in residential apartments, retail shopping centres and commercial office buildings, as well as real estate development. A REIT may be closed-ended with its shares listed on a Regulated Market, which thereby qualifies it as an eligible investment for a UCITS under Luxembourg law. Other REITs may be closed-ended and not listed on a Regulated Market, thereby limiting a UCITS' investment in such entities to 10% of the net assets of a Fund (taken together with any other investments in Transferable Securities and Money Market Instruments not provided for under Section I of Appendix A.

<sup>1</sup> For UK investors only, the reference to PRIIPS KID should be understood as UCITS Key Investor Information Document ("KIID"), as defined by Commission Regulation (EU) No 583/2010 of 1 July 2010 implementing Directive 2009/65/EC of the European Parliament and of the Council as regards key investor information and conditions to be met when providing key investor information or the prospectus in a durable medium other than paper or by means of a website.

<b>RESA</b>	<i>Recueil Electronique des Sociétés et Associations.</i>
<b>Repurchase Transactions</b>	Financial instruments used in securities and money markets as further described in the section "Investment Techniques and Instruments" in Appendix A.
<b>RMB</b>	All references to "Renminbi" or "RMB" are to the currency of the People's Republic of China – to be read as a reference to onshore Renminbi (CNY) and/or offshore Renminbi (CNH) as the context requires.
<b>SAFE</b>	The PRC State Administration of Foreign Exchange.
<b>SFDR Annex</b>	The pre-contractual disclosure document required for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852; or Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852, as applicable and annexed to this prospectus.
<b>Share</b>	Any share of any Class of a Fund.
<b>Shareholder</b>	Any person holding Shares of a Fund.
<b>Share Price</b>	The price of a Share in any one of the Funds, this price being the Net Asset Value of that Share Class divided by the number of Shares in issue in that Class, adjusted and calculated as described in Section 2 of Appendix B.
<b>Sterling</b>	All references to "Sterling", "£" and "pounds" are to the pound Sterling, the currency of the United Kingdom.
<b>Sub-Investment Grade</b>	Having a rating which is below Investment Grade.
<b>Subsidiary</b>	Aberdeen Global Indian Equity Limited.
<b>Swiss Franc</b>	All references to "Swiss Franc" and "CHF" are to the Swiss Franc, the currency of Switzerland.
<b>The 10 Principles of the United Nations Global Compact</b>	A set of principles set out by the United Nations and derived from the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention Against Corruption. Further information is available at <a href="http://www.unglobalcompact.org/what-is-gc/mission/principles">www.unglobalcompact.org/what-is-gc/mission/principles</a> .
<b>Transferable Securities</b>	Shares and other securities equivalent to shares, Debt and Debt-Related Securities and any other negotiable securities which carry the right to acquire any such transferable securities by subscription or exchange referred to in article 41 of the Law, excluding the techniques and instruments referred to in article 42 of the Law.
<b>UCITS</b>	An Undertaking for Collective Investment in Transferable Securities.
<b>United Nations Sustainable Development Goals</b>	The Sustainable Development Goals are the blueprint to achieve a better and more sustainable future for all. They address the global challenges the world faces, including those related to poverty, inequality, climate, environmental degradation, prosperity, and peace and justice.  The 17 goals were adopted in 2015 and are contained in the 2030 Agenda for Sustainable Development. Further information is available at <a href="http://www.un.org/sustainabledevelopment/">www.un.org/sustainabledevelopment/</a> .
<b>UK</b>	The United Kingdom.
<b>US Dollars</b>	All references to "US Dollars" and "US\$" are to the United States Dollar, the currency of the United States of America.
<b>VIE</b>	Variable Interest Entity
<b>Yen</b>	All references to "Yen" and "¥" are to the Japanese Yen, the currency of Japan.

## THE abrdn ORGANISATION

abrdn plc, a company listed on the London Stock Exchange, is the holding company of an investment management group (the "abrdn Group") with offices in Europe, the United States of America, South America, Australia and Asia. abrdn Hong Kong Limited is regulated by the Hong Kong Securities and Futures Commission. abrdn Investments Limited (until 25 November 2022 known as Aberdeen Asset Managers Limited) is regulated and authorised by the Financial Conduct Authority in the United Kingdom. abrdn Asia Limited is regulated by the Monetary Authority of Singapore. abrdn Inc. is regulated by the United States Securities and Exchange Commission. abrdn Australia Limited is regulated by the Australian Securities and Investment Commission. abrdn Japan Limited is regulated by the Financial Services Agency in Japan. The share capital of abrdn Hong Kong Limited is held by abrdn Holdings Limited (until 25 November 2022 known as Aberdeen Asset Management PLC) and abrdn Asia Limited. The entire issued share capital of abrdn Australia Limited is held by abrdn Asia Limited. abrdn Investments Limited, abrdn Asia Limited, abrdn Inc. and abrdn Japan Limited are all wholly owned subsidiaries of abrdn Holdings Limited. The share capital of abrdn Investments Luxembourg S.A. (formerly known as Aberdeen Standard Investments Luxembourg S.A.) is held by abrdn Hong Kong Limited, abrdn Investments Limited and abrdn Holdings Limited. abrdn Holdings Limited is a wholly owned subsidiary of abrdn plc.

## BOARD OF DIRECTORS OF abrdn SICAV I

The Directors of abrdn SICAV I are responsible for the management and administration of abrdn SICAV I and for its overall investment policy.

- Andrey Berzins** graduated in statistics from the University of Bath and qualified as a chartered accountant in 1985. For the majority of his career he has been involved in the Asian private equity industry. He is currently a director of Ocean Wilsons Holdings Limited, an investment holding company listed on the London Stock Exchange, as well as several private companies. Andrey is based in Singapore.
- Ian Boyland** is a graduate of Warwick University and a member of the Institute of Chartered Accountants in England and Wales. He has been working in the Luxembourg investment fund industry for over 20 years, performing in a variety of senior roles at Citibank, JP Morgan, Fidelity and Chase Manhattan, heading teams providing fund accounting, pricing, custody and transfer agency services. Since 2013 he has been acting as an independent director for a number of regulated and non-regulated Luxembourg investment funds and company structures. Ian is a member of the Institute of Risk Management and the UK Institute of Directors.
- Nadya Wells** Nadya Wells is an experienced Non-Executive Director who has spent over 25 years as a long-term investor and governance specialist in emerging and frontier markets. She spent 13 years with the Capital Group until 2014, as a portfolio manager and analyst with a focus on EMEA markets. Prior to that she was a portfolio manager at Invesco Asset Management investing in Eastern Europe in closed end funds until 1999. She started her career with EY in management consulting. She is a non-executive director on the boards of various Luxembourgish SICAVs, Senior Independent Director of Hansa Investment Company Limited and Barings Emerging EMEA Opportunities plc, and also sits on the audit committee of the Non-Profit Drugs for Neglected Diseases Initiative (DNDi). She has an MBA from INSEAD, an MA from Oxford University and an MSc from the University of Geneva.
- Hugh Young** Hugh Young is the Chairman for abrdn's business in Asia. He was previously the Head of Asia Pacific for abrdn, a main board director and Head of Investments for Aberdeen Asset Management (before its merger with Standard Life plc). Hugh joined the company in 1985 to manage Asian equities from London, having started his investment career in 1980. He founded what is now abrdn Asia Limited in 1992 as the regional headquarters of Aberdeen Asset Management. Hugh is a director of a number of abrdn Group subsidiary companies and abrdn Group-managed investment trusts and funds. Hugh graduated with a BA (Hons) in Politics from Exeter University.
- Stephen Bird** Stephen joined abrdn plc in July 2020 as Chief Executive-Designate, and was formally appointed Chief Executive Officer in September 2020. Previously, Stephen served as chief executive officer of global consumer banking at Citigroup from 2015, retiring from the role in November 2019. His responsibilities encompassed all consumer and commercial banking businesses in 19 countries, including retail banking and wealth management, credit cards, mortgages, and operations and technology supporting these businesses. Prior to this, Stephen was chief executive for all of Citigroup's Asia Pacific business lines across 17 markets in the region, including India and China. Stephen joined Citigroup in 1998, and during his 21 years with the company he held a number of leadership roles in banking, operations and technology across its Asian and Latin American businesses. Before this, he held management positions in the UK at GE Capital – where he was director of UK operations from 1996 to 1998 – and at British Steel. He holds an MBA in Economics and Finance from University College Cardiff, where he is also an Honorary Fellow.
- Susanne van Dootingh** Susanne van Dootingh is an independent non-executive director of several Luxembourg domiciled investment funds and management companies. Prior to becoming an iNED she was at State Street



Global Advisors from 2002 to 2017 with her final position being Senior Managing Director, Head of European Governance and Regulatory Strategy EMEA. Prior to this she held various senior positions at State Street Global Advisors in Global Product Development and Global Fixed Income Strategy. Before joining SSGA in 2002 she was a fixed income strategist and portfolio manager at Fortis Investment Management, Barclays Global Investors, and ABN AMRO Asset Management.

## **BOARD OF DIRECTORS OF abrDN INVESTMENTS LUXEMBOURG S.A.**

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**Andreia Camara** is Director and Conducting Officer of abrDN Investments Luxembourg S.A. primarily covering risk management and valuation. Andreia joined abrDN as a result of the merger between Aberdeen Asset Management and Standard Life in August 2017. Andreia joined Aberdeen Asset Management in 2013 after 12 years at Ernst & Young, working in assurance and advisory services for alternative investments. From 2011 Andreia was part of Ernst & Young's AIFMD implementation team and is since then actively involved in the ALFI Risk Management Committees. Andreia has a degree from the University of Minho in Portugal in Business Management and a Post Graduate degree in Tax law and Finance from the University of Economics of Oporto. She is also certified as a Luxembourg CPA and a qualified professional of RICS (MRICS).

**Alan Hawthorn** is Head of Global Investor Services and is responsible for all in-house and outsourced transfer agency operations for abrDN. Alan is also a Director of a number of subsidiary companies within the abrDN Group. Alan joined abrDN as a result of the merger between Aberdeen Asset Management and Standard Life in August 2017. Alan joined Aberdeen Asset Management in 1996 from Prolific Financial Management. Alan graduated with a BA in Commerce at Napier University.

**Hugh Young\***

**Miroslav Stoev** Miroslav Stoev is a non-executive director of abrDN Investments Luxembourg S.A. from August 2021. Miroslav has extensive experience in performing a range of operations, financial reporting, risk management, conducting officer, due diligence, NAV calculation and directorship services to real estate and private equity investment structures, many of which are under the supervision of the CSSF. He has 23 years of professional experience, mostly focused on alternative investment structures, with EY (Luxembourg and New York), Citco Luxembourg and then managing a boutique practice in Luxembourg. Miroslav is on the board of a number of PERE Pan European investment structures. Miroslav holds an MBA from Tulane University and a Bachelor of Business Administration from Sofia University. He is a licensed Expert-comptable (CPA) in Luxembourg.

\* see in the section "Board of Directors of abrDN SICAV I" for details.

## MANAGEMENT AND ADMINISTRATION

Copies of this Prospectus and further information can be obtained from abrdn SICAV I or from any of the following addresses:

<b>Registered Office</b>	<b>abrdn SICAV I</b> 35a, avenue John F. Kennedy L-1855 Luxembourg Grand Duchy of Luxembourg	
<b>Management Domiciliary Registrar and Transfer Agent</b>	<b>abrdn Investments Luxembourg S.A.</b> 35a, avenue John F. Kennedy L-1855 Luxembourg Grand Duchy of Luxembourg	
<b>For Shareholder Services</b>	<b>abrdn Investments Luxembourg S.A.</b> c/o International Financial Data Services (Luxembourg) S.A. 47, avenue J. F. Kennedy L-1855 Luxembourg Grand Duchy of Luxembourg  Europe (excluding UK) and the rest of the World: Tel: (352) 46 40 10 820 Fax: (352) 24 52 90 56  UK: Tel: (44) 1224 425 255	
<b>Paying Agent</b>	<b>State Street Bank International Luxembourg GmbH,</b> 49, avenue John F. Kennedy L-1855 Luxembourg Grand Duchy of Luxembourg	
<b>Depository Administrator</b>	<b>and Citibank Europe plc, Luxembourg Branch</b> 31 Z.A. Bourmicht, Bertrange Grand Duchy of Luxembourg	
<b>Investment Managers</b>	<b>abrdn Investments Limited</b> 10 Queens Terrace Aberdeen AB10 1XL United Kingdom  abrdn Investments Limited is authorised and regulated by the Financial Conduct Authority.	<b>abrdn Inc.</b> 2nd Floor 1900 Market Street Philadelphia PA 19103 United States of America  abrdn Inc. is authorised by the Securities and Exchange Commission of the United States of America  <b>abrdn Hong Kong Limited</b> 30 <sup>th</sup> Floor LHT Tower 31 Queen's Road Central Hong Kong  abrdn Hong Kong Limited is licensed and regulated by the Securities and Futures Commission in Hong Kong.

<b>Sub-Investment Managers or Investment Advisors</b>	<p><b>abrdrn Japan Limited</b> Otemachi Financial City Grand Cube 9F 1-9-2 Otemachi, Chiyoda-ku Tokyo 100-0004 Japan</p> <p>abrdrn Japan Limited is authorised and regulated by the Japanese Financial Services Agency</p> <p><b>abrdrn Hong Kong Limited* abrdrn Inc.**</b></p>	<p><b>abrdrn Asia Limited</b> 21 Church Street #01-01 Capital Square Two Singapore 049480 Singapore</p> <p>abrdrn Asia Limited is regulated by the Monetary Authority of Singapore.</p>	<p><b>abrdrn Brasil Investimentos Ltda</b> Rua Joaquim Floriano, 913-7th Floor - Cj. 71 Sao Paulo SP 04534-013 Brazil</p> <p>abrdrn Brasil Investimentos Ltda is regulated by the Comissão de Valores Mobiliários ("CVM"), the Securities Exchange Commission of Brazil.</p>
<b>Data Processing Agents</b>	<p><b>International Financial Data Services (Luxembourg) S.A.</b> 47, avenue J.F. Kennedy L 855 Luxembourg R.C.S Luxembourg B81997</p> <p>International Financial Data Services (Luxembourg) S.A. is authorised and regulated by the <i>Commission de Surveillance du Secteur Financier</i>.</p>	<p><b>SS&amp;C Financial Services Europe Limited and SS&amp;C Financial Services International Limited</b> St. Nicholas Lane Basildon United Kingdom SS15 5FS</p> <p>SS&amp;C Financial Services Europe Limited SS&amp;C Financial Services International Limited are authorised and regulated by the Financial Conduct Authority.</p>	
<b>Auditors</b>	<p><b>KPMG Luxembourg, Société Coopérative</b> 39, avenue John F. Kennedy L-1855 Luxembourg Grand Duchy of Luxembourg</p>		
<b>Legal Advisers as to matters of Luxembourg law</b>	<p><b>Elvinger Hoss Prussen, société anonyme</b> 2, Place Winston Churchill L-1340 Luxembourg Grand Duchy of Luxembourg</p>		

\* see in the "Investment Managers" above for details.

\*\* see in the "Investment Managers" above for details.

## PRINCIPAL AGREEMENTS

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### **The Management Company**

Pursuant to a Fund Management Company Agreement, abrdrn Investments Luxembourg S.A. has been appointed to act as management company of abrdrn SICAV I. The Management Company will be responsible on a day-to-day basis under the supervision of the Board of Directors, for providing administration, distribution and marketing, investment management and advisory services in respect of all the Funds with the possibility to delegate part or all of such functions to third parties.

The Management Company has delegated the administration functions to the Administrator but the Management Company will assume directly the functions of the Domiciliary Agent, the Registrar and Transfer Agent and the marketing and distribution function. The Management Company has delegated the investment management services of the Funds to the Investment Managers.

The Management Company was incorporated in the form of a *société anonyme* under the laws of the Grand Duchy of Luxembourg on 5 October 2006 for an unlimited duration. The Management Company is approved as a UCITS management company regulated by the Law and as alternative investment fund manager within the meaning of article 1(46) of the law of 12 July 2013 on alternative investment fund managers. The share capital of the Management Company is held by abrdrn Hong Kong Limited, abrdrn Investments Limited and abrdrn Holdings Limited. The Management Company has a subscribed and paid-up capital of EUR 10,000,000 (as at the date of this Prospectus).

As of the date of this Prospectus, abrdrn Investments Luxembourg S.A. has also been appointed to act as management company and as alternative investment fund manager for other Luxembourg based investment funds. A list of the relevant funds may be obtained from the Management Company upon request.

The Management Company shall ensure compliance of abrdrn SICAV I with the investment restrictions and oversee the implementation of abrdrn SICAV I's strategies and investment policy. The Management Company will be responsible for ensuring that adequate risk measurement processes are in place to ensure a sufficient control environment.

The Management Company will monitor, on a continued basis, the activities of third parties to which it has delegated functions and will receive periodic reports from the Investment Managers and from the other service providers to enable it to perform its monitoring and supervision duties.

Additional information is made available by the Management Company at its registered office, upon request, in accordance with the provisions of Luxembourg laws and regulations. This additional information includes the procedures relating to complaints handling, the strategy followed by the Management Company for the exercise of voting rights of abrdrn SICAV I, the policy for placing orders to deal on behalf of abrdrn SICAV I with other entities, the best execution policy as well as the arrangements relating to the fee, commission or non-monetary benefit in relation to the investment management and administration of abrdrn SICAV I.

### *Remuneration Policy*

Pursuant to Article 111bis of the Law, the Management Company has approved and adopted a UCITS V Remuneration Policy Statement in conjunction with the remuneration policy of the abrdrn Group which is AIFMD compliant (together the "Remuneration Policy"). The Management Company believes the UCITS V Remuneration Policy Statement is consistent with, and promotes sound and effective risk management; does not encourage risk-taking which is inconsistent with the risk profiles of the Funds or the Articles of Incorporation, and does not impair compliance of the Management Company's duty to act in the best interests of each of the Funds and its shareholders. The Management Company believes that rewarding staff for their contribution is key to recruiting and retaining a talented workforce.

The Remuneration Policy has been designed to:

- align the interests of staff with the sustained long term interests of the Management Company, the Funds, the business, shareholders, and other stakeholders;
- focus on performance-related pay, at both a corporate and an individual level, tempered by an emphasis on ensuring that performance is not achieved by taking risks which fall outside abrdrn Group's, and its Funds, risk appetite;
- promote sound risk management and discourage risk taking that exceeds abrdrn Group's level of tolerated risk, having regard to the investment profiles of Funds;
- incorporate measures to avoid conflicts of interest; and
- offer fixed remuneration and award incentives which are reasonable and competitive within the asset management sector.

The abrdrn plc board of directors has established a Remuneration Committee that operates on a group-wide basis. The Remuneration Committee is responsible for:

- Approving the Remuneration Policy
- Approving the remuneration packages of Senior executives
- Determining the size of any annual variable pay pool
- Approving the design of Incentive plans
- Considering the recruitment and redundancy of certain employees

Details of the up-to-date Remuneration Policy, including, but not limited to, a description of how remuneration and benefits are calculated, and the identity of the persons responsible for awarding remuneration and benefits including the composition of the remuneration committee, is available at <https://www.abrdn.com/corporate/about-us/our-leadership-team/remuneration-disclosure>. A paper copy is made available free of charge upon request at the Management Company's registered office.

#### *Queries and Complaints*

Any person who would like to receive further information regarding abrdn SICAV I or who wishes to make a complaint about the operation of abrdn SICAV I should contact the Management Company.

#### **The Domiciliary Agent and Registrar and Transfer Agent**

The Management Company carries out the Registrar, and Transfer Agent functions, namely to provide dealing, registration and transfer agency services in Luxembourg in accordance with the requirements of the laws governing Luxembourg collective investment schemes.

The Management Company also carries out the Domiciliary Agent functions, namely to provide registered office services, to maintain abrdn SICAV I's legal and regulatory documentation and coordinate meetings in Luxembourg in accordance with the requirements of the Luxembourg laws.

#### **The Distributors**

In accordance with the terms of the Fund Management Company Agreement, the Management Company organises and oversees the marketing and distribution of Shares. The Management Company may appoint authorised distribution agents and other sub-distributors (who may be Associates) and who may receive all or part of any charges payable to the Management Company, subject to applicable laws and regulations.

#### **The Data Processing Agent**

Pursuant to a Services Agreement with the Management Company, International Financial Data Services Luxembourg S.A., SS&C Financial Services Europe Limited and SS&C Financial Services International Limited were appointed as Data Processing Agents. The appointment of the Data Processing Agent will be terminable by the Management Company upon 12 months' written notice.

Pursuant to the terms of the Services Agreement, each of the Data Processing Agents are entitled to receive from the Management Company reimbursement of all costs and expenses reasonably incurred by it in providing the services contemplated by that agreement.

#### **The Investment Managers and Sub-Investment Managers**

Pursuant to various Investment Management Agreements between the Management Company and the Investment Managers, the latter were appointed Investment Managers to the Funds of abrdn SICAV I. The Investment Management Agreements are terminable by any party at any time upon three months' written notice. However, the Management Company may terminate this Agreement with immediate effect when this is in the interest of the Shareholders. The Investment Managers will manage the investment and reinvestment of the assets of the Funds in accordance with the investment objectives and investment and borrowing restrictions of abrdn SICAV I, under the overall responsibility of the Board of Directors. The current annual investment management fees for services provided under the Investment Management Agreements are shown in the section "Charges and Expenses". abrdn Investments Limited, one of the Investment Managers has delegated, under the overall control of the Board of Directors, certain of these functions to the Sub-Investment Managers listed in the section "Management and Administration" who will be remunerated by the Investment Manager out of its fees.

#### **The Investment Advisors**

Under the terms of an Investment Advisory Agreement, abrdn Asia Limited has been appointed by abrdn Japan Limited to act as Investment Advisor to provide non-discretionary investment advice in relation to abrdn SICAV I - Japanese Sustainable Equity Fund and abrdn SICAV I - Japanese Smaller Companies Sustainable Equity Fund. This agreement is terminable by any party at any time upon three months' written notice or with immediate effect when this is in the interest of the Shareholders. abrdn Japan Limited will remunerate abrdn Asia Limited out of its own fees.

#### **The Depositary**

Pursuant to a depositary agreement dated 5 June 2023 (as amended) (the "**Depositary Agreement**"), abrdn SICAV I has appointed Citibank Europe plc, Luxembourg Branch, as depositary (the "**Depositary**") of the assets of abrdn SICAV I which are held either directly by the Depositary or through a correspondent bank or other agents as appointed from time to time.

The Depositary has been appointed to provide safekeeping services in respect of abrdn SICAV I's assets and to ensure an effective and proper monitoring of abrdn SICAV I's cash flows.

As regards its safekeeping duties, the Depositary shall hold in custody all financial instruments that may be registered in a financial instruments account opened in the Depositary's books (in which case the account shall be segregated so that all financial instruments registered in such account can be clearly identified as belonging to abrdn SICAV I at all times) and all financial instruments that can be physically delivered to the Depositary. Regarding other assets, the Depositary shall verify the ownership by abrdn SICAV I of such assets and shall maintain an up-to-date record of that ownership. For this ownership verification, the Depositary shall base on information or documents provided by abrdn SICAV I and, where available, on external evidence. The Depositary shall provide abrdn SICAV I, on a regular basis, with a comprehensive inventory of all of the assets of abrdn SICAV I.

As regards its cash monitoring duties, the Depositary shall be responsible for the proper monitoring of abrdn SICAV I's cash flows, and, in particular, for ensuring that that all payments made by, or on behalf of, investors upon the subscription of shares of abrdn SICAV I have been received, and that all cash of abrdn SICAV I has been booked in cash accounts that (i) are opened in the name of abrdn SICAV I, or in the name of the Depositary acting on behalf of abrdn SICAV I, (ii) are opened with entity referred to in points (a), (b) and (c) of Article 18(1) of Commission Directive 2006/73/EC (European central bank, European credit institution or third country credit institutions), and (iii) comply with the MiFID segregation and client money principles set out in Article 16 of Directive 2006/73/EC. Where the cash accounts are opened in the name of the Depositary acting on behalf of abrdn SICAV I, no cash of the relevant entity referred to in point (ii) above and none of the own cash of the Depositary shall be booked on such accounts.

In addition to its safekeeping and cash monitoring functions, the Depositary in particular ensures that:

- the sale, issue, repurchase, conversion and cancellation of the Shares effected by or on behalf of abrdn SICAV I are carried out in accordance with Luxembourg law and the articles of incorporation of abrdn SICAV I;
- the value of the Shares of abrdn SICAV I is calculated in accordance with Luxembourg law and the articles of incorporation of abrdn SICAV I;
- the instructions of abrdn SICAV I are carried out, unless they conflict with Luxembourg law or the articles of incorporation of abrdn SICAV I;
- in transactions involving the assets of abrdn SICAV I, the consideration is remitted to it within the usual time limits; and
- the income of abrdn SICAV I is applied in accordance with its articles of incorporation and Luxembourg law.

Under the Depositary Agreement, all securities, cash and other assets of abrdn SICAV I are entrusted to the Depositary.

The Depositary can reuse abrdn SICAV I's assets if provided so in the Depositary Agreement and within the limits provided for by Luxembourg laws and regulations and the Depositary Agreement. In particular, the assets held in custody by the Depositary will be allowed to be reused provided that (i) the reuse of the assets is executed for the account of abrdn SICAV I, (ii) the Depositary is carrying out the instructions of abrdn SICAV I, (iii) the reuse of assets is for the benefit of abrdn SICAV I and in the interest of the shareholders, and (iv) the transaction is covered by high-quality and liquid collateral received by abrdn SICAV I under a title transfer arrangement. In this case, the market value of the collateral shall, at all times, amount to at least the market value of the reused assets plus a premium.

In carrying out its functions, the Depositary shall act at all times honestly, fairly, professionally, independently and solely in the interest of abrdn SICAV I and its Shareholders. In particular, the Depositary shall not carry out any activities with regard to abrdn SICAV I that may create conflicts of interest between abrdn SICAV I, the Shareholders and the Depositary, unless the Depositary has functionally and hierarchically separated the performance of its depositary tasks from its other potentially conflicting tasks and properly identified, managed, monitored and disclosed such potential conflicts to the Shareholders of abrdn SICAV I.

Potential conflicts of interest may nevertheless arise from time to time from the provision by the Depositary and/or its affiliates of other services to abrdn SICAV I or the Management Company or other funds. For example, the Depositary and/or its affiliates may act as the depositary or administrator of other funds. It is therefore possible that the Depositary (or any of its affiliates) may in the course of its business have conflicts or potential conflicts of interest with those of abrdn SICAV I and/or other funds for which the Depositary acts.

Where a conflict or potential conflict of interest arises, the Depositary will ensure that such conflict is managed and monitored in order to prevent adverse effects on the interests of abrdn SICAV I and its Shareholders.

Updated information on the Depositary's custody duties and conflicts of interest that may arise may be obtained, free of charge and upon request, at the Depositary's registered office.

In accordance with the provisions of the Depositary Agreement and the provisions of the Law, the Depositary may, subject to certain conditions and in order to effectively conduct its duties, delegate part or all its safekeeping functions over abrdn SICAV I's assets to one or more third-party delegates appointed by the Depositary from time to time.

When selecting and appointing a third-party delegate, the Depositary shall exercise all due skill, care and diligence as required by the Law to ensure that it entrusts abrdn SICAV I's assets only to a third-party delegate that has adequate structures and expertise for the task delegated and that may provide an adequate standard of protection as required by the Law, including in particular an effective prudential regulation and supervision of the third party delegate in case of delegation of custody tasks. The Depositary's liability as described below shall not be affected by any such delegation.

Notwithstanding the above, where (i) the law of a third country requires that certain financial instruments of abrdn SICAV I be held in custody by a local entity and no local entities in that third country are subject to effective prudential regulation and supervision and (ii) abrdn SICAV I has instructed the Depositary to delegate the safekeeping of such financial instruments to such a local entity, the Depositary may nevertheless delegate its custody functions to such a local entity but only to the extent required by the law of the relevant third country and for as long as there are no other local entities in that third country satisfying the delegation requirements imposed by the Law.

For the avoidance of doubt, a third-party delegate may, in turn, sub-delegate those safekeeping functions that have been delegated to it by the Depositary subject to the same requirements.

For the time being, the Depositary has appointed several entities as third-party delegates in relation to the safekeeping of certain assets of abrdn SICAV I, as further described in the relevant sub-custodian agreement entered into between the Depositary and the relevant third-party delegates. Please refer to <https://www.citigroup.com/global/about-us/global-presence/luxembourg> for the list of third-party delegates of the Depositary to which the safekeeping duties over abrdn SICAV I's assets have been delegated by the Depositary.

The Depositary is liable to abrdn SICAV I and its Shareholders for the loss of a financial instrument held in custody by the Depositary or a third-party delegate pursuant the provisions of the Law, being in particular required to return a financial instrument of identical type or the corresponding amount to abrdn SICAV I without undue delay. The Depositary is also liable to abrdn SICAV I and its Shareholders for all other losses suffered by them as a result of the Depositary's negligent or intentional failure to properly fulfil its duties in accordance with the Law. However, where the event which led to the loss of a financial instrument is not the result of the Depositary's own act or omission (or that of its third-party delegate), the Depositary is discharged of its liability for the loss of a financial instrument where the Depositary can prove that, in accordance with the conditions as set out in the provisions of the Law, the Depositary could not have reasonably prevented the occurrence of the event which led to the loss despite adopting all precautions and reasonable efforts.

abrdn SICAV I and the Depositary may terminate the Depositary Agreement at any time in writing by giving ninety (90) days' notice. However, abrdn SICAV I may dismiss the Depositary or the depositary may voluntarily withdraw only if a new company is appointed within two months to take over the functions and responsibilities of the Depositary. After its dismissal or voluntary withdrawal, the Depositary must continue to carry out its functions and responsibilities until such time as the entire assets of abrdn SICAV I have been transferred to the new depositary.

#### **Paying Agent**

Pursuant to a Paying Agent Agreement, State Street Bank International GmbH acting through its Luxembourg Branch has been appointed by abrdn SICAV I as Paying Agent. The appointment of the Paying Agent is terminable by abrdn SICAV I upon 90 days' written notice.

#### **The Administrator**

Pursuant to the administration agreement dated 5 June 2023 and entered into between abrdn SICAV I, the Management Company and Citibank Europe plc, Luxembourg Branch (the "**Administration Agreement**"), Citibank Europe plc, Luxembourg Branch was appointed as administrator of abrdn SICAV I (the "**Administrator**"). The Administrator is responsible for, inter alia, the daily determination of the Net Asset Value in accordance with Appendix B – Calculation of Net Asset Value.

The Administration Agreement may be terminated by either party upon ninety (90) days' prior written notice, according to the terms and conditions as set out in such agreement, or upon 30 days' written notice where a party has materially breached the terms of said agreement.

## STRUCTURE

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### Funds & Base Currencies

abrdn SICAV I has adopted an "umbrella" structure to provide investors with a choice of different Funds. Each Fund will be differentiated by its specific Investment Objective and Policy. The Funds are denominated either in US Dollars, or, in a different currency, if that is more appropriate for the market and the type of investments of the Fund concerned. The Base Currency of each Fund is listed under "Fund Information" and can also be found at [www.abrdn.com](http://www.abrdn.com).

### Types of Shares & Share Price Calculations

The Shares relating to each Fund are issued in registered form and will be uncertificated. Shares are not available in bearer form.

Investors can restructure their portfolio without having to deal with the excessive paperwork associated with share certificates. Ownership of Shares is evidenced by an entry in abrdn SICAV I's register of Shareholders. Shares may be issued in a sole name or in joint names - up to four joint names are possible. Shares in any Fund will normally be allotted (including Shares rounded to up to four decimal places, if appropriate, to the full value of the amount invested) upon completion of the application procedure described in the section "Dealing in Shares of abrdn SICAV I" under "Subscription for Shares" of this Prospectus. Shares can be issued, switched or redeemed during any Dealing Day, subject to any restrictions in respect of particular Funds specified in this Prospectus.

Not all Funds will issue all Classes of Shares. Investors should refer to [www.abrdn.com](http://www.abrdn.com) for current details of which Classes of Shares are in issue.

The Shares relating to each Fund are issued in the following main Classes, namely Class A, Class B, Class BA, Class BB, Class C, Class E, Class F, Class G, Class I, Class J, Class K, Class L, Class N, Class S, Class W, Class X, and Class Z Shares. Share Class definitions can be found under Appendix D of this Prospectus.

All Classes of Shares (except for Class B, which is closed to new business) may also be offered in currency hedged versions. Hedged Share Classes are offered in a currency (as determined by the Directors of abrdn SICAV I from time to time) other than the Base Currency of the relevant Fund with the exception of Hedged BRL Share Classes which are denominated in the Fund's relevant Base Currency. Unless stated otherwise, all references to Classes of Shares include the Hedge Share Classes thereof.

Hedged Share Classes will include "Hedged" and the relevant currency in their name (e.g. A SInc Hedged EUR).

The Share Classes of each Fund are offered at a price based on their Net Asset Value adjusted to reflect any applicable dealing charges plus, if applicable, an initial charge (for further details of the Share Price calculation see Appendix B – Calculation of Net Asset Value):

All Classes of Shares of all the Funds that are in issue may be listed on the Luxembourg Stock Exchange.

Shares are quoted and dealt in the relevant Share Class' designated currency denomination and in other currencies, including (without limitation) US Dollars, Sterling and Euro. For the purposes of being eligible for central clearing systems such as Clearstream or Euroclear and the National Securities Clearing Corporation (NSCC), which may require stock identification numbers or codes (which include a reference to the quoted and dealing currency of the Share in this code or number), these dealing currencies represent individual Share Classes in these systems.

Shares quoted and dealt in currencies other than the relevant Share Class' designated currency denomination are not additional Share Classes in abrdn SICAV I and must not be viewed as such. They are the Share Classes quoted and dealt in other currencies with the associated foreign exchange risk.

For information on how to invest see the section on "Subscription for Shares".

### Currency Hedged Share Classes

The Funds may offer currency hedged Share Classes, whose intention is to mitigate against fluctuations in the exchange rate of the hedged currency of the Share Class (the currency of the Share Class a Shareholder invests in) relative to the particular Base Currency of the relevant Fund.

To effect currency hedging, subscriptions into a hedged Share Class will be converted into the Base Currency of the Fund and that currency exposure will then be hedged at the current forward foreign exchange rate (with this hedging transaction rolled over periodically thereafter), with the exception of Share Classes that offer hedged currency exposure to the Brazilian Real ("Hedged BRL Share Classes"). Due to currency controls in Brazil, the access to the Brazilian Real is restricted and therefore Hedged BRL Share Classes will adopt a different hedging model to the standard model outlined above.

Hedged BRL Share Classes are designed to offer a currency hedging solution to the underlying investors of funds domiciled in Brazil. These Brazilian funds combine the use of financial derivative instruments within the Hedged BRL Share Class with the use of spot foreign exchange contracts at their own level to offer their investors a full BRL currency hedged investment.

Hedged BRL Share Classes will be denominated in the Base Currency of the relevant Fund and will systematically convert the Net Asset Value of the Share Class to BRL. This will be achieved through financial derivative instruments including non-deliverable forwards. The Net Asset Value of the Hedged BRL Share Classes will fluctuate in line with changes in the exchange



rate between the BRL and the Fund's Base Currency and performance may therefore differ significantly from that of other Share Classes in the same Fund.

For all types of Hedged Share Classes, shareholders should bear in mind that they are electing to gain exposure to the currency of the hedged Share Class. This currency will strengthen or weaken against other currencies in the future, including currencies in which the relevant Fund holds investments. This is particularly important in respect of Funds where a material proportion of underlying assets is held in different currencies to the Base Currency of the Fund. Where this is the case, currency hedging will operate to transpose Shareholders' currency risk from their currency of investment to the Fund Base Currency relative to the currency of the underlying assets, and currency gains and losses and corresponding returns may be more volatile than the unhedged Share Classes in the same Fund. By contrast, where a material proportion of underlying assets is held in the same currency as the Base Currency of the Fund, Base Currency Share Class hedging will operate to mitigate Shareholders' currency risk. It should be noted that the alignment between the currency exposure of the underlying assets and the Base Currency of the Fund will vary over time.

Accordingly, Shareholders must bear in mind that currency hedging strategies will impact their investment if the hedged Share Class currency rises or falls against the Base Currency, and also if the hedged Share Class currency rises or falls against the currency in which some or all of the investments of the relevant Funds are denominated.

#### **General information regarding hedged Share Classes**

The Investment Managers will utilise various techniques (see Appendix A – "Investment Techniques and Instruments and Use of Financial Derivative Instruments") to hedge the currency exposures as described herein, including financial swaps, futures, forward currency exchange contracts, options and other similar derivative transactions deemed appropriate in its discretion but which are within the limits laid down by the CSSF.

The costs associated with hedged share class transactions (including transaction costs relating to the instruments and contracts used to implement the hedge) will be attributed to a specific Class and will be reflected in the Net Asset Value of that Class. An additional fee of up to 0.04% of the Net Asset Value may be charged by the relevant Investment Manager to the relevant hedged Share Class (including the Hedged BRL Share Classes) for providing this currency hedging service, part of which fee may be allocated to third parties. Investors are reminded that there is no segregation of liability between Share Classes, so there is a remote risk that under certain circumstances, unhedged share class holders of the same Fund will be exposed to liabilities arising from currency hedging transactions undertaken for a hedged Share Class which negatively impacts the Net Asset Value of the unhedged Share Class. Hedging involves additional risks which are set out in this Prospectus under the "General Risk Factors" heading.

Currency hedges will be set at least monthly or at any other time that the relevant Investment Manager may deem appropriate. It is not possible to hedge fully or perfectly against market fluctuations and there is no assurance or guarantee that such hedging will be effective. No intentional leveraging should result from the hedged share class currency transactions of a Class, however hedging may for short periods result in a currency exposure in excess of the value of the hedged Share Class (following a significant redemption for example).

Investors should note that a dilution adjustment may be charged on a hedged share class if the effect on the Net Asset Value as a result of Share Class hedging activities exceeds 5% of the Net Asset Value of the Fund or any other threshold determined by the Board of Directors (having considered prevailing market conditions) of the issued Shares linked to that Fund.

Investors should also note that the hedging of Share Classes by the Investment Managers is distinct from the strategies and techniques that may be adopted at the level of the portfolio of securities held within each Fund.

Investors should refer to [www.abrdn.com](http://www.abrdn.com) for further details before investing in a currency hedged Share Class.

## FUND INFORMATION

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abrln SICAV I aims to provide investors with a broad international range of diversified actively-managed Funds which, through their specific investment objectives and individual portfolios, offer investors the opportunity of exposure to selected areas or to conveniently build a diversified global stock and bond portfolio to meet individuals investment goals.

The overall strategy of abrln SICAV I and the separate Funds is to seek diversification through investment primarily in Transferable Securities.

Funds may hold ancillary liquid assets (i.e. bank deposits at sight, such as cash held in current accounts with a bank accessible at any time) up to 20% of their net assets for treasury purposes. That is, to cover current or exceptional payments, or for the time necessary to reinvest in eligible assets provided under article 41(1) of the Law or for a period of time strictly necessary in case of unfavourable market conditions.

Funds may invest directly in money market and cash equivalent instruments or short-term debt securities, which may include fixed or floating rate commercial paper, bonds, notes and bills, bank deposits, certificates of deposit, term deposits up to one year, bankers' acceptances, call and notice accounts, and undertakings of collective investment which invest in these instruments (i.e. money market funds) for treasury purposes.

abrln SICAV I has established a network of Investment Managers, Sub-Investment Managers and Investment Advisors through which it obtains active investment advisory and management services. The Investment Managers will have the responsibility for each Fund's investment activities. Investors will rely on the judgment, beliefs and values of the Investment Managers who have discretionary powers in exercising this responsibility. Where the context so requires, references in this Prospectus to Investment Manager should be read as references to Sub-Investment Manager. Our overriding investment philosophy is that we believe that superior investment returns will only be obtained in the long run through a well-defined and disciplined investment process which is consistently applied. The Funds benefit from the depth and interaction of this global investment advisory network and enjoy the advantages of having specialist personnel who have local expertise and timely access to the very latest local market information. The detailed investment powers and restrictions are set out in Appendix A.

**The following applies to the Funds specified, unless otherwise stated in the Investment Objective and Policy of a particular Fund.**

No more than 10% of the Net Asset Value of the Fund may be invested in equities or equity related securities.

abrln SICAV I – abrln-CCBI Belt & Road Bond Fund  
abrln SICAV I – Asian Bond Fund  
abrln SICAV I – Asian Credit Sustainable Bond Fund  
abrln SICAV I – Asian High Yield Sustainable Bond Fund  
abrln SICAV I – China Onshore Bond Fund  
abrln SICAV I – Climate Transition Bond Fund  
abrln SICAV I – Emerging Markets Bond Fixed Maturity 2023 Fund  
abrln SICAV I – Emerging Markets Corporate Bond Fund  
  
abrln SICAV I – Emerging Markets SDG Corporate Bond Fund  
abrln SICAV I – Emerging Markets Total Return Bond Fund  
abrln SICAV I – Euro Government Bond Fund  
abrln SICAV I – Frontier Markets Bond Fund  
abrln SICAV I – GDP Weighted Global Government Bond Fund  
abrln SICAV I – Global Bond Fixed Maturity 2023 Fund  
abrln SICAV I – Global Bond Fund  
abrln SICAV I – Global Corporate Sustainable Bond Fund  
abrln SICAV I – Global Government Bond Fund  
  
abrln SICAV I – Indian Bond Fund  
abrln SICAV I – Select Emerging Markets Bond Fund  
abrln SICAV I – Select Emerging Markets Investment Grade Bond Fund  
abrln SICAV I – Select Euro High Yield Bond Fund  
abrln SICAV I – Short Dated Enhanced Income Fund  
  
abrln SICAV I – US Dollar Credit Sustainable Bond Fund

The Investment Managers are under no obligation to sell a holding in a company which no longer qualifies as a Smaller Company (as defined in the relevant Fund's objective) after the date of investment.

abrln SICAV I – Asian Smaller Companies Fund  
abrln SICAV I – Emerging Markets Smaller Companies Fund  
abrln SICAV I – Japanese Smaller Companies Sustainable Equity Fund  
abrln SICAV I – North American Smaller Companies Fund  
abrln SICAV I – World Smaller Companies Fund

No more than 10% of the Net Asset Value of the Fund may be invested in contingent convertible securities.

www.cabrln SICAV I – abrln–CCBI Belt & Road Bond Fund  
abrln SICAV I – Asia Pacific Multi Asset Fund  
abrln SICAV I – Asian Bond Fund  
abrln SICAV I – Asian Credit Sustainable Bond Fund  
abrln SICAV I – Diversified Growth Fund  
abrln SICAV I – Diversified Income Fund  
abrln SICAV I – Emerging Markets Bond Fixed Maturity 2023 Fund  
abrln SICAV I – Emerging Markets Corporate Bond Fund  
  
abrln SICAV I – Euro Government Bond Fund  
abrln SICAV I – Global Bond Fixed Maturity 2023 Fund  
  
abrln SICAV I – Select Emerging Markets Bond Fund  
abrln SICAV I – Select Euro High Yield Bond Fund  
abrln SICAV I – US Dollar Credit Sustainable Bond Fund

No more than 5% of the Net Asset Value of the Fund may be invested in contingent convertible securities.

abrln SICAV I – China Onshore Bond Fund  
abrln SICAV I – Climate Transition Bond Fund  
abrln SICAV I – Emerging Markets Total Return Bond Fund  
abrln SICAV I – Global Bond Fund  
abrln SICAV I – Global Corporate Sustainable Bond Fund  
abrln SICAV I – Global Government Bond Fund  
abrln SICAV I – Short Dated Enhanced Income Fund

No Fund will invest in contingent convertible securities except as stated above.

No more than 10% of the Net Asset Value of any Fund may be invested in distressed / defaulted securities.

No more than 20% of the Net Asset Value of any Fund may be invested in ABS and/or MBS.

No more than 10% of the Net Asset Value of the Fund may be invested directly or indirectly in Mainland China securities (including through QFI, CIBM, Shanghai-Hong Kong Stock Connect or Shenzhen Hong Kong Stock Connect, participatory notes, equity linked notes and any other eligible means).

abrln SICAV I – Asian Credit Sustainable Bond Fund  
abrln SICAV I – Asian High Yield Sustainable Bond Fund  
abrln SICAV I – Climate Transition Bond Fund  
abrln SICAV I – Global Climate and Environment Equity Fund  
abrln SICAV I – Global Corporate Sustainable Bond Fund  
abrln SICAV I – Global Dynamic Dividend Fund  
abrln SICAV I – Global Innovation Equity Fund  
abrln SICAV I – World Resources Equity Fund  
abrln SICAV I – World Smaller Companies Fund  
abrln SICAV I – Short Dated Enhanced Income Fund

The Fund will not invest in any securities that are rated below B- (or below BBB- in the case of ABS and MBS) by Standard & Poor's or an equivalent rating from another rating agency. Where two or more ratings are available for a security, the second highest rating will be used. In the event that any securities held by the Fund are subsequently downgraded below the abovementioned ratings, the Investment Manager may maintain a maximum total exposure of 3% of the Fund's Net Asset Value to such downgraded securities. Should the total exposure to such downgraded securities exceed 3% of the Fund's Net Asset Value, the Investment Manager will reduce this exposure to a maximum of 3% within six months.

abrln SICAV I – China Onshore Bond Fund  
abrln SICAV I – Emerging Markets Total Return Bond Fund  
abrln SICAV I – GDP Weighted Global Government Bond Fund  
abrln SICAV I – Global Bond Fund  
abrln SICAV I – Global Corporate Sustainable Bond Fund  
abrln SICAV I – Global Government Bond Fund  
abrln SICAV I – Select Emerging Markets Investment Grade Bond Fund

For any other Fund and subject to its investment policy, any security which is downgraded after purchase to Sub-Investment Grade will not be sold unless, in the opinion of the Investment Manager, this is in the best interest of Shareholders.

Any Fund may enter into securities lending transactions within the limits and restrictions laid down in section "Investment Techniques and Instruments and use of Financial Derivative Instruments" in Appendix A.

# EU'S SUSTAINABLE FINANCE DISCLOSURE REGULATION – SUSTAINABILITY RISK INTEGRATION

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## Investment Philosophy and Process

### Sustainability Risk Integration

abrdn, through its Management Company and Investment Managers, integrates sustainability risks and opportunities into its research, analysis and investment decision-making processes for the Funds. abrdn believes that the consideration of sustainability risks and opportunities can have a material impact on long-term returns for investors.

All Funds are managed using an investment process integrating environmental, social and governance ("ESG") factors but unless specifically noted do not promote environmental or social characteristics or have specific sustainable investment objectives. For Funds that do not have sustainability-related characteristics or that do not pursue sustainable investment objectives, this means that whilst sustainability risk factors and risks are considered, they may or may not impact portfolio construction.

abrdn's sustainability risk integration requires, in addition to its inclusion in the investment decision making process, appropriate monitoring of sustainability considerations in risk management and portfolio monitoring. Where the Management Company believes it can influence or gain insight, the Management Company actively engages with the companies and assets in which it invests. The Management Company believes this will create long-term value, including in relation to ESG practice. Where the Management Company has rights, the Management Company also votes at Annual General Meetings of target companies to drive change. abrdn also engages with policymakers on sustainability risk and stewardship matters.

Combining the integration of sustainability risks and opportunities with broader monitoring and engagement activities may affect the value of investments and therefore returns.

Further information on abrdn's approach on sustainable investing and sustainability risk integration are available on the website at [www.abrdn.com](http://www.abrdn.com) under "Sustainable Investing".

### Sustainability-related disclosure in line with EU SFDR

The European Union Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector ("SFDR") is designed to enable investors to better understand sustainability-related investment strategies, notably sustainability risk integration, promotion of environmental or social characteristics and pursuit of a sustainable investment objective.

As part of this enhanced transparency, investment funds are subject to disclosure requirements depending on the degree of consideration given to sustainability and binding investment criteria. The disclosure requirements are defined in the following SFDR Articles and further specified by Commission Delegated Regulation (EU) 2022/1288 (the "SFDR Delegated Regulation").

- **Article 6** – Funds which integrate sustainability risks into their investment process but do not give binding commitments, do not promote environmental and/or social characteristics and do not have sustainable investments as their objective.
- **Article 8** - Funds that promote social and/or environmental characteristics, invest in companies that follow good governance, give binding commitments but do not have a sustainable investment objective.
- **Article 9** - Funds that have sustainable investment or carbon reduction as their objective and give binding commitments.

The SFDR Article to which each Fund is subject is set out in its Investment Objective and Policy.

**Information regarding the environmental or social characteristics and the sustainable investment objective of Article 8 and 9 Funds respectively are set out in their Investment Objective and Policy and detailed in the SFDR Annex, appended to this Prospectus.**

### Principal adverse impact ("PAI") consideration

Under SFDR all Funds have to indicate whether they consider PAIs on sustainability factors and if so, how this is applied.

PAI indicators are metrics that measure the negative effects on environmental and social matters. The Management Company considers PAIs within the investment process for all Article 8 and 9 Funds but not for Article 6 Funds. The Management Company assesses PAIs by using, amongst others, the PAI indicators referred to in the SFDR Delegated Regulation; however, dependent on data availability, quality and relevance to the investments not all SFDR PAI indicators may be considered.

The Management Company's approach to PAI consideration for each Fund is specified in the SFDR Annex, appended to this Prospectus. Where Funds consider PAIs, information on that consideration will be made available in annual reports. Article 6 Funds do not commit in any binding way to consider PAIs in the investment process, because the Funds do not commit to achieving a sustainable outcome nor to reducing negative impacts on ESG matters. However, Article 6 Funds do consider and

integrate sustainability risks into their investment process (as set out above). Principal adverse impact indicators, as provided by Commission Delegated Regulation (EU) 2022/1288, may be considered as part of this risk assessment.

### **Sustainable Investments**

The SFDR provides a general definition of "Sustainable Investment". This definition applies to Article 9 Funds which have a sustainable investment objective. In addition, Article 8 Funds may also set a minimum proportion of Sustainable Investments but they do not have a specific sustainable objective. The minimum proportion of Sustainable Investments of each Fund, where applicable, is outlined in the Investment Objective and Policy and in the SFDR Annex.

In line with the SFDR definition, abrdn has developed an approach on how to satisfy the three criteria for Sustainable Investments in the relevant Funds as set out below. The three criteria are:

1. **Economic Contribution** - The economic activity makes a positive contribution to an environmental or social objective, this includes consideration of Environmental or Socially aligned revenues, Capex, Opex or sustainable operations.
2. **No Significant Harm** - The investment does not cause Significant Harm ("**Do No Significant Harm**"/ "**DNSH**") to any of the sustainable investment objectives.
3. **Good Governance** - The investee company follows good governance practices.

If the investment passes all of the above three tests, it can then be deemed as a Sustainable Investment. Additional information on Article 8 and 9 Funds' approaches to making Sustainable Investments is detailed in the SFDR Annex, appended to this Prospectus.

### **Calculating the overall proportion of Sustainable Investments**

Once the Management Company has identified that an investment meets all of the three criteria set out above, the Management Company then calculates the proportion of Sustainable Investments by specifically looking at the share of the company's economic activities that contribute to environmental and/or social objectives. This might be based solely on quantitative data, or the Management Company may supplement with qualitative insight to derive the overall reportable positive contribution to an environmental and/or social objective. It is this element that is weighted and counted towards the Fund's total aggregated proportion of Sustainable Investments. The qualitative insight uses the Management Company's insight and engagement outcomes to provide additional detail to calculate an overall percentage of economic contribution for each holding in a Fund. Where a Fund also invests in Taxonomy-aligned economic activities (as set out below), these are included in the Fund's aggregated Sustainable Investment proportion as they will meet the three criteria set out above, in addition to being disclosed separately.

### **EU Taxonomy (Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment)**

The EU Taxonomy regulation provides a methodology to identify whether economic activities can be considered environmentally sustainable ("**Taxonomy-aligned**") or not. Where a Fund invests in Taxonomy-aligned economic activities, these are included in the Fund's aggregated Sustainable Investment proportion as they will meet the three criteria set out above, in addition to being disclosed separately.

The investments underlying an Article 6 Fund do not take into account the EU criteria for environmentally sustainable economic activities.

Where Article 8 and 9 Funds have set a minimum proportion of investments in Taxonomy-aligned economic activities, the SFDR Annex sets out the environmental objective(s) of the Fund, including whether the activities qualify as transitional or enabling activities under the EU Taxonomy. Unless specifically stated within a Fund's Investment Objective and Policy, the Funds do not currently set a minimum percentage of Taxonomy-alignment. This will be reviewed as the quality and availability of data evolves. Information on Funds' Taxonomy-alignment can also be found in the SFDR Annex, appended to this Prospectus.

The "do no significant harm" principle applies only to those investments underlying the Funds that take into account the EU criteria for environmentally sustainable economic activities.

The investments underlying the remaining portion of the Funds do not take into account the EU criteria for environmentally sustainable economic activities.

### **Active Equities – abrdn managers**

The Investment Managers (excluding any third party managers) believe that company fundamentals ultimately drive stock prices but are often valued inefficiently. Therefore, they believe that careful research is the key to delivering insights that allow them to exploit these inefficiencies.

The Investment Managers believe that comprehensive assessment of ESG factors, combined with constructive company engagement, leads to better client outcomes. Material ESG risks and opportunities are considered before investment for all Active Equity Funds. ESG assessment does not result in the exclusion of companies based upon their sector or their involvement in any particular activity unless specific criteria are applied to a Fund, which will be stated in that Fund's Investment Objective and Policy.

The comprehensive global research of the Investment Managers allows them to support differentiated but complementary investment approaches: Long Term Quality and Focus on Change.

## **1. Long Term Quality**

For the Funds which utilise the Long Term Quality equity investment approach, the Investment Managers' views are that long term returns are achieved by investing in high-quality businesses at attractive valuations and hold them for the long term. An estimate of a company's worth is analysed in two stages, assessing quality then value. Long Term Quality portfolios are subject to limited constraints relative to any internal benchmark.

## **2. Focus on Change**

For the Funds which utilise the Focus on Change equity investment approach, the Investment Managers seek to identify change in companies' fundamentals before the market anticipates it. This is a style-agnostic investment approach.

Within Focus on Change, a range of distinct portfolio outcomes can be offered:

### **a. High Active**

These strategies are high conviction active strategies, with long term alpha driven stock selection:

#### **High Active – Core**

These strategies are intended to be a Core equity offering and its holdings will be subject to internal constraints intended to limit performance volatility versus the current internal benchmark index. These constraints may vary over time.

#### **High Active – Unconstrained**

These strategies typically hold a concentrated portfolio of stocks which will be subject to constraints at an absolute level rather than relative to any benchmark index. Performance volatility can potentially be greater than a similar Core equity offering. These constraints may vary over time.

### **b. Smaller Companies**

These strategies are high conviction active small and mid-cap strategies, generating long-term alpha driven by stock selection. These strategies will be subject to less restrictive constraints compared to the current benchmark index and will be managed with a higher performance or "alpha" target in mind than a similar Core offering. Performance volatility is likely to exceed that of a similar Core offering. The constraints and alpha generation target may vary over time.

### **c. Income**

These strategies use a holistic, cash flow focused approach to generate a higher yield. Income strategies will be further split in Core and Unconstrained, as described below.

#### **Income-Core**

These strategies are intended to be a Core equity offering and its holdings will be subject to internal constraints intended to limit performance volatility versus the current internal benchmark index. These constraints may vary over time.

#### **Income-Unconstrained**

These strategies typically hold a concentrated portfolio of stocks which will be subject to constraints at an absolute level rather than relative to any benchmark index. Performance volatility can potentially be greater than a similar Core equity offering. These constraints may vary over time.

## **Focused Funds**

These strategies are intended to deliver a concentrated portfolio of the best ideas of the investment team. The Funds utilise the Investment Manager's stock selection capabilities and idea generation process to deliver high active, all capitalisation portfolios.

## **Values Led Investing**

Both Long Term Quality and Focus on Change investment strategies may be subject to values-led criteria, such as ethical, sustainable or impact investing, such criteria being outlined in the Investment Objective and Policy of the relevant Fund. Investment strategies that employ Values Led Investing may be subject to company exclusions based upon a specific sector or their involvement in a particular activity, and/or may involve the active selection of companies based on their positive impact.

### **3. Dynamic Dividend**

This strategy looks to generate high levels of income relative to the relevant benchmark index. It does this by investing the majority of assets for the long term to generate income and capital growth. To increase the overall income generated, a small portion of investments are held for short periods of time to capture regular dividends that are paid along with one off or special dividends from companies.

### **Fixed Income**

The Investment Managers aim to add value through deep fundamental research, across Sovereign debt markets investment grade credit, emerging market debt, Sub-Investment Grade bonds and private debt markets while integrating ESG considerations. This is achieved by combining a top-down investment approach with bottom up security selection. The top-down investment decisions are derived from fundamental analysis of the global macroeconomic environment and building an economic assessment covering the key economic regions and countries, forming the foundation upon which the Investment Managers determine investment themes and implement strategies. Bottom-up security selection requires diligent and thoughtful company and/or country research integrating ESG factors to allow the Investment Manager to build up a picture of the company's or country's ability to generate free cash flows. This underwriting process considers factors such as a company's business plan (or country fundamentals), capital structure and liquidity in order to assess the likelihood of that company not paying interest and principal on its debt. Across all debt markets the Investment Managers hold securities or combinations of securities that reflect their views on company and/or country fundamentals, market technicals and relative valuations of a market or sector of a market. We invite you to visit [www.abrdn.com](http://www.abrdn.com) under "Sustainable Investing" to find out more about our Sustainable Development investment principles which apply to the fixed income investments made by all the Funds.

### **Multi Asset**

The Investment Managers build its multi asset portfolios based primarily on a belief in diversification (the benefits of allocating across multiple asset classes). From an asset allocation perspective, the Investment Managers focus on potential asset class risk and return over the medium term (3-5 years). Making use of economic forecasts, implied market views and assumptions about historical trends and mean reversion, the Investment Managers establish a base case view on where the world is heading over various time periods, the implications for investment returns through and across the market cycle (and where there are potential opportunities to rotate investments from expensive to cheap assets), and resulting indicative portfolios to meet the objectives of the mandate. Short-term tactical asset allocation opportunities are incorporated with the aim of enhancing returns and also better managing the risk of the portfolio. We seek to identify the most efficient way to achieve any exposure, net of any fees and costs of the investment. The portfolio will be able to make use of the abrdn Group's investment management capability across in a broad range of asset classes. Some opportunities, however, are best captured via third party (external) asset managers, particularly in niche asset classes or more alpha orientated strategies. In some cases derivatives will be used to most efficiently implement an exposure or, for example, for portfolio protection and/or currency hedging purposes.

### **Listed Real Estate**

The Investment Managers seek to maintain a diverse asset mix at regional, country and stock level. The Investment Managers' primary focus is on stock selection using fundamental research techniques to select individual holdings' misalignment between the Investment Managers' assessment of growth prospects and that of the market, and which align with their views regarding future economic and business conditions. The portfolio holdings will typically consist of property companies, including REITs.

### **Factor Investing – Smart Beta**

The Investment Managers' views are, given the inefficiency of markets, that superior long term returns can be achieved by a systematic, disciplined quantitative investment approach. The Investment Managers employ diversified multi-factor equity strategy targeting enhanced RIPE (Robust, Intuitive, Persistent, Empirical) factors. All the targeted factors have strong rationale for producing superior returns supported by a wealth of academic research together with verified and enhanced by in-house research. The current enhanced factors targeted by the Investment Managers are Value, Quality, Momentum, Small Size and Low Volatility. The Investment Managers also operate an "Environmental, Social and Governance (ESG) Inside" investment policy where they exclude controversial companies from their portfolios. Portfolios are constructed with the use of an optimisation process to ensure that all positions are fully calibrated by taking a holistic risk-and-return view of each potential investment.

### **Factor Investing – Artificial Intelligence**

The Investment Managers' views are, given the inefficiency of markets, that superior long term returns can be achieved by a systematic, disciplined quantitative investment approach. The Investment Managers employ a variety of quantitative techniques based on statistical and numerical analysis, including machine learning, whereby an algorithm is able to learn from large volumes of data input and make predictions regarding the future performance of stocks. The Investment Managers will adopt a disciplined and rigorous approach to both stock selection and portfolio construction.

### **Closed End Fund Strategies**

The Investment Managers seek to deliver a portfolio of "best in class" investments trading at attractive valuations in attractive asset classes and geographies. The process combines top-down and bottom-up considerations and seeks to deliver returns from



a combination of asset allocation, manager selection and participation in discount opportunities. The Investment Managers' philosophy is underpinned by the following core beliefs:

- Specialist investment managers with sustainable competitive advantages can deliver superior performance
- Buying well-managed assets at a discount to their intrinsic value can enhance returns
- Contrarian investing goes hand in hand with buying discounted assets
- The best form of risk control is an appropriate level of diversification

These beliefs translate into the following key goals:

- Identify and allocate to "Best of Breed" vehicles and managers
- Invest at a discount to intrinsic value, where possible
- Take advantage of opportunities presented by corporate actions
- Make asset allocation decisions within a rigorous framework

### **Thematic Funds**

Thematic Funds invest in single or multiple themes to take advantage of the attractive investment opportunities from investing in these themes. While thematic Funds may focus on a single theme the investment team look for portfolios to be well diversified, although there may be material representations from some sectors due to the nature of the theme(s). The Funds have the ability to invest in companies across the market capitalisation spectrum.

**Distinct investment objectives have been established for each Fund, which, together with their investment policies, where applicable, and Base Currencies, are as follows:**

### **ABRDN SICAV I – ALL CHINA SUSTAINABLE EQUITY FUND**

This Fund is subject to Article 8 of the SFDR. Further information can be found under section "EU's Sustainable Finance Disclosure Regulation – Sustainability Risk Integration".

#### **Investment Objective and Policy**

The Fund's investment objective is long term total return to be achieved by investing at least 90% of the Fund's assets in equities and equity-related securities of companies listed, incorporated or domiciled in China; or companies that derive a significant proportion of their revenues or profits from Chinese operations or have a significant proportion of their assets there.

The Fund may invest up to 100% of its net assets in Mainland China equity and equity-related securities through the Shanghai-Hong Kong and Shenzhen-Hong Kong Stock Connect programme or by any other available means, a 30% limit applies to QFI regime.

The Fund is actively managed.

The Fund aims to outperform the MSCI China All Shares Index (USD) benchmark before charges. The benchmark is also used as a reference point for portfolio construction and as a basis for setting risk constraints, but does not incorporate any sustainable criteria.

In order to achieve its objective, the Fund will take positions whose weightings diverge from the benchmark and may invest in securities which are not included in the benchmark. The investments of the Fund may deviate significantly from the components of and their respective weightings in the benchmark. Due to the active and sustainable nature of the management process, the Fund's performance profile may deviate significantly from that of the benchmark.

The Fund promotes environmental and social characteristics but does not have a sustainable investment objective.

Investment in all equity and equity-related securities will follow abrdn's "All China Sustainable Equity Investment Approach". Through the application of this approach the Fund has an expected minimum of 20% in Sustainable Investments. Furthermore, the Fund targets an ESG rating that is equal to or better, and a meaningfully lower carbon intensity, than the benchmark.

This approach utilises abrdn's equity investment process, which enables portfolio managers to qualitatively identify and focus investment in sustainable leaders and improvers. Sustainable leaders are viewed as companies with the best in class ESG credentials or products and services which address global environmental and societal challenges, whilst improvers are typically companies with average governance, ESG management practices and disclosure with potential for improvement.

To complement this research, the abrdn ESG House Score is used to quantitatively identify and exclude those companies exposed to the highest ESG risks. Additionally, abrdn apply a set of company exclusions which are related to the UN Global Compact, Norges Bank Investment Management (NBIM), Weapons, Tobacco, Gambling, Thermal Coal, Oil & Gas and Electricity Generation. More detail on this overall process is captured within the abrdn All China Sustainable Equity Investment Approach, which is published at [www.abrdn.com](http://www.abrdn.com) under "Fund Centre".

Engagement with external company management teams is used to evaluate the ownership structures, governance and management quality of those companies in order to inform portfolio construction.

The abrdn All China Sustainable Equity Investment Approach reduces the benchmark investable universe by a minimum of 20%.

Financial derivative instruments, money-market instruments and cash may not adhere to this approach.

The Fund may utilise financial derivative instruments for hedging and/or investment purposes, or to manage foreign exchange risks, subject to the conditions and within the limits laid down by applicable laws and regulations. The use of derivatives for hedging and/or investment purposes is expected to be very limited, mainly in those cases where there are significant inflows into the Fund so that cash can be invested while the Fund's investments in equity and equity related securities is maintained.

Where Share Classes are denominated in a currency other than the Base Currency of the Fund, a currency specific benchmark will typically be used for performance comparison purposes. This will either be the benchmark of the Fund expressed in another currency or a different currency specific benchmark with similar characteristics. Benchmarks applicable to such Share Classes are disclosed in the relevant PRIIPS KID.

**Base Currency:** US Dollars.

**Investment Manager:** abrdn Investments Limited  
abrdn Hong Kong Limited

**Sub-Investment Manager:** abrdn Asia Limited (Mainland Chinese assets only)

**Investment Process:** Active Equities - Values Led Investing

**Investor Profile:** This Fund gives access to Chinese equity securities and may be suitable for investors seeking capital appreciation opportunities through equity investments which comply with the Fund's Sustainable Investment process. The investor may use this single country equity fund as a complement to a diversified portfolio or as a stand-alone core equity portfolio. Due to the additional individual risks associated with investments in China, the investor should have a long-term investment horizon. This Fund may also be suitable for investors seeking a sustainability-related outcome.

#### **Risk warnings specific to abrdn SICAV I – All China Sustainable Equity Fund**

In addition to the general risk factors set out under "General Risk Factors" potential investors should be aware of certain Fund specific risks:

- Exposure to a single country market increases potential volatility.
- The Fund may invest in Mainland China - potential investors should note the "Investing in Mainland China" section of the "General Risk Factors" and the "Taxation of Chinese Equity and Bonds" section under "Taxation".
- The Fund invests in Chinese equities and equity-related securities thereby providing exposure to Emerging Markets which tend to be more volatile than mature markets and its value could move sharply up or down. In some circumstances, the underlying investments may become less liquid which may constrain the Investment Manager's ability to realise some or all of the portfolio. The registration and settlement arrangements in Emerging Markets may be less developed than in more mature markets so the operational risks of investing are higher. Political risks and adverse economic circumstances are more likely to arise.
- The Fund may invest in companies with VIE structures in order to gain exposure to industries with foreign ownership restrictions. There is a risk that investments in these structures may be adversely affected by changes in the applicable legal and regulatory framework.
- The Fund may utilise financial derivative instruments for investment purposes in pursuing its investment objective (in addition to use for hedging purposes). Use of derivatives other than for hedging may result in leverage and may increase volatility in the Net Asset Value of the Fund.
- Applying ESG and sustainability criteria in the investment process may result in the exclusion of securities in which the Fund might otherwise invest. Such securities could be part of the benchmark against which the Fund is managed, or be within the universe of potential investments. This may have a positive or negative impact on performance and may mean that the Fund's performance profile differs to that of funds which are managed against the same benchmark or invest in a similar universe of potential investments but without applying ESG or sustainability criteria. Furthermore, the lack of common or harmonised definitions and labels regarding ESG and sustainability criteria may result in different approaches by managers when integrating ESG and sustainability criteria into investment decisions. This means that it may be difficult to compare funds with ostensibly similar objectives and that these funds will employ different security selection and exclusion criteria. Consequently, the performance profile of otherwise similar funds may deviate more substantially than might otherwise be expected. Additionally, in the absence of common or harmonised definitions and labels, a degree of subjectivity is required and this will mean that a fund may invest in a security that another manager or an investor would not.

## **ABRDN SICAV I – abrdn-CCBI BELT & ROAD BOND FUND**

This Fund is subject to Article 6 of the SFDR. Further information can be found under section "EU's Sustainable Finance Disclosure Regulation – Sustainability Risk Integration".

### **Investment Objective and Policy**

The Fund's investment objective is long term total return to be achieved by investing at least two-thirds of the Fund's assets in Debt and Debt-Related Securities which are issued by government or government-related bodies and/or corporations which, in the view of the Investment Manager, could directly or indirectly benefit from the Belt and Road Initiative.

The Belt and Road Initiative is a systematic initiative and global development strategy launched by the Chinese government in 2013 to promote the land and sea connectivity along Asia, Europe, Middle-East, and Africa and their adjacent seas (i.e. the Belt and Road Region) to establish and strengthen economic partnerships and cooperation along these regions. The Investment Manager will review each investment on its own merits and how it is aligned with and expected to benefit from China's Belt and Road Initiative. The Investment Manager will assess how the countries and companies exposed to the Belt and Road Region with their respective economies, resources and businesses will cooperate and mutually complement each other in different areas or sectors.

The Fund may also invest in Debt and Debt-Related Securities issued by other governments, as well as deposits, certificates of deposits and cash, and/or in collective investment schemes which invest in these instruments.

The Fund will invest at least 80% in US Dollar denominated Debt and Debt-Related Securities. The Fund may also invest in Debt and Debt-Related Securities denominated in any other currencies, these will typically be hedged back to US Dollars. The Fund may invest up to 100% of its Net Asset Value in Sub-Investment Grade Debt and Debt-Related Securities.

The Fund is actively managed and does not use a benchmark for portfolio construction, risk management or performance assessment purposes. The Investment Manager will seek to reduce the risk of losses and the expected change (as measured by annual volatility) in the value of the Fund is not ordinarily expected to exceed 10%.

CCB International Asset Management Limited, ("CCBI"), incorporated in Hong Kong and having its registered office at 12/F., CCB Tower, Connaught Road Central, Central, Hong Kong, has been appointed as investment advisor with respect to the Fund and provides the Sub-Investment Manager with non-binding investment advice in connection with the Belt and Road Initiative. CCBI is remunerated by the Investment Manager out of its fees.

**Base Currency:** US Dollars.

**Investment Manager:** abrdn Investments Limited

**Sub-Investment Manager:** abrdn Asia Limited

**Investment Advisor (non-discretionary):** CCB International Asset Management Limited

**Investment Process:** Fixed Income

**Investor Profile:** This Fund gives access to debt securities which are expected to benefit from the "Belt and Road Initiative" and may be suitable for investors prepared to take on extra risk for potentially higher returns. Investors are likely to use this Fund to complement an existing core bond portfolio and have a long-term investment horizon.

### **Risk warnings specific to abrdn SICAV I – abrdn - CCBI Belt & Road Bond Fund**

In addition to the general risk factors set out under "General Risk Factors" potential investors should be aware of certain Fund specific risks:

- The Fund's portfolio may have a significant position in Sub-Investment Grade bonds, which means that there may be more risk to investors' capital and income than from a fund investing in Investment Grade bonds.
- The Fund may invest in Emerging Markets which tend to be more volatile than mature markets and its value could move sharply up or down. In some circumstances, the underlying investments may become less liquid which may constrain the Investment Manager's ability to realise some or all of the portfolio. The registration and settlement arrangements in Emerging Markets may be less developed than in more mature markets so the operational risks of investing are higher. Political risks and adverse economic circumstances are more likely to arise. The Fund may also invest in Frontier Markets which involves similar risks, but to a greater extent since they tend to be even smaller, less developed, and less accessible than other Emerging Markets.
- The Fund may be concentrated portfolio may be more volatile and less liquid than a more broadly diversified one. The Fund's investments are concentrated in a particular country or sector.
- The Fund invests in China which involves a greater risk of loss than investing in more developed markets due to, among other factors, greater government intervention, tax, economic, foreign exchange, liquidity and regulatory risks.
- The Fund's underlying investments are subject to interest rate risk and credit risk. Interest rate fluctuations affect the capital value of investments. Where long term interest rates rise, the capital value of bonds is likely to fall and vice versa. Credit risk reflects the ability of a bond issuer to meet its obligations. Where a bond market has a low number

of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.

- The Fund offers a thematic exposure to the Belt and Road Initiative, a long term strategic vision which involves policy considerations on the part of the Chinese government and may be subject to on-going changes. The Fund may be adversely affected as a result of such changes. The Investment Manager may need to effect changes to the Fund's asset allocation in light of changes in the government policies, or may terminate the Fund if it is no longer feasible for the Fund to pursue its investment strategies.
- The Fund may be invested in contingent convertible bonds. If the financial strength of a bond's issuer falls by a predetermined threshold, the bond may suffer substantial or total losses of capital (investors should refer to the risk factor "Contingent Securities" in the section "General Risk Factors" for information on other risks associated with contingent convertible bonds).

## **ABRDN SICAV I – ASIAN BOND FUND**

This Fund is subject to Article 6 of the SFDR. Further information can be found under section "EU's Sustainable Finance Disclosure Regulation – Sustainability Risk Integration".

### **Investment Objective and Policy**

The Fund's investment objective is long-term total return to be achieved by investing at least two-thirds of the Fund's assets in Debt and Debt-Related Securities issued by governments, supranational institutions or government-related bodies that are domiciled in Asian countries and/or Debt and Debt-Related Securities issued by companies that have their registered office in an Asian country and/or issued by companies which have the preponderance of their business activities in an Asian country and/or issued by holding companies that have the preponderance of their assets in companies with their registered office in an Asian country.

The Fund may invest up to 30% of its assets in Mainland China Debt and Debt-Related Securities, including via the China Interbank Bond Market, through QFI regime or by any other available means.

The Fund may invest up to 50% of its Net Asset Value in Sub-Investment Grade Debt and Debt-Related Securities.

The Fund may hold up to 10% of its Net Asset Value in a single issue if the respective bonds are issued by a government, supranational institution or government-related body.

The Fund may hold up to 5% of its Net Asset Value in a single issue if the respective bonds are issued by a corporate issuer.

The Fund may utilise financial derivative instruments for hedging and/or investment purposes, or to manage foreign exchange risks, subject to the conditions and within the limits laid down by applicable laws and regulations.

Without limiting the generality of the foregoing, the Investment Manager may alter the currency exposure of the Fund, solely through the use of derivative contracts (without buying or selling underlying Transferable Securities or currencies). Furthermore, the Fund's portfolio may be fully or partially hedged back to the Base Currency if, in the opinion of the Investment Manager, this is believed to be appropriate.

The Fund is actively managed.

The Fund aims to outperform the Markit iBoxx Asian Local Bond Index (USD) benchmark before charges.

The benchmark is also used as a reference point for portfolio construction and as a basis for setting risk constraints.

In order to achieve its objective, the Fund will take positions whose weightings diverge from the benchmark or invest in securities which are not included in the benchmark. The investments of the Fund may deviate significantly from the components of and their respective weightings in the benchmark. Due to the active nature of the management process, the Fund's performance profile may deviate significantly from that of the benchmark over the longer term.

Where Share Classes are denominated in a currency other than the Base Currency of the Fund, a currency specific benchmark will typically be used for performance comparison purposes. This will either be the benchmark of the Fund expressed in another currency or a different currency specific benchmark with similar characteristics. Benchmarks applicable to such Share Classes are disclosed in the relevant PRIIPS KID.

<b>Base Currency:</b>	US Dollars.
<b>Investment Manager:</b>	abrdn Investments Limited abrdn Inc.
<b>Sub-Investment Manager</b>	abrdn Asia Limited
<b>Investment Process:</b>	Fixed Income

**Investor Profile:** This Fund gives access to debt securities of issuers located throughout Asia and may be suitable for investors prepared to take on extra risk for potentially higher returns. Investors are likely to use this fund to complement an existing core bond portfolio and have a long term investment horizon.

#### **Risk warnings specific to abrdn SICAV I – Asian Bond Fund**

In addition to the general risk factors set out under "General Risk Factors" potential investors should be aware of certain Fund specific risks:

- The Fund invests in Emerging Markets which tend to be more volatile than mature markets and the value of your investment could move sharply up or down. In some circumstances, the underlying investments may become less liquid which may constrain the Investment Manager's ability to realise some or all of the portfolio. The registration and settlement arrangements in Emerging Markets may be less developed than in more mature markets so the operational risks of investing are higher. Political risks and adverse economic circumstances are more likely to arise, putting the value of your investment at risk.
- Potential investors should note the "Investing in Mainland China" section of the "General Risk Factors" and the "Taxation of Chinese Equity and Bonds" section under "Taxation".
- The Fund's portfolio may have a significant position in Sub-Investment Grade bonds, which means that there may be more risk to investor's capital and income than from a fund investing in Investment Grade bonds.
- The Fund may utilise financial derivative instruments for investment purposes in pursuing its investment objective (in addition to use for hedging purposes). Use of derivatives other than for hedging may result in leverage and may increase volatility in the Net Asset Value of the Fund.
- The Fund's underlying investments are subject to interest rate risk and credit risk. Interest rate fluctuations affect the capital value of investments. Where long-term interest rates rise, the capital value of bonds is likely to fall and vice versa. Credit risk reflects the ability of a bond issuer to meet its obligations. Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
- The Fund may be invested in contingent convertible bonds. If the financial strength of a bond's issuer falls by a predetermined threshold, the bond may suffer substantial or total losses of capital (investors should refer to the risk factor "Contingent Securities" in the section "General Risk Factors" for information on other risks associated with contingent convertible bonds).

#### **ABRDN SICAV I – ASIAN CREDIT SUSTAINABLE BOND FUND**

This Fund is subject to Article 8 of the SFDR. Further information can be found under section "EU's Sustainable Finance Disclosure Regulation – Sustainability Risk Integration".

#### **Investment Objective and Policy**

The Fund's investment objective is long term total return to be achieved by investing at least 90% of assets in Debt and Debt-Related Securities issued by corporations and governments, including sub-sovereigns, inflation-linked, convertible, asset backed and mortgage backed bonds.

At least two-thirds of the Fund's assets will be invested in Debt and Debt-Related Securities which are issued by corporations (including government-owned corporations or holding companies of such corporations) with their registered office or principal place of business in an Asian country; and/or issued by corporations (or holding companies of such corporations) which carry out the preponderance of their business activities in an Asian country.

The Fund is actively managed. The Fund aims to outperform the JP Morgan Asia Credit Diversified Index (USD) before charges. The benchmark is also used as a reference point for portfolio construction and as a basis for setting risk constraints, but does not incorporate any sustainable criteria.

In order to achieve its objective, the Fund will take positions whose weightings diverge from the benchmark or invest in securities which are not included in the benchmark. The investments of the Fund may deviate significantly from the components of and their respective weightings in the benchmark. Due to the active nature of the management process, the Fund's performance profile may deviate significantly from that of the benchmark over the longer term.

The Fund promotes environmental and social characteristics but does not have a sustainable investment objective.

Investment in Debt and Debt-Related Securities will follow the abrdn "Asian Credit Sustainable Bond Investment Approach".

Through the application of this approach, the Fund has an expected minimum of 15% in Sustainable Investments. Furthermore, the Fund targets an ESG rating that is equal to or better, and a meaningfully lower carbon intensity, than the benchmark.

This approach utilises abrdn's fixed income investment process, which enables portfolio managers to qualitatively assess how ESG factors are likely to impact on the company's ability to repay its debt, both now and in the future. To complement this research, the abrdn ESG House Score; or a suitable external alternative, is used to quantitatively identify and exclude those companies exposed to the highest ESG risks. In addition, abrdn apply a set of company exclusions, which are related to the UN Global Compact, Weapons, Tobacco, Thermal Coal, Oil & Gas and Electricity Generation. While these exclusions are applied at a company level, investment is permitted in Green bonds, Social bonds or Sustainable bonds issued by companies otherwise

excluded by the environmental screens, where the proceeds of such issues can be confirmed as having a positive environmental impact.

Engagement with external company management teams is a part of abrdn's investment process and ongoing stewardship programme. This process evaluates the ownership structures, governance and management quality of those companies to identify and support not only companies that already demonstrate strong characteristics but also companies making positive improvements in their sustainable business practices. In line with this, up to 5% of assets may be invested in companies which deviate from certain exclusion criteria, but that are assessed on a forward-looking basis as presenting a strong opportunity to make significant, positive and measurable change over the medium term, subject to internal peer review and ongoing monitoring of progress against defined milestones. In addition, where the engagement process identifies companies in high carbon emitting sectors with ambitious and credible targets to decarbonise their operations, up to 5% of assets may be invested in these companies in order to support their transition to ultimately comply with the environmental screens.

Further detail of this overall process is captured within the "Asian Credit Sustainable Bond Investment Approach", which is published at [www.abrdn.com](http://www.abrdn.com) under "Fund Centre".

The "Asian Credit Sustainable Bond Investment Approach" reduces the benchmark investable universe by a minimum of 20%.

Investment in financial derivative instruments, money market instruments and cash may not adhere to this approach.

The Fund may utilise financial derivative instruments for hedging and/or investment purposes, or to manage foreign exchange risks, subject to the conditions and within the limits laid down by applicable laws and regulations.

Without limiting the generality of the foregoing, the Investment Manager may alter the currency exposure of the Fund, solely through the use of derivative contracts (without buying or selling underlying Transferable Securities or currencies). Furthermore, the Fund's portfolio may be fully or partially hedged back to the Base Currency if, in the opinion of the Investment Manager, this is believed to be appropriate.

Where Share Classes are denominated in a currency other than the Base Currency of the Fund, a currency specific benchmark will typically be used for performance comparison purposes. This will either be the benchmark of the Fund expressed in another currency or a different currency specific benchmark with similar characteristics. Benchmarks applicable to such Share Classes are disclosed in the relevant PRIIPS KID.

<b>Base Currency:</b>	US Dollars.
<b>Investment Manager:</b>	abrdn Investments Limited abrdn Inc.
<b>Sub-Investment Manager:</b>	abrdn Asia Limited
<b>Investment Process:</b>	Fixed Income
<b>Investor Profile:</b>	This Fund gives access to debt securities of issuers located throughout Asia which comply with the Fund's Sustainable Investment process and may be suitable for investors prepared to take on extra risk for potentially higher returns. Investors are likely to use this Fund to complement an existing core bond portfolio and are likely to have a long-term investment horizon. This Fund may also be suitable for investors seeking a sustainability-related outcome.

#### **Risk warnings specific to abrdn SICAV I – Asian Credit Sustainable Bond Fund**

In addition to the general risk factors set out under "General Risk Factors" potential investors should be aware of certain Fund specific risks:

- The Fund's portfolio may have a significant position in Sub-Investment Grade bonds, which means that there may be more risk to investors' capital and income than from a fund investing in Investment Grade bonds.
- The Fund may invest in Emerging Markets which tend to be more volatile than mature markets and its value could move sharply up or down. In some circumstances, the underlying investments may become less liquid which may constrain the Investment Manager's ability to realise some or all of the portfolio. The registration and settlement arrangements in Emerging Markets may be less developed than in more mature markets so the operational risks of investing are higher. Political risks and adverse economic circumstances are more likely to arise. The Fund may also invest in Frontier Markets which involves similar risks, but to a greater extent since they tend to be even smaller, less developed, and less accessible than other Emerging Markets.
- Performance may be strongly influenced by movements in currency rates because the Fund may have exposure to a particular currency that is different to the value of the securities denominated in that currency held by the Fund.
- The Fund's underlying investments are subject to interest rate risk and credit risk. Interest rate fluctuations affect the capital value of investments. Where long term interest rates rise, the capital value of bonds is likely to fall and vice versa. Credit risk reflects the ability of a bond issuer to meet its obligations. Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.

- The Fund may utilise financial derivative instruments for investment purposes in pursuing its investment objective (in addition to use for hedging purposes). Use of derivatives other than for hedging may result in leverage and may increase volatility in the Net Asset Value of the Fund.
- The Fund may be invested in contingent convertible bonds. If the financial strength of a bond's issuer falls by a predetermined threshold, the bond may suffer substantial or total losses of capital (investors should refer to the risk factor "Contingent Securities" in the section "General Risk Factors" for information on other risks associated with contingent convertible bonds).
- The Fund may invest in Mainland China - potential investors should note the "Investing in Mainland China" section of the "General Risk Factors" and the "Taxation of Chinese Equity and Bonds" section under "Taxation".
- Applying ESG and sustainability criteria in the investment process may result in the exclusion of securities in which the Fund might otherwise invest. Such securities could be part of the benchmark against which the Fund is managed, or be within the universe of potential investments. This may have a positive or negative impact on performance and may mean that the Fund's performance profile differs to that of funds which are managed against the same benchmark or invest in a similar universe of potential investments but without applying ESG or sustainability criteria. Furthermore, the lack of common or harmonised definitions and labels regarding ESG and sustainability criteria may result in different approaches by managers when integrating ESG and sustainability criteria into investment decisions. This means that it may be difficult to compare funds with ostensibly similar objectives and that these funds will employ different security selection and exclusion criteria. Consequently, the performance profile of otherwise similar funds may deviate more substantially than might otherwise be expected. Additionally, in the absence of common or harmonised definitions and labels, a degree of subjectivity is required and this will mean that a fund may invest in a security that another manager or an investor would not.

## **ABRDN SICAV I – ASIAN HIGH YIELD SUSTAINABLE BOND FUND**

This Fund is subject to Article 8 of the SFDR. Further information can be found under section "EU's Sustainable Finance Disclosure Regulation – Sustainability Risk Integration".

### **Investment Objective and Policy**

The Fund's investment objective is long term total return to be achieved by investing at least 90% of assets in Debt and Debt-Related Securities issued by corporations, governments and government-related bodies.

The Fund will invest at least 70% of its assets in sub-investment grade and unrated Debt and Debt-Related Securities issued by corporations (including government-owned corporations or holding companies of such corporations) that are incorporated or domiciled in an Asian country and/or corporations (including government-owned corporations or holding companies of such corporations) that derive a significant proportion of their revenues or profits from Asian countries and/or holding companies that have a significant proportion of their assets in corporations with their registered office in an Asian country and/or governments, supranational institutions or government-related bodies that are domiciled in an Asian country.

The Fund may also invest in other Debt and Debt-Related Securities including investment grade and sub-investment grade bonds, local currency debt, subordinated financials, sub-sovereigns, inflation-linked, convertible, asset backed and mortgage backed bonds. This may include up to 20% in Debt and Debt-Related Securities issued outside of Asia.

The Fund may invest up to 20% of assets in contingent convertible bonds.

The Fund is actively managed. The Fund aims to outperform the JP Morgan Asia Credit Non-Investment Grade Index (USD) benchmark before charges. The benchmark is also used as a reference point for portfolio construction and as a basis for setting risk constraints, but does not incorporate any sustainable criteria.

In order to achieve its objective, the Fund will take positions whose weightings diverge from the benchmark or invest in securities which are not included in the benchmark. The investments of the Fund may deviate significantly from the components of and their respective weightings in the benchmark. Due to the active nature of the management process, the Fund's performance profile may deviate significantly from that of the benchmark over the longer term.

The Fund promotes environmental and social characteristics but does not have a sustainable investment objective.

Investment in Debt and Debt-Related Securities issued by corporations will follow the abrdn "Asian High Yield Sustainable Investment Approach".

Through the application of this approach, the Fund has an expected minimum of 15% in Sustainable Investments. Furthermore, the Fund targets an ESG rating that is equal to or better, and a meaningfully lower carbon intensity, than the benchmark.

This approach utilises abrdn's fixed income investment process, which enables portfolio managers to qualitatively assess how ESG factors are likely to impact on the company's ability to repay its debt, both now and in the future. To complement this research, the abrdn ESG House Score; or a suitable external alternative, is used to quantitatively identify and exclude those companies exposed to the highest ESG risks. In addition, abrdn apply a set of company exclusions, which are related to the UN Global Compact, Weapons, Tobacco, Thermal Coal, Oil & Gas and Electricity Generation. While these exclusions are applied at a company level, investment is permitted in Green bonds, Social bonds or Sustainable bonds issued by companies otherwise excluded by the environmental screens, where the proceeds of such issues can be confirmed as having a positive environmental impact.

Engagement with external company management teams is a part of abrdn's investment process and ongoing stewardship programme. This process evaluates the ownership structures, governance and management quality of those companies to

identify and support not only companies that already demonstrate strong characteristics but also companies making positive improvements in their sustainable business practices. In line with this, up to 5% of assets may be invested in companies which deviate from certain exclusion criteria, but that are assessed on a forward-looking basis as presenting a strong opportunity to make significant, positive and measurable change over the medium term, subject to internal peer review and ongoing monitoring of progress against defined milestones. In addition, where the engagement process identifies companies in high carbon emitting sectors with ambitious and credible targets to decarbonise their operations, up to 5% of assets may be invested in these companies in order to support their transition to ultimately comply with the environmental screens.

Further detail of this overall process is captured within the Asian High Yield Sustainable Investment Approach, which is published at [www.abrdn.com](http://www.abrdn.com) under "Fund Centre".

The Asian High Yield Sustainable Investment Approach reduces the benchmark investable universe by a minimum of 20%.

Investment in financial derivative instruments, money-market instruments and cash may not adhere to this approach.

The Fund may utilise financial derivative instruments for hedging and/or investment purposes, or to manage foreign exchange risks, subject to the conditions and within the limits laid down by applicable laws and regulations.

Without limiting the generality of the foregoing, the Investment Manager may alter the currency exposure of the Fund, solely through the use of derivative contracts (without buying or selling underlying Transferable Securities or currencies). Furthermore, the Fund's portfolio may be fully or partially hedged back to the Base Currency if, in the opinion of the Investment Manager, this is believed to be appropriate.

Where Share Classes are denominated in a currency other than the Base Currency of the Fund, a currency specific benchmark will typically be used for performance comparison purposes. This will either be the benchmark of the Fund expressed in another currency or a different currency specific benchmark with similar characteristics. Benchmarks applicable to such Share Classes are disclosed in the relevant PRIIPS KID.

**Base Currency:** US Dollars.

**Investment Manager:** abrdn Investments Limited

**Sub-Investment Manager:** abrdn Asia Limited

**Investment Process:** Fixed Income

**Investor Profile:** This Fund gives access to high-yield debt securities of issuers located throughout Asia, which comply with the Fund's Sustainable Investment process, and may be suitable for investors prepared to take on extra risk for potentially higher returns. Investors are likely to use this Fund to complement an existing core bond portfolio and are likely to have a long-term investment horizon. This Fund may also be suitable for investors seeking a sustainability-related outcome.

#### **Risk warnings specific to abrdn SICAV I – Asian High Yield Sustainable Bond Fund**

In addition to the general risk factors set out under "General Risk Factors" potential investors should be aware of certain Fund specific risks:

- The Fund's underlying investments are subject to interest rate risk and credit risk. Interest rate fluctuations affect the capital value of investments. Where long term interest rates rise, the capital value of bonds is likely to fall and vice versa. Credit risk reflects the ability of a bond issuer to meet its obligations. Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
- The Fund invests in debt securities, including Sub-Investment Grade securities. Consequently, the Fund's portfolio may have a significant position in Sub-Investment Grade bonds, which means that there is more risk to investor's capital and income than from a Fund investing in Investment Grade bonds.
- The Fund invests in Emerging Markets which tend to be more volatile than mature markets and its value could move sharply up or down. In some circumstances, the underlying investments may become less liquid which may constrain the Investment Manager's ability to realise some or all of the portfolio. The registration and settlement arrangements in Emerging Markets may be less developed than in more mature markets so the operational risks of investing are higher. Political risks and adverse economic circumstances are more likely to arise.
- Performance may be strongly influenced by movements in currency rates because the Fund may have exposure to a particular currency that is different to the value of the securities denominated in that currency held by the Fund.
- The Fund may be invested in contingent convertible bonds. If the financial strength of a bond's issuer falls by a predetermined threshold, the bond may suffer substantial or total losses of capital (investors should refer to the risk factor "Contingent Securities" in the section "General Risk Factors" for information on other risks associated with contingent convertible bonds).
- The Fund may invest its assets in ABS including MBS, which are debt securities based on a pool of assets or collateralised by the cash flows from a specific pool of underlying assets. ABS and MBS assets may be highly illiquid and therefore prone to substantial price volatility.
- The Fund may invest in Mainland China - potential investors should note the "Investing in Mainland China" section of the "General Risk Factors" and the "Taxation of Chinese Equity and Bonds" section under "Taxation".



- The Fund may utilise financial derivative instruments for investment purposes in pursuing its investment objective (in addition to use for hedging purposes). Use of derivatives other than for hedging may result in leverage and may increase volatility in the Net Asset Value of the Fund.
- Applying ESG and sustainability criteria in the investment process may result in the exclusion of securities in which the Fund might otherwise invest. Such securities could be part of the benchmark against which the Fund is managed, or be within the universe of potential investments. This may have a positive or negative impact on performance and may mean that the Fund's performance profile differs to that of funds which are managed against the same benchmark or invest in a similar universe of potential investments but without applying ESG or sustainability criteria. Furthermore, the lack of common or harmonised definitions and labels regarding ESG and sustainability criteria may result in different approaches by managers when integrating ESG and sustainability criteria into investment decisions. This means that it may be difficult to compare funds with ostensibly similar objectives and that these funds will employ different security selection and exclusion criteria. Consequently, the performance profile of otherwise similar funds may deviate more substantially than might otherwise be expected. Additionally, in the absence of common or harmonised definitions and labels, a degree of subjectivity is required and this will mean that a fund may invest in a security that another manager or an investor would not.

## **ABRDN SICAV I – ASIA PACIFIC SUSTAINABLE EQUITY FUND**

This Fund is subject to Article 8 of the SFDR. Further information can be found under section "EU's Sustainable Finance Disclosure Regulation – Sustainability Risk Integration".

### **Investment Objective and Policy**

The Fund's investment objective is long term total return to be achieved by investing at least 90% of the Fund's assets in equities and equity-related securities of companies listed, incorporated or domiciled in Asia Pacific countries (excluding Japan) or companies that derive a significant proportion of their revenues or profits from Asia Pacific countries (excluding Japan) operations; or have significant proportion of their assets there.

The Fund may invest up to 30% of its net assets in Mainland China equity and equity-related securities, although only up to 20% of its net assets may be invested directly through available QFI regime, the Shanghai-Hong Kong and Shenzhen-Hong Kong Stock Connect programme or by any other available means.

The Fund is actively managed. The Fund aims to outperform the MSCI AC Asia Pacific ex Japan Index (USD) benchmark before charges.

The benchmark is also used as a reference point for portfolio construction and as a basis for setting risk constraints, but does not incorporate any sustainable criteria.

In order to achieve its objective, the Fund will take positions whose weightings diverge from the benchmark and may invest in securities which are not included in the benchmark. The investments of the Fund may deviate significantly from the components of and their respective weightings in the benchmark. Due to the active and sustainable nature of the management process, the Fund's performance profile may deviate significantly from that of the benchmark.

The Fund promotes environmental and social characteristics but does not have a sustainable investment objective.

Investment in all equity and equity-related securities will follow abrdn's "Asia Pacific Sustainable Equity Investment Approach".

Through the application of this approach the Fund has an expected minimum of 20% in Sustainable Investments. Furthermore, the Fund targets an ESG rating that is equal to or better, and a meaningfully lower carbon intensity, than the benchmark.

This approach utilises abrdn's equity investment process, which enables portfolio managers to qualitatively identify and focus investment in sustainable leaders and improvers. Sustainable leaders are viewed as companies with the best in class ESG credentials or products and services which address global environmental and societal challenges, whilst improvers are typically companies with average governance, ESG management practices and disclosure with potential for improvement.

To complement this research, the abrdn ESG House Score is used to quantitatively identify and exclude those companies exposed to the highest ESG risks. Additionally, abrdn apply a set of company exclusions which are related to the UN Global Compact, Norges Bank Investment Management (NBIM), Weapons, Tobacco, Gambling, Thermal Coal, Oil & Gas and Electricity Generation. More detail on this overall process is captured within the abrdn Asia Pacific Sustainable Equity Investment Approach, which is published at [www.abrdn.com](http://www.abrdn.com) under "Fund Centre".

Engagement with external company management teams is used to evaluate the ownership structures, governance and management quality of those companies in order to inform portfolio construction.

The abrdn Asia Pacific Sustainable Equity Investment Approach reduces the benchmark investable universe by a minimum of 20%.

Financial derivative instruments, money-market instruments and cash may not adhere to this approach.

The Fund may utilise financial derivative instruments for hedging and/or investment purposes, or to manage foreign exchange risks, subject to the conditions and within the limits laid down by applicable laws and regulations. The use of derivatives for hedging and/or investment purposes is expected to be very limited, mainly in those cases where there are significant inflows into the Fund so that cash can be invested while the Fund's investments in equity and equity related securities is maintained.

Where Share Classes are denominated in a currency other than the Base Currency of the Fund, a currency specific benchmark will typically be used for performance comparison purposes. This will either be the benchmark of the Fund expressed in another currency or a different currency specific benchmark with similar characteristics. Benchmarks applicable to such Share Classes are disclosed in the relevant PRIIPS KID.

**Base Currency:** US Dollars.

**Investment Manager:** abrdn Investments Limited

**Sub-Investment Manager:** abrdn Asia Limited

**Investment Process:** Active Equities – Values Led Investing

**Investor Profile:** This Fund provides exposure to stocks across the Asia Pacific region and may be suitable for investors seeking capital appreciation opportunities through equity investments which comply with the Fund's Sustainable Investment process. Since the Fund is diversified across a number of markets, it may be suitable for investors who are looking for a stand-alone regional equity investment. Due to the traditionally volatile nature of share prices and the additional country and currency risks, the investor is likely to have a long-term investment horizon. This Fund may also be suitable for investors seeking a sustainability-related outcome.

#### **Risk warnings specific to abrdn SICAV I – Asia Pacific Sustainable Equity Fund**

In addition to the general risk factors set out under "General Risk Factors" potential investors should be aware of certain Fund specific risks:

- The Fund invests in equity and equity-related securities across the Asia Pacific region (excluding Japan), thereby providing exposure to Emerging Markets which tend to be more volatile than mature markets and its value could move sharply up or down. In some circumstances, the underlying investments may become less liquid which may constrain the Investment Manager's ability to realise some or all of the portfolio. The registration and settlement arrangements in Emerging Markets may be less developed than in more mature markets so the operational risks of investing are higher. Political risks and adverse economic circumstances are more likely to arise.
- The Fund may invest in Mainland China - potential investors should note the "Investing in Mainland China" section of the "General Risk Factors" and the "Taxation of Chinese Equity and Bonds" section under "Taxation".
- The Fund may invest in companies with VIE structures in order to gain exposure to industries with foreign ownership restrictions. There is a risk that investments in these structures may be adversely affected by changes in the applicable legal and regulatory framework.
- The Fund may utilise financial derivative instruments for investment purposes in pursuing its investment objective (in addition to use for hedging purposes). Use of derivatives other than for hedging may result in leverage and may increase volatility in the Net Asset Value of the Fund.
- Applying ESG and sustainability criteria in the investment process may result in the exclusion of securities in which the Fund might otherwise invest. Such securities could be part of the benchmark against which the Fund is managed, or be within the universe of potential investments. This may have a positive or negative impact on performance and may mean that the Fund's performance profile differs to that of funds which are managed against the same benchmark or invest in a similar universe of potential investments but without applying ESG or sustainability criteria. Furthermore, the lack of common or harmonised definitions and labels regarding ESG and sustainability criteria may result in different approaches by managers when integrating ESG and sustainability criteria into investment decisions. This means that it may be difficult to compare funds with ostensibly similar objectives and that these funds will employ different security selection and exclusion criteria. Consequently, the performance profile of otherwise similar funds may deviate more substantially than might otherwise be expected. Additionally, in the absence of common or harmonised definitions and labels, a degree of subjectivity is required and this will mean that a fund may invest in a security that another manager or an investor would not.

#### **ABRDN SICAV I – ASIA PACIFIC MULTI ASSET FUND**

This Fund is subject to Article 6 of the SFDR. Further information can be found under section "EU's Sustainable Finance Disclosure Regulation – Sustainability Risk Integration".

#### **Investment Objective and Policy**

The Fund's investment objective is long term total return to be achieved by investing at least two-thirds of the Fund's assets in equities and equity-related securities of companies with their registered office in Asia Pacific countries (excluding Japan); and/or, of companies which have the preponderance of their business activities in Asia Pacific countries (excluding Japan); and/or, of holding companies that have the preponderance of their assets in companies with their registered office in Asia Pacific countries

(excluding Japan), Investment Grade and Sub-Investment Grade Debt and Debt-Related Securities issued by governments, supranational institutions or government-related bodies that are domiciled in Asia Pacific countries (excluding Japan); and/or, Debt and Debt-Related Securities issued by companies that have their registered office in an Asia Pacific country (excluding Japan); and/or, issued by companies which have the preponderance of their business activities in an Asia Pacific country (excluding Japan); and/or, issued by holding companies that have the preponderance of their assets in companies with their registered office in an Asia Pacific country (excluding Japan), cash, deposits, and Money Market Instruments directly or indirectly through the use of UCITS or other UCIs.

The Fund may invest up to 30% of its net assets in Mainland China securities, although only up to 20% of its net assets may be invested directly in equity and equity-related securities through QFI regime, the Shanghai-Hong Kong and Shenzhen-Hong Kong Stock Connect programme or by any other available means.

The Fund may have exposure to currencies other than the Base Currency of up to 100% of its Net Asset Value.

The Fund may utilise financial derivative instruments for hedging and/or investment purposes, or to manage foreign exchange risks, subject to the conditions and within the limits laid down by applicable laws and regulations.

Without limiting the generality of the foregoing, the Investment Manager may alter the currency exposure of the Fund, solely through the use of derivative contracts (without buying or selling underlying Transferable Securities or currencies). Furthermore, the Fund's portfolio may be fully or partially hedged back to the Base Currency if, in the opinion of the Investment Manager, this is believed to be appropriate.

The Fund is actively managed.

The Fund aims to outperform 50% MSCI AC Asia Pacific ex Japan Index, 50% Markit iBoxx Asian Local Bond Index (USD) benchmark before charges. The benchmark is also used as a reference point for portfolio construction and as a basis for setting risk constraints.

In order to achieve its objective, the Fund will take positions whose weightings diverge from the benchmark or invest in securities which are not included in the benchmark. The investments of the Fund may deviate significantly from the components of and their respective weightings in the benchmark. Due to the active nature of the management process, the Fund's performance profile may deviate significantly from that of the benchmark over the longer term.

Where Share Classes are denominated in a currency other than the Base Currency of the Fund, a currency specific benchmark will typically be used for performance comparison purposes. This will either be the benchmark of the Fund expressed in another currency or a different currency specific benchmark with similar characteristics. Benchmarks applicable to such Share Classes are disclosed in the relevant PRIIPS KID.

**Base Currency:** US Dollars.

**Investment Manager:** abrdn Investments Limited

**Sub-Investment Manager:** abrdn Asia Limited

**Investment Process:** Multi Asset

**Investor Profile:** This Fund gives access to a wide range of both equity and equity related securities and Debt and Debt-Related Securities in the Asia Pacific region and may be suitable for investors willing to accept a medium level of risk. Investors are likely to use this fund to complement an existing core portfolio for enhanced diversification and have a long-term investment horizon.

#### **Risk warnings specific to abrdn SICAV I – Asia Pacific Multi Asset Fund**

In addition to the general risk factors set out under "General Risk Factors" potential investors should be aware of certain Fund specific risks:

- The Fund invests in securities across the Asia Pacific region (excluding Japan), thereby providing exposure to equity and equity-related securities across the Asia Pacific region (excluding Japan), thereby providing exposure to Emerging Markets which tend to be more volatile than mature markets and its value could move sharply up or down. In some circumstances, the underlying investments may become less liquid which may constrain the Investment Manager's ability to realise some or all of the portfolio. The registration and settlement arrangements in Emerging Markets may be less developed than in more mature markets so the operational risks of investing are higher. Political risks and adverse economic circumstances are more likely to arise.
- The Fund may invest in REITs which themselves invest directly in real estate – under adverse market or economic conditions such assets may become less liquid or experience a drop in value, which are more fully described under "General Risk Factors".
- Potential investors should note the "Investing in Mainland China" section of the "General Risk Factors" and the "Taxation of Chinese Equity and Bonds" section under "Taxation".
- The Fund's portfolio may have a significant position in Sub-Investment Grade bonds, which means that there may be more risk to investor's capital and income than from a fund investing in Investment Grade bonds.
- The Fund may utilise financial derivative instruments for investment purposes in pursuing its investment objective (in addition to use for hedging purposes). Use of derivatives other than for hedging may result in leverage and may increase volatility in the Net Asset Value of the Fund.

- The Fund's underlying investments are subject to interest rate risk and credit risk. Interest rate fluctuations affect the capital value of investments. Where long term interest rates rise, the capital value of bonds is likely to fall and vice versa. Credit risk reflects the ability of a bond issuer to meet its obligations. Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
- The Fund may be invested in contingent convertible bonds. If the financial strength of a bond's issuer falls by a predetermined threshold, the bond may suffer substantial or total losses of capital (investors should refer to the risk factor "Contingent Securities" in the section "General Risk Factors" for information on other risks associated with contingent convertible bonds).
- The Fund may invest in companies with VIE structures in order to gain exposure to industries with foreign ownership restrictions. There is a risk that investments in these structures may be adversely affected by changes in the applicable legal and regulatory framework.

## **ABRDN SICAV I – ASIAN SMALLER COMPANIES FUND**

This Fund is subject to Article 8 of the SFDR. Further information can be found under section "EU's Sustainable Finance Disclosure Regulation – Sustainability Risk Integration".

### **Investment Objective and Policy**

The Fund's investment objective is long term total return to be achieved by investing at least 70% of the Fund's assets in smaller capitalisation equities and equity-related securities of companies listed, incorporated or domiciled in Asia Pacific (excluding Japan) countries or companies that derive a significant proportion of their revenue or profits from Asia Pacific (excluding Japan) countries operations or have a significant proportion of their assets there.

The Fund may invest up to 30% of its net assets in Mainland China equity and equity-related securities, although only up to 20% of its net assets may be invested directly through QFI regime, the Shanghai-Hong Kong and Shenzhen-Hong Kong Stock Connect programme or by any other available means.

For the purpose of this Fund, smaller capitalisation companies are defined as companies with a market capitalisation in the Base Currency of the Fund, as at the date of investment, of under US\$5 billion.

The Fund is actively managed. The Fund aims to outperform the MSCI AC Asia Pacific ex Japan Small Cap Index (USD) benchmark before charges. The benchmark is also used as a reference point for portfolio construction and as a basis for setting risk constraints, but does not incorporate any sustainable criteria.

In order to achieve its objective, the Fund will take positions whose weightings diverge from the benchmark and may invest in securities which are not included in the benchmark. The investments of the Fund may deviate significantly from the components of and their respective weightings in the benchmark. Due to the active nature of the management process, the Fund's performance profile may deviate significantly from that of the benchmark.

The Fund promotes environmental and social characteristics but does not have a sustainable investment objective.

Investment in all equity and equity-related securities will follow abrdn's "Asian Smaller Companies Promoting ESG Equity Investment Approach".

Through the application of this approach the Fund does not apply a minimum threshold in Sustainable Investments. However, the Fund targets a meaningfully lower carbon intensity than the benchmark.

This approach utilises abrdn's equity investment process, which enables portfolio managers to qualitatively identify and avoid ESG laggards. To complement this research, the abrdn ESG House Score is used to quantitatively identify and exclude those companies exposed to the highest ESG risks. Additionally, abrdn apply a set of company exclusions which are related to the UN Global Compact, Controversial Weapons, Tobacco Manufacturing and Thermal Coal. More detail on this overall process is captured within the abrdn Asian Smaller Companies Promoting ESG Equity Investment Approach, which is published at [www.abrdn.com](http://www.abrdn.com) under "Fund Centre".

Engagement with external company management teams is used to evaluate the ownership structures, governance and management quality of those companies in order to inform portfolio construction.

Financial derivative instruments, money-market instruments and cash may not adhere to this approach.

The Fund may utilise financial derivative instruments for hedging and/or investment purposes, or to manage foreign exchange risks, subject to the conditions and within the limits laid down by applicable laws and regulations. The use of derivatives for hedging and/or investment purposes is expected to be very limited, mainly in those cases where there are significant inflows into the Fund so that cash can be invested while the Fund's investments in equity and equity related securities is maintained.

Where Share Classes are denominated in a currency other than the Base Currency of the Fund, a currency specific benchmark will typically be used for performance comparison purposes. This will either be the benchmark of the Fund expressed in another currency or a different currency specific benchmark with similar characteristics. Benchmarks applicable to such Share Classes are disclosed in the relevant PRIIPS KID.

**Base Currency:** US Dollars.  
**Investment Manager:** abrdn Investments Limited  
**Sub-Investment Manager:** abrdn Asia Limited  
**Investment Process:** Active Equities – Values Led Investing

**Investor Profile:** This Fund gives access to stocks of small capitalisation companies in Asia and may be suitable for investors seeking capital appreciation opportunities through equity investments which comply with the Fund's Promoting ESG Investment process. Investors should be comfortable with the risks associated with small capitalisation companies and the country and currency risks that an investment in this portfolio may encounter. Due to this additional volatility, the investor is likely to hold this portfolio as a complement to an existing core portfolio and is likely to have a long-term investment horizon. This Fund may also be suitable for investors seeking a sustainability-related outcome.

#### **Risk warnings specific to abrdn SICAV I – Asian Smaller Companies Fund**

In addition to the general risk factors set out under "General Risk Factors" potential investors should be aware of certain Fund specific risks:

- The Fund invests in the shares of smaller companies which may be less liquid and more volatile than those of larger companies.
- The Fund invests in stocks of Smaller Companies in Asia (excluding Japan) thereby providing exposure to Emerging Markets which tend to be more volatile than mature markets and its value could move sharply up or down. In some circumstances, the underlying investments may become less liquid which may constrain the Investment Manager's ability to realise some or all of the portfolio. The registration and settlement arrangements in Emerging Markets may be less developed than in more mature markets so the operational risks of investing are higher. Political risks and adverse economic circumstances are more likely to arise.
- The Fund may invest in Mainland China - potential investors should note the "Investing in Mainland China" section of the "General Risk Factors" and the "Taxation of Chinese Equity and Bonds" section under "Taxation".
- The Fund may invest in companies with VIE structures in order to gain exposure to industries with foreign ownership restrictions. There is a risk that investments in these structures may be adversely affected by changes in the applicable legal and regulatory framework.
- The Fund may utilise financial derivative instruments for investment purposes in pursuing its investment objective (in addition to use for hedging purposes). Use of derivatives other than for hedging may result in leverage and may increase volatility in the Net Asset Value of the Fund.
- Applying ESG and sustainability criteria in the investment process may result in the exclusion of securities in which the Fund might otherwise invest. Such securities could be part of the benchmark against which the Fund is managed, or be within the universe of potential investments. This may have a positive or negative impact on performance and may mean that the Fund's performance profile differs to that of funds which are managed against the same benchmark or invest in a similar universe of potential investments but without applying ESG or sustainability criteria. Furthermore, the lack of common or harmonised definitions and labels regarding ESG and sustainability criteria may result in different approaches by managers when integrating ESG and sustainability criteria into investment decisions. This means that it may be difficult to compare funds with ostensibly similar objectives and that these funds will employ different security selection and exclusion criteria. Consequently, the performance profile of otherwise similar funds may deviate more substantially than might otherwise be expected. Additionally, in the absence of common or harmonised definitions and labels, a degree of subjectivity is required and this will mean that a fund may invest in a security that another manager or an investor would not.

#### **ABRDN SICAV I – ASIAN SDG EQUITY FUND**

This Fund is subject to Article 9 of the SFDR. Further information can be found under section "EU's Sustainable Finance Disclosure Regulation – Sustainability Risk Integration".

#### **Investment Objective and Policy**

The Fund aims to achieve long term growth by investing in companies in Asia Pacific (excluding Japan) countries which in our view will make a positive contribution to society through their alignment achieving the United Nation's Sustainable Development Goals ("SDGs").

The Fund invests at least 90% of the Fund's assets in its investment universe. This is defined as equities and equity-related securities of companies that are under active research coverage by the investment team and are listed, incorporated or domiciled in Asia Pacific countries (excluding Japan), or companies that derive a significant proportion of their revenues or profits from Asia Pacific (excluding Japan) operations or have a significant proportion of their assets in those countries.

The Fund may also invest in equities and equity-related securities of companies that have a connection with a Frontier Market.

The Fund may invest up to 30% of its net assets in Mainland China equities and equity-related securities, although only up to 20% of its net assets may be invested directly through QFI regime, the Shanghai-Hong Kong and Shenzhen-Hong Kong Stock Connect programme or by any other available means.

Investment in all equity and equity related securities will follow the abrdn "Asian SDG Equity Investment Approach". Financial derivative instruments, money-market instruments and cash may not adhere to this approach.

Through the application of this approach the Fund has an expected minimum of 75% in Sustainable Investments. Furthermore, the Fund targets a lower carbon intensity than the benchmark.

This approach identifies companies which are aligned to the Sustainable Development Goals. These goals designed to address the world's major long-term challenges. These include climate change, growing social inequality, and unsustainable production and consumption. The Fund will invest in companies with minimum of 20% of their revenue, profit, capital or operating expenditure or research and development linked to the UN's SDGs. For companies classified in the benchmark as "Financials", alternative measures of materiality are used based on loans and customer base, details of which can be found in the abrdn Asian SDG Equity Investment Approach. The Fund will also invest up to 20% in SDG leaders. These are companies that are considered to be integral to the supply chain for progressing towards the UN's SDGs, but may not currently meet the 20% materiality requirement.

Engagement with external company management teams is used to evaluate the ownership structures, governance and management quality of those companies in order to inform portfolio construction.

In addition we apply a set of company exclusion which are related to normative screening (UN Global Compact, ILO and OECD), Norge Bank Investment Management (NBIM), State-Owned Enterprises (SOE), Weapons, Tobacco, Gambling, Alcohol, Thermal Coal, Oil & Gas, and Electricity Generation. Further detail of this overall process is captured within the abrdn Asian SDG Equity Investment Approach, which is published at [www.abrdn.com](http://www.abrdn.com) under "Fund Centre".

The portfolio construction and Asian SDG Equity Investment Approach, reduces the investment universe by a minimum of 20%.

The Fund is actively managed. The Fund aims to outperform the MSCI AC Asia Pacific ex Japan Index (USD) benchmark before charges.

The benchmark is also used as a reference point for portfolio construction and as a basis for setting risk constraints, but does not incorporate any sustainable criteria.

In order to achieve its objective, the Fund will take positions whose weightings diverge from the benchmark and may invest in securities which are not included in the benchmark. The investments of the Fund may deviate significantly from the components of and their respective weightings in the benchmark. Due to the active and sustainable nature of the management process, the Fund's performance profile may deviate significantly from that of the benchmark.

The Fund may utilise financial derivative instruments for hedging and/or investment purposes, or to manage foreign exchange risks, subject to the conditions and within the limits laid down by applicable laws and regulations. The use of derivatives for hedging and/or investment purposes is expected to be very limited, mainly in those cases where there are significant inflows into the Fund so that cash can be invested while the Fund's investments in equity and equity related securities is maintained.

Where Share Classes are denominated in a currency other than the Base Currency of the Fund, a currency specific benchmark will typically be used for performance comparison purposes. This will either be the benchmark of the Fund expressed in another currency or a different currency specific benchmark with similar characteristics. Benchmarks applicable to such Share Classes are disclosed in the relevant PRIIPS KID.

**Base Currency:** US Dollars.

**Investment Manager:** abrdn Investments Limited

**Sub-Investment Manager:** abrdn Asia Limited

**Investment Process:** Active Equities - Values Led Investing

**Investor Profile:** This Fund gives access to Asian stocks and may be suitable for investors seeking capital appreciation opportunities through equity investments that are aligned with achieving the UN's Sustainable Development Goals. Investors are likely to hold this Fund as a complement to a diversified portfolio and should have a long-term investment horizon. This Fund may also be suitable for investors seeking a sustainability-related outcome.

#### **Risk warnings specific to abrdn SICAV I – Asian SDG Equity Fund**

In addition to the general risk factors set out under "General Risk Factors" potential investors should be aware of certain Fund specific risks:

- The Fund invests in Emerging Markets which tend to be more volatile than mature markets and its value could move sharply up or down. In some circumstances, the underlying investments may become less liquid which may constrain the Investment Manager's ability to realise some or all of the portfolio. The registration and settlement arrangements in Emerging Markets

may be less developed than in more mature markets so the operational risks of investing are higher. Political risks and adverse economic circumstances are more likely to arise. The Fund may also invest in Frontier Markets which involves similar risks, but to a greater extent since they tend to be even smaller, less developed, and less accessible than other Emerging Markets.

- The Fund may invest in Mainland China - potential investors should note the "Investing in Mainland China" section of the "General Risk Factors" and the "Taxation of Chinese Equity and Bonds" section under "Taxation".
- The Fund may invest in companies with VIE structures in order to gain exposure to industries with foreign ownership restrictions. There is a risk that investments in these structures may be adversely affected by changes in the applicable legal and regulatory framework.
- The Fund may utilise financial derivative instruments for investment purposes in pursuing its investment objective (in addition to use for hedging purposes). Use of derivatives other than for hedging may result in leverage and may increase volatility in the Net Asset Value of the Fund.
- Applying ESG and sustainability criteria in the investment process may result in the exclusion of securities in which the Fund might otherwise invest. Such securities could be part of the benchmark against which the Fund is managed, or be within the universe of potential investments. This may have a positive or negative impact on performance and may mean that the Fund's performance profile differs to that of funds which are managed against the same benchmark or invest in a similar universe of potential investments but without applying ESG or sustainability criteria. Furthermore, the lack of common or harmonised definitions and labels regarding ESG and sustainability criteria may result in different approaches by managers when integrating ESG and sustainability criteria into investment decisions. This means that it may be difficult to compare funds with ostensibly similar objectives and that these funds will employ different security selection and exclusion criteria. Consequently, the performance profile of otherwise similar funds may deviate more substantially than might otherwise be expected. Additionally, in the absence of common or harmonised definitions and labels, a degree of subjectivity is required and this will mean that a fund may invest in a security that another manager or an investor would not.

## **ABRDN SICAV I – CHINA A SHARE SUSTAINABLE EQUITY FUND**

This Fund is subject to Article 8 of the SFDR. Further information can be found under section "EU's Sustainable Finance Disclosure Regulation – Sustainability Risk Integration".

### **Investment Objective and Policy**

The Fund's investment objective is long term total return to be achieved by investing, directly or indirectly (including through QFI, the Shanghai-Hong Kong and Shenzhen-Hong Kong Stock Connect programmes, participatory notes, equity linked notes and any other eligible means), at least 90% of its total assets in equity and equity-related securities of companies whose securities are listed on Chinese Stock Exchanges, including, without limitation, China A-Shares and B-Shares of companies listed on the Chinese Stock Exchanges and corresponding H-shares or other equivalent securities authorised by the China Securities Regulatory Commission for purchase by non-Chinese investors.

### **China A-Shares and B-Shares**

China A-Shares are listed and traded on one of the Chinese Stock Exchanges. Purchase and ownership of China A-Shares is generally restricted to Chinese investors and selected foreign institutional investors that have obtained a QFI permit or have access to the Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect programmes.

B-Shares are listed and traded in foreign currencies on one of the Chinese Stock Exchanges and are open to both domestic and foreign investors.

The Fund is actively managed. The Fund aims to outperform the MSCI China A Onshore Index (USD) benchmark before charges. The benchmark is also used as a reference point for portfolio construction and as a basis for setting risk constraints, but does not incorporate any sustainable criteria.

In order to achieve its objective, the Fund will take positions whose weightings diverge from the benchmark and may invest in securities which are not included in the benchmark. The investments of the Fund may deviate significantly from the components of and their respective weightings in the benchmark. Due to the active and sustainable nature of the management process, the Fund's performance profile may deviate significantly from that of the benchmark.

The Fund promotes environmental and social characteristics but does not have a sustainable investment objective.

Investment in all equity and equity-related securities will follow abrdn's "China A Share Sustainable Equity Investment Approach".

Through the application of this approach the Fund has an expected minimum of 20% in Sustainable Investments. Furthermore, the Fund targets an ESG rating that is equal to or better than, and to have a meaningfully lower carbon intensity than, the benchmark.

This approach utilises abrdn's equity investment process, which enables portfolio managers to qualitatively identify and focus investment in sustainable leaders and improvers. Sustainable leaders are viewed as companies with the best in class ESG credentials or products and services which address global environmental and societal challenges, whilst improvers are typically companies with average governance, ESG management practices and disclosure with potential for improvement.

To complement this research, the abrDN ESG House Score is used to quantitatively identify and exclude those companies exposed to the highest ESG risks. Additionally, abrDN apply a set of company exclusions which are related to the UN Global Compact, Norges Bank Investment Management (NBIM), Weapons, Tobacco, Gambling, Thermal Coal, Oil & Gas and Electricity Generation. More detail on this overall process is captured within the abrDN China A Share Sustainable Equity Investment Approach, which is published at [www.abrDN.com](http://www.abrDN.com) under "Fund Centre".

Engagement with external company management teams is used to evaluate the ownership structures, governance and management quality of those companies in order to inform portfolio construction.

The abrDN China A Share Sustainable Equity Investment Approach reduces the benchmark investable universe by a minimum of 20%.

Financial derivative instruments, money-market instruments and cash may not adhere to this approach.

The Fund may utilise financial derivative instruments for hedging and/or investment purposes, or to manage foreign exchange risks, subject to the conditions and within the limits laid down by applicable laws and regulations. The use of derivatives for hedging and/or investment purposes is expected to be very limited, mainly in those cases where there are significant inflows into the Fund so that cash can be invested while the Fund's investments in equity and equity related securities is maintained.

Where Share Classes are denominated in a currency other than the Base Currency of the Fund, a currency specific benchmark will typically be used for performance comparison purposes. This will either be the benchmark of the Fund expressed in another currency or a different currency specific benchmark with similar characteristics. Benchmarks applicable to such Share Classes are disclosed in the relevant PRIIPS KID.

**Base Currency:** US Dollars.

**Investment Manager:** abrDN Investments Limited

**Sub-Investment Manager:** abrDN Asia Limited

**Investment Advisor:** abrDN Hong Kong Limited

**Investment Process:** Active Equities - Values Led Investing

**Investor Profile:** This Fund gives access to China A- Shares and may be suitable for investors seeking capital appreciation opportunities through equity investments which comply with the Fund's Sustainable Investment process. The investor may use this single country equity fund as a complement to a diversified portfolio or as a stand-alone core equity portfolio. Due to the additional individual risks associated with investments in China, the investor should have a long-term investment horizon. This Fund may also be suitable for investors seeking a sustainability-related outcome.

**Investors should be aware that no exchange (or switch) is permitted within, into or out of this Fund.**

#### **Risk warnings specific to abrDN SICAV I – China A Share Sustainable Equity Fund**

In addition to the general risk factors set out under "General Risk Factors" potential investors should be aware of certain Fund specific risks:

- Exposure to a single country market increases potential volatility.
- The Fund will invest in Mainland China - potential investors should note the "Investing in Mainland China" section of the "General Risk Factors" and the "Taxation of Chinese Equity and Bonds" section under "Taxation".
- The Fund invests in Chinese equities and equity-related securities thereby providing exposure to Emerging Markets which tend to be more volatile than mature markets and its value could move sharply up or down. In some circumstances, the underlying investments may become less liquid which may constrain the Investment Manager's ability to realise some or all of the portfolio. The registration and settlement arrangements in Emerging Markets may be less developed than in more mature markets so the operational risks of investing are higher. Political risks and adverse economic circumstances are more likely to arise.
- The Fund may invest in companies with VIE structures in order to gain exposure to industries with foreign ownership restrictions. There is a risk that investments in these structures may be adversely affected by changes in the applicable legal and regulatory framework.
- The Fund may utilise financial derivative instruments for investment purposes in pursuing its investment objective (in addition to use for hedging purposes). Use of derivatives other than for hedging may result in leverage and may increase volatility in the Net Asset Value of the Fund.
- Applying ESG and sustainability criteria in the investment process may result in the exclusion of securities in which the Fund might otherwise invest. Such securities could be part of the benchmark against which the Fund is managed, or be within the universe of potential investments. This may have a positive or negative impact on performance and may mean that the Fund's performance profile differs to that of funds which are managed against the same benchmark or invest in a similar universe of potential investments but without applying ESG or sustainability criteria. Furthermore, the lack of common or harmonised definitions and labels regarding ESG and sustainability criteria may result in different approaches



by managers when integrating ESG and sustainability criteria into investment decisions. This means that it may be difficult to compare funds with ostensibly similar objectives and that these funds will employ different security selection and exclusion criteria. Consequently, the performance profile of otherwise similar funds may deviate more substantially than might otherwise be expected. Additionally, in the absence of common or harmonised definitions and labels, a degree of subjectivity is required and this will mean that a fund may invest in a security that another manager or an investor would not.

## **ABRDN SICAV I – CHINA NEXT GENERATION FUND**

This Fund is subject to Article 6 of the SFDR. Further information can be found under section "EU's Sustainable Finance Disclosure Regulation – Sustainability Risk Integration".

### **Investment Objective and Policy**

The Fund's investment objective is long term total return to be achieved by investing at least 70% of the Fund's assets in small and mid-capitalisation equities and equity-related securities of companies listed, incorporated or domiciled in China, or companies that derive a significant proportion of their revenues or profits from Chinese operations or have a significant proportion of their assets there.

Small and mid-capitalisation companies are defined as any stock having a market capitalisation less than the 30th percentile stock of the overall China market.

The Fund may invest up to 100% of its net assets in Mainland China equity and equity-related securities through the Shanghai-Hong Kong and Shenzhen-Hong Kong Stock Connect programme, the QFI regime or by any other available means, a 30% limit applies to QFI regime.

The Fund is actively managed.

The Fund aims to outperform the MSCI China All Shares Smid Cap Index (USD) benchmark before charges. The benchmark is also used as a reference point for portfolio construction and as a basis for setting risk constraints.

In order to achieve its objective, the Fund will take positions whose weightings diverge from the benchmark or invest in securities which are not included in the benchmark. The investments of the Fund may deviate significantly from the components of and their respective weightings in the benchmark. Due to the active nature of the management process, the Fund's performance profile may deviate significantly from that of the benchmark over the longer term.

The Fund may utilise financial derivative instruments for hedging and/or investment purposes, or to manage foreign exchange risks, subject to the conditions and within the limits laid down by applicable laws and regulations. The use of derivatives for hedging and/or investment purposes is expected to be very limited, mainly in those cases where there are significant inflows into the Fund so that cash can be invested while the Fund's investments in equity and equity related securities is maintained.

Where Share Classes are denominated in a currency other than the Base Currency of the Fund, a currency specific benchmark will typically be used for performance comparison purposes. This will either be the benchmark of the Fund expressed in another currency or a different currency specific benchmark with similar characteristics. Benchmarks applicable to such Share Classes are disclosed in the relevant PRIIPS KID.

**Base Currency:** US Dollars

**Investment Manager:** abrdn Investments Limited

**Sub-Investment Manager:** abrdn Hong Kong Limited

**Investment Process:** Active Equities – Long Term Quality

**Investor Profile:** This Fund gives access to stocks of small and mid-capitalisation companies in China and may be suitable for investors seeking capital appreciation opportunities through equity investments. The investor may use this single country equity fund as a complement to a diversified portfolio or as a stand-alone core equity portfolio. Due to the additional individual risks associated with small and mid-capitalisation companies and investments in China, the investor should have a long-term investment horizon.

### **Risk warnings specific to abrdn SICAV I – China Next Generation Fund**

In addition to the general risk factors set out under "General Risk Factors" potential investors should be aware of certain Fund specific risks:

- Exposure to a single country market increases potential volatility.

- The Fund invests in the shares of smaller companies which may be less liquid and more volatile than those of larger companies.
- The Fund may invest in Mainland China - potential investors should note the "Investing in Mainland China" section of the "General Risk Factors" and the "Taxation of Chinese Equity and Bonds" section under "Taxation".
- The Fund invests in Chinese equities and equity-related securities thereby providing exposure to Emerging Markets which tend to be more volatile than mature markets and its value could move sharply up or down. In some circumstances, the underlying investments may become less liquid which may constrain the Investment Manager's ability to realise some or all of the portfolio. The registration and settlement arrangements in Emerging Markets may be less developed than in more mature markets so the operational risks of investing are higher. Political risks and adverse economic circumstances are more likely to arise.
- The Fund may invest in companies with VIE structures in order to gain exposure to industries with foreign ownership restrictions. There is a risk that investments in these structures may be adversely affected by changes in the applicable legal and regulatory framework.
- The Fund may utilise financial derivative instruments for investment purposes in pursuing its investment objective (in addition to use for hedging purposes). Use of derivatives other than for hedging may result in leverage and may increase volatility in the Net Asset Value of the Fund.

#### **ABRDN SICAV I – CHINA ONSHORE BOND FUND**

This Fund is subject to Article 6 of the SFDR. Further information can be found under section "EU's Sustainable Finance Disclosure Regulation – Sustainability Risk Integration".

#### **Investment Objective and Policy**

The Fund's investment objective is long term total return to be achieved by investing at least two-thirds of the Fund's assets in Debt and Debt-Related Securities which are issued in onshore Renminbi (CNY) by government or government-related bodies and/or corporations.

The Fund may also invest in Debt and Debt-Related Securities denominated in offshore Renminbi (CNH) issued by government or government-related bodies and/or corporations, as well as Debt and Debt-Related Securities denominated in other currencies which are issued by the Chinese government or government-related bodies or corporations (including holding companies of such corporations) with their registered office, principal place of business or the preponderance of their business activities in Mainland China.

The Fund may invest up to 100% of its assets in Mainland China Debt and Debt-Related Securities, including via the China Interbank Bond Market, through QFI regime or by any other available means.

The Fund may utilise financial derivative instruments for hedging and/or investment purposes, or to manage foreign exchange risks, subject to the conditions and within the limits laid down by applicable laws and regulations.

Without limiting the generality of the foregoing, the Investment Manager may alter the currency exposure of the Fund, solely through the use of derivative contracts (without buying or selling underlying Transferable Securities or currencies). Furthermore, the Fund's portfolio may be fully or partially hedged back to the Base Currency if, in the opinion of the Investment Manager, this is believed to be appropriate.

The Fund is actively managed.

The Fund aims to outperform the FTSE Chinese Government Bond Index (CNH) benchmark before charges.

The benchmark is also used as a basis for setting risk constraints however the Fund does not use a benchmark for portfolio construction.

In order to achieve its objective, the Fund will take positions whose weightings diverge from the benchmark or invest in securities which are not included in the benchmark. The investments of the Fund may deviate significantly from the components of and their respective weightings in the benchmark.

The Investment Manager seeks to reduce the risk of significant changes in the value of the Fund compared to the benchmark. The potential change in value of the Fund (as measured by expected volatility) is not ordinarily expected to exceed 150% of the potential change in value of the benchmark over the longer term.

Where Share Classes are denominated in a currency other than the Base Currency of the Fund, a currency specific benchmark will typically be used for performance comparison purposes. This will either be the benchmark of the Fund expressed in another currency or a different currency specific benchmark with similar characteristics. Benchmarks applicable to such Share Classes are disclosed in the relevant PRIIPS KID.

**Base Currency:** RMB (CNH)

**Investment Manager:** abrdn Investments Limited

**Sub-Investment Manager:** abrdn Asia Limited

**Investment Process:** Fixed Income

**Investor Profile:** This Fund gives access to Debt and Debt-Related Securities of issuers located in an Emerging Market and may be suitable for investors willing to accept a high level of risk within the fixed income investment spectrum. Investors are likely to use this Fund to complement an existing core bond portfolio and are likely to have a long-term investment horizon.

#### **Risk warnings specific to abrdn SICAV I – China Onshore Bond Fund**

In addition to the general risk factors set out under "General Risk Factors" potential investors should be aware of certain Fund specific risks:

- The Fund's exposure to a single country market increases potential volatility.
- The Fund may invest in Mainland China - potential investors should note the "Investing in Mainland China" section of the "General Risk Factors" and the "Taxation of Chinese Equity and Bonds" section under "Taxation".
- The Fund's underlying investments are subject to interest rate risk and credit risk. Interest rate fluctuations affect the capital value of investments. Where long term interest rates rise, the capital value of bonds is likely to fall and vice versa. Credit risk reflects the ability of a bond issuer to meet its obligations. Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
- The Fund invests in Debt and Debt-Related Securities, including Sub-Investment Grade securities. Consequently, the Fund's portfolio may have a significant position in Sub-Investment Grade bonds, which means that there is more risk to investors' capital and income than from a fund investing in Investment Grade bonds.
- The Fund invests in Chinese Debt and Debt-Related Securities thereby providing exposure to Emerging Markets which tend to be more volatile than mature markets and its value could move sharply up or down. In some circumstances, the underlying investments may become less liquid which may constrain the Investment Manager's ability to realise some or all of the portfolio.
- The registration and settlement arrangements in Emerging Markets may be less developed than in more mature markets so the operational risks of investing are higher. Political risks and adverse economic circumstances are more likely to arise, putting the value of your investment at risk.
- The Fund may be invested in contingent convertible bonds. If the financial strength of a bond's issuer falls by a predetermined threshold, the bond may suffer substantial or total losses of capital (investors should refer to the risk factor "Contingent Securities" in the section "General Risk Factors" for information on other risks associated with contingent convertible bonds).
- The Fund may utilise financial derivative instruments for investment purposes in pursuing its investment objective (in addition to use for hedging purposes). Use of derivatives other than for hedging may result in leverage.

#### **ABRDN SICAV I – CLIMATE TRANSITION BOND FUND**

This Fund is subject to Article 9 of the SFDR. Further information can be found under section "EU's Sustainable Finance Disclosure Regulation – Sustainability Risk Integration".

##### **Investment objective and policy:**

The Fund's investment objective is long term total return to be achieved by investing at least 90% of its assets in Investment Grade and Sub-Investment Grade Debt and Debt-Related Securities issued worldwide, including in Emerging Markets that support the transition to a low carbon economy and society's adaptation to climate change.

The Fund will maintain a minimum of 70% of its net assets in Debt and Debt-Related Securities issued by corporations.

The Fund may invest up to 40% of its net assets in Sub-Investment Grade Debt and Debt-Related Securities.

Investment in all Debt and Debt-Related securities will follow the abrdn "Climate Transition Bond Investment Approach".

Through the application of this approach, the Fund has an expected minimum of 75% in Sustainable Investments.

This approach identifies companies that are lowering the greenhouse gas emissions of their operations or companies and countries that are helping society adapt to the physical risks of climate change or companies that are helping other parts of the economy to reduce their emissions through their products or services. Engagement with company management teams is a part of our investment process and ongoing stewardship programme. Our process evaluates the ownership structures, governance and management quality of the companies.

The Fund also utilises abrdn's fixed income investment process, where every company that the Fund invests in is given a 'Low', 'Medium' or 'High' ESG Risk Rating, which is used to assess how the Fund believes ESG factors are likely to impact on the company's ability to repay its debt, both now and in the future. Any companies deemed to have a 'High' ESG Risk Rating are excluded from the investment universe.

Engagement with external company management teams is used to evaluate the ownership structures, governance and management quality of those companies in order to inform portfolio construction.

In addition, abrdn apply a set of company exclusions which are related to normative screening (UN Global Compact, ILO and OECD), State-Owned Enterprises, Tobacco, Alcohol, Gambling, Thermal Coal, Oil & Gas, Adult Entertainment and Weapons. Further detail of this overall process is captured within the Climate Transition Bond Investment Approach, which is published at [www.abrdn.com](http://www.abrdn.com) under "Fund Centre".

The portfolio construction and the Climate Transition Bond Investment Approach reduce the investment universe by a minimum of 20%. Investments in financial derivative instruments, money market instruments and cash may not adhere to this approach.

The Fund's portfolio will typically be hedged back to the Base Currency.

The Fund may utilise financial derivative instruments for hedging and/or investment purposes, or to manage foreign exchange risks, subject to the conditions and within the limits laid down by applicable laws and regulations. Other than currency hedging, the Fund will only use interest rate swaps, and bond futures to a limited extent.

The Fund is actively managed. The holdings of the Fund are not selected with reference to a benchmark index and the Fund does not aim to outperform any benchmark but the performance of the Fund (before charges) can be compared over the long term (5 years or more) against a basket of the following indices, which is rebalanced to the stated weights on a daily basis:

- 60% Bloomberg Global Aggregate Corporates Index (USD hedged)
- 20% Bloomberg Global High Yield Corporates Index (USD hedged)
- 20% JP Morgan Corporate Emerging Market Bond Index (USD).

These indices are used for the purposes of setting risk constraints and don't have any sustainable factors. The Investment Manager seeks to reduce the risk of significant changes in the value of the Fund compared to the indices. The potential change in value of the Fund (as measured by expected volatility) is not ordinarily expected to exceed 150% of the potential change in value of the above basket of indices over the longer term.

Where Share Classes are denominated in a currency other than the Base Currency of the Fund, a currency specific benchmark will typically be used for performance comparison purposes. This will either be the above basket of indices in another currency or a different currency specific benchmark with similar characteristics. Benchmarks applicable to such Share Classes are disclosed in the relevant PRIIPS KID.

<b>Base Currency:</b>	US Dollars
<b>Investment Manager:</b>	abrdn Investments Limited
<b>Sub-Investment Manager:</b>	abrdn Inc.
<b>Investment Process:</b>	Fixed Income
<b>Investor Profile:</b>	This Fund gives access to a global range of Debt securities that comply with our Global Climate Transition Fixed Income Investment Approach and may be suitable for investors willing to accept a medium level of risk within the fixed interest investment spectrum and who have a long term investment horizon. This Fund may also be suitable for investors seeking a sustainability-related outcome.

#### **Risk warnings specific to abrdn SICAV I – Climate Transition Bond Fund**

In addition to the general risk factors set out under "General Risk Factors" potential investors should be aware of certain Fund specific risks:

- The Fund's underlying investments are subject to interest rate risk and credit risk. Interest rate fluctuations affect the capital value of investments. Where long-term interest rates rise, the capital value of bonds is likely to fall and vice versa. Credit risk reflects the ability of a bond issuer to meet its obligations. Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
- The Fund invests in Debt securities, including Sub-Investment Grade securities. Consequently, the Fund's portfolio may have a significant position in Sub-Investment Grade bonds, which means that there is more risk to investor's capital and income than from a fund investing in Investment Grade bonds.
- The Fund invests in Emerging Markets which tend to be more volatile than mature markets and the value of your investment could move sharply up or down. In some circumstances, the underlying investments may become less liquid which may constrain the Investment Manager's ability to realise some or all of the portfolio. The registration and settlement arrangements in Emerging Markets may be less developed than in more mature markets so the operational risks of investing are higher. Political risks and adverse economic circumstances are more likely to arise, putting the value of your investment at risk.

- The risk profile of this Fund may be higher relative to other bond funds due to its investments in asset-backed and mortgage backed securities.
- The Fund may invest in Mainland China - potential investors should note the "Investing in Mainland China" section of the "General Risk Factors" and the "Taxation of Chinese Equity and Bonds" section under "Taxation".
- The Fund may utilise financial derivative instruments for investment purposes in pursuing its investment objective (in addition to use for hedging purposes). Use of derivatives other than for hedging may result in leverage and may increase volatility in the Net Asset Value of the Fund.
- The Fund may be invested in contingent convertible bonds. If the financial strength of a bond's issuer falls by a predetermined threshold, the bond may suffer substantial or total losses of capital. Investors should refer to the risk factor "Contingent Securities" in the section "General Risk Factors" for information on other risks associated with contingent convertible bonds.
- Applying ESG and sustainability criteria in the investment process may result in the exclusion of securities in which the Fund might otherwise invest. Such securities could be part of the benchmark against which the Fund is managed, or be within the universe of potential investments. This may have a positive or negative impact on performance and may mean that the Fund's performance profile differs to that of funds which are managed against the same benchmark or invest in a similar universe of potential investments but without applying ESG or sustainability criteria. Furthermore, the lack of common or harmonised definitions and labels regarding ESG and sustainability criteria may result in different approaches by managers when setting ESG objectives integrating ESG and sustainability criteria into investment decisions. This means that it may be difficult to compare funds with ostensibly similar objectives and that these funds will employ different security selection and exclusion criteria. Consequently, the performance profile of otherwise similar funds may deviate more substantially than might otherwise be expected. Additionally, in the absence of common or harmonised definitions and labels, a degree of subjectivity is required and this will mean that a fund may invest in a security that another manager or an investor would not.

## **ABRDN SICAV I – DIVERSIFIED GROWTH FUND**

This Fund is subject to Article 6 of the SFDR. Further information can be found under section "EU's Sustainable Finance Disclosure Regulation – Sustainability Risk Integration".

### **Investment Objective and Policy**

The Fund's investment objective is to achieve capital growth combined with income by actively managing allocations in investments in worldwide Transferable Securities including, but not limited to, equity and equity-related securities, Investment Grade and Sub-Investment Grade Debt and Debt-Related Securities issued by governments, government-related bodies, corporations or multilateral development banks, cash, deposits and Money Market Instruments directly or indirectly through the use of UCITS or other UCIs.

The Fund aims to exceed the return on cash deposits (as currently measured by a benchmark of Euro Short Term Rate ("€STR") by 5% per annum over rolling five year periods (before charges). There is however no certainty or promise that the Fund will achieve this level of return.

The Fund is a global fund insofar as its investments are not confined to or concentrated in any particular geographic region or market. The Fund's investment exposures and returns may differ significantly from the benchmark. The Investment Manager uses its discretion (active management) to identify a diverse mix of investments which it believes are most appropriate for the investment objective. As a result of this diversification, and during extreme equity market falls, losses are expected to be below those of conventional global equity markets, with a volatility (a measure of the size of changes in the value of an investment) typically less than two thirds of equities.

The Fund may have exposure to currencies other than the Base Currency of up to 100% of its Net Asset Value. The Fund may utilise financial derivative instruments for hedging and/ or investment purposes, or to manage foreign exchange risks, subject to the conditions and within the limits laid down by applicable laws and regulations.

Without limiting the generality of the foregoing, the Investment Manager may alter the currency exposure of the Fund, solely through the use of derivative contracts (without buying or selling underlying Transferable Securities or currencies). Furthermore, the Fund's portfolio may be fully or partially hedged back to the Base Currency if, in the opinion of the Investment Manager, this is believed to be appropriate.

Where Share Classes are denominated in a currency other than the Base Currency of the Fund, a currency specific benchmark will typically be used for performance comparison purposes. This will either be the benchmark of the Fund expressed in another currency or a different currency specific benchmark with similar characteristics. Benchmarks applicable to such Share Classes are disclosed in the relevant PRIIPS KID.

<b>Base Currency:</b>	Euro.
<b>Investment Manager:</b>	abrdn Investments Limited abrdn Inc.
<b>Sub-Investment Manager:</b>	abrdn Asia Limited

**Investment Process:** Multi Asset

**Investor Profile:** The Fund gives access to a broad range of global assets comprising equity securities, debt securities of governments and corporations worldwide, derivatives and property-related securities. The Fund may appeal to investors seeking capital growth and income opportunities with Fund volatility aimed at being lower than equity investment, but who are willing to accept a medium level of risk through a diversified portfolio of lower and higher risk assets. The Fund is aimed at investors with a long-term investment horizon.

#### **Risk warnings specific to abrdn SICAV I – Diversified Growth Fund**

In addition to the general risk factors set out under "General Risk Factors" potential investors should be aware of certain Fund specific risks:

- The Fund's exposure to equities means that investors are exposed to stock market movements which may increase volatility in the net asset value of the Fund.
- The Fund's underlying investments are subject to interest rate risk and credit risk. Interest rate fluctuations affect the capital value of investments. Where long term interest rates rise, the capital value of bonds is likely to fall and vice versa. Credit risk reflects the ability of a bond issuer to meet its obligations. Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
- The Fund may invest in REITs which themselves invest directly in real estate - under adverse market or economic conditions such assets may become less liquid or experience a drop in value, which are more fully described under "General Risk Factors".
- The Fund may invest in Emerging Markets which tend to be more volatile than mature markets and its value could move sharply up or down. In some circumstances, the underlying investments may become less liquid which may constrain the Investment Manager's ability to realise some or all of the portfolio. The registration and settlement arrangements in Emerging Markets may be less developed than in more mature markets so the operational risks of investing are higher. Political risks and adverse economic circumstances are more likely to arise. The Fund may also invest in Frontier Markets which involves similar risks, but to a greater extent since they tend to be even smaller, less developed, and less accessible than other Emerging Markets.
- The Fund may invest its assets in ABS including MBS, which are debt securities based on a pool of assets or collateralised by the cash flows from a specific pool of underlying assets. ABS and MBS assets may be highly illiquid and therefore prone to substantial price volatility.  
The Fund's portfolio may have a significant position in Sub-Investment Grade bonds, which means that there may be more risk to investor's capital and income than from a fund investing in Investment Grade bonds.
- The Fund may utilise financial derivative instruments for investment purposes in pursuing its investment objective (in addition to use for hedging purposes). Use of derivatives other than for hedging may result in leverage and may increase volatility in the Net Asset Value of the Fund.
- The Fund invests in the shares of smaller companies which may be less liquid and more volatile than those of larger companies.

#### **ABRDN SICAV I – DIVERSIFIED INCOME FUND**

This Fund is subject to Article 6 of the SFDR. Further information can be found under section "EU's Sustainable Finance Disclosure Regulation – Sustainability Risk Integration".

#### **Investment Objective and Policy**

The Fund's investment objective is to achieve income combined with capital growth by investing in worldwide Transferable Securities including, but not limited to, equity and equity-related securities, Investment Grade and Sub-Investment Grade Debt and Debt-Related Securities issued by governments, government-related bodies, corporations or multilateral development banks, cash, deposits and Money Market Instruments directly or indirectly through the use of UCITS or other UCIs.

The Fund aims to exceed the return on cash deposits (as currently measured by a benchmark of US Secured Overnight Financing Rate ("SOFR")) by 5% per annum over rolling five year periods (before charges). There is however no certainty or promise that the Fund will achieve this level of return.

The Fund is a global fund insofar as its investments are not confined to or concentrated in any particular geographic region or market. The Fund's investment exposures and returns may differ significantly from the benchmark. The Investment Manager uses its discretion (active management) to identify a diverse mix of investments which it believes are most appropriate for the investment objective. As a result of this diversification, and during extreme equity market falls, losses are expected to be below those of conventional global equity markets, with a volatility (a measure of the size of changes in the value of an investment) typically less than two thirds of equities.

The Fund may have exposure to currencies other than the Base Currency of up to 100% of its Net Asset Value.

The Fund may utilise financial derivative instruments for hedging and/ or investment purposes, or to manage foreign exchange risks, subject to the conditions and within the limits laid down by applicable laws and regulations.

Without limiting the generality of the foregoing, the Investment Manager may alter the currency exposure of the Fund, solely through the use of derivative contracts (without buying or selling underlying Transferable Securities or currencies). Furthermore, the Fund's portfolio may be fully or partially hedged back to the Base Currency if, in the opinion of the Investment Manager, this is believed to be appropriate.

Where Share Classes are denominated in a currency other than the Base Currency of the Fund, a currency specific benchmark will typically be used for performance comparison purposes. This will either be the benchmark of the Fund expressed in another currency or a different currency specific benchmark with similar characteristics. Benchmarks applicable to such Share Classes are disclosed in the relevant PRIIPS KID.

**Base Currency:** US Dollars.

**Investment Manager:** abrdr Investments Limited  
abrdr Inc.

**Sub-Investment Manager:** abrdr Asia Limited

**Investment Process:** Multi Asset

**Investor Profile:** This Fund gives access to a broad range of equity and debt securities of worldwide governments and corporations and may be suitable for investors willing to accept a medium level of risk. Investors are likely to use this fund to complement an existing core bond portfolio and have a long-term investment horizon.

#### **Risk warnings specific to abrdr SICAV I – Diversified Income Fund**

In addition to the general risk factors set out under "General Risk Factors" potential investors should be aware of certain Fund specific risks:

- The Fund's exposure to equities means that investors are exposed to stock market movements which may increase volatility in the net asset value of the Fund.  
The Fund's underlying investments are subject to interest rate risk and credit risk. Interest rate fluctuations affect the capital value of investments. Where long term interest rates rise, the capital value of bonds is likely to fall and vice versa. Credit risk reflects the ability of a bond issuer to meet its obligations. Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
- The Fund may invest in REITs which themselves invest directly in real estate - under adverse market or economic conditions such assets may become less liquid or experience a drop in value, which are more fully described under "General Risk Factors".
- The Fund may invest in Emerging Markets which tend to be more volatile than mature markets and its value could move sharply up or down. In some circumstances, the underlying investments may become less liquid which may constrain the Investment Manager's ability to realise some or all of the portfolio. The registration and settlement arrangements in Emerging Markets may be less developed than in more mature markets so the operational risks of investing are higher. Political risks and adverse economic circumstances are more likely to arise. The Fund may also invest in Frontier Markets which involves similar risks, but to a greater extent since they tend to be even smaller, less developed, and less accessible than other Emerging Markets.
- The Fund may invest its assets in ABS including MBS, which are debt securities based on a pool of assets or collateralised by the cash flows from a specific pool of underlying assets. ABS and MBS assets may be highly illiquid and therefore prone to substantial price volatility.
- The Fund's portfolio may have a significant position in Sub-Investment Grade bonds, which means that there may be more risk to investor's capital and income than from a fund investing in Investment Grade bonds.
- The Fund may utilise financial derivative instruments for investment purposes in pursuing its investment objective (in addition to use for hedging purposes). Use of derivatives other than for hedging may result in leverage and may increase volatility in the Net Asset Value of the Fund. The Fund invests in the shares of smaller companies which may be less liquid and more volatile than those of larger companies.

#### **ABRDR SICAV I – EMERGING MARKETS BOND FIXED MATURITY 2023 FUND**

This Fund is subject to Article 6 of the SFDR. Further information can be found under section "EU's Sustainable Finance Disclosure Regulation – Sustainability Risk Integration".

#### **Investment Objective and Policy**

The Fund's investment objective is to achieve income and capital preservation over the term of the Fund by investing at least two-thirds of the Fund's assets in Debt and Debt-Related Securities with a maturity equal to, or less than, the Fund's term, ending on 2 October 2023, denominated in US Dollars and issued by corporations (including holding companies of such corporations) with their registered office, principal place of business or preponderance of their business activities in an Emerging Market country and/or governments or government-related bodies domiciled in an Emerging Market country.

The Fund may invest up to 50% of its Net Asset Value in Sub-Investment Grade Debt and Debt-Related Securities.

The Investment Manager will seek to reduce the risk of losses and the expected change (as measured by annual volatility) in the value of the Fund is not ordinarily expected to exceed 7.5%.

The Fund will only be open to subscription on the day of the launch, unless an extension is granted by the Board of Directors. After this day, the Fund will be closed for subscriptions and will only remain open for redemptions.

All redemptions made before the Fund's Maturity Date will be subject to a dilution adjustment which will generally not exceed 2% of the Net Asset Value. Any dilution adjustment will be retained for the benefit of the Fund.

The minimum viable amount for the Fund shall be USD 100 million (the "**Minimum Viable Amount**"). In the event that the Net Asset Value of the Fund falls below the Minimum Viable Amount at any time, or in case the Investment Manager deems the Fund's investment objective can no longer be met, the Board of Directors may decide to liquidate the Fund.

It is intended that the Fund's term will end on 2 October 2023 (the "**Maturity Date**") when the Fund will be liquidated and Shares of the Fund will be compulsorily redeemed at the prevailing Net Asset Value per Share.

Over a period of approximately 12 months approaching the Fund's Maturity Date, the Fund will no longer be subject to holding at least two-thirds of the assets in Debt and Debt-Related Securities; instead, the portfolio will be managed so that investments match the Maturity Date, by investing in shorter-dated financial instruments issued by governments or by corporate issuers such as commercial paper, bonds, notes, bills, deposits, certificates of deposits and cash, and/or in collective investment schemes which invest in these instruments.

The Fund is actively managed and does not use a benchmark for portfolio construction, risk management or performance assessment purposes.

**Base Currency:** US Dollars

**Investment Manager:** abrdn Investments Limited

**Investment Process:** Fixed Income

**Investor Profile:** This Fund gives access to Debt securities of Emerging Market companies and may be suitable for investors willing to accept a high level of risk within the fixed investment spectrum and who have a medium-term investment horizon.

Investors should be aware of the dilution adjustment which may be applicable to abrdn SICAV I – Emerging Markets Bond Fixed Maturity 2023 Fund and which is referred to in the Investment Objective and Policy and in section "Dealing in Shares of abrdn SICAV I" in this Prospectus.

**Investors should be aware that no exchange (or switch) is permitted within, into or out of this Fund.**

#### **Risk warnings specific to abrdn SICAV I – Emerging Markets Bond Fixed Maturity 2023 Fund**

In addition to the general risk factors set out under "General Risk Factors" potential investors should be aware of certain Fund specific risks:

- **The Fund is not a guaranteed fund and returns can be negative. Furthermore, the Fund is intended to be held to the Maturity Date. Investors who do not hold their Shares to the Maturity Date may suffer significant losses.**
- The Fund's underlying investments are subject to interest rate risk and credit risk. Interest rate fluctuations affect the capital value of investments. Where long-term interest rates rise, the capital value of bonds is likely to fall and vice versa. Credit risk reflects the ability of a bond issuer to meet its obligations. Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
- The Fund invests in debt securities, including Sub-Investment Grade securities. Consequently, the Fund's portfolio may have a significant position in Sub-Investment Grade bonds, which means that there is more risk to investor's capital and income than from a fund investing in Investment Grade bonds.
- The Fund invests in Emerging Markets which tend to be more volatile than mature markets and its value could move sharply up or down. In some circumstances, the underlying investments may become less liquid which may constrain the Investment Manager's ability to realise some or all of the portfolio. The registration and settlement arrangements in Emerging Markets may be less developed than in more mature markets so the operational risks of investing are higher. Political risks and adverse economic circumstances are more likely to arise.



## **ABRDN SICAV I – EMERGING MARKETS CORPORATE BOND FUND**

This Fund is subject to Article 8 of the SFDR. Further information can be found under section "EU's Sustainable Finance Disclosure Regulation – Sustainability Risk Integration".

### **Investment Objective and Policy**

The Fund's investment objective is long term total return to be achieved by investing at least two-thirds of the Fund's assets in Debt and Debt-Related Securities which are issued by corporations (including government-owned corporations) with their registered office or principal place of business in a CEMBI Emerging Market; and/or by corporations which carry out the preponderance of their business activities (as determined by the Investment Manager) in a CEMBI Emerging Market; and/or by holding companies that have the preponderance of their assets invested in corporations with their registered office in a CEMBI Emerging Market and/or the preponderance of their business activities (as determined by the Investment Manager) in a CEMBI Emerging Market) as at the date of investment.

The Fund may invest up to 100% of its Net Asset Value in Sub-Investment Grade Debt and Debt-Related Securities.

The Fund is actively managed.

The Fund aims to outperform the JP Morgan CEMBI Broad Diversified Index (USD) benchmark before charges.

The benchmark is also used as a reference point for portfolio construction and as a basis for setting risk constraints, but does not incorporate any sustainable criteria.

In order to achieve its objective, the Fund will take positions whose weightings diverge from the benchmark or invest in securities which are not included in the benchmark. The investments of the Fund may deviate significantly from the components of and their respective weightings in the benchmark. Due to the active nature of the management process, the Fund's performance profile may deviate significantly from that of the benchmark over the longer term.

The Fund promotes environmental and social characteristics but does not have a sustainable investment objective.

Investment in all Debt and Debt-Related Securities issued by corporations will follow the abrdn "Emerging Markets Corporate Bond Promoting ESG Investment Approach".

Through the application of this approach, the Fund has an expected minimum of 15% in Sustainable Investments. Furthermore, the Fund targets a lower carbon intensity than the benchmark.

This approach utilises abrdn's fixed income investment process, which enables portfolio managers to qualitatively assess how ESG factors are likely to impact on the company's ability to repay its debt, both now and in the future. To complement this research, the abrdn ESG House Score is used to quantitatively identify and exclude those companies exposed to the highest ESG risks. In addition, abrdn apply a set of company exclusions, which are related to the UN Global Compact, Controversial Weapons, Tobacco Manufacturing and Thermal Coal. While these exclusions are applied at a company level, investment is permitted in Green bonds, Social bonds or Sustainable bonds issued by companies otherwise excluded by the environmental screens, where the proceeds of such issues can be confirmed as having a positive environmental impact.

Engagement with external company management teams is a part of abrdn's investment process and ongoing stewardship programme. This process evaluates the ownership structures, governance and management quality of those companies, in order to inform portfolio construction. As part of this, where the engagement process identifies companies in high carbon emitting sectors with ambitious and credible targets to decarbonise their operations, up to 5% of assets may be invested in these companies in order to support their transition to ultimately comply with the environmental screens.

Further detail of this overall process is captured within the Emerging Markets Corporate Bond Promoting ESG Investment Approach, which is published at [www.abrdn.com](http://www.abrdn.com) under "Fund Centre".

Investment in financial derivative instruments, money-market instruments and cash may not adhere to this approach.

The Fund may utilise financial derivative instruments for hedging and/or investment purposes, or to manage foreign exchange risks, subject to the conditions and within the limits laid down by applicable laws and regulations.

Without limiting the generality of the foregoing, the Investment Manager may alter the currency exposure of the Fund, solely through the use of derivative contracts (without buying or selling underlying Transferable Securities or currencies). The Fund's portfolio will typically be hedged back to the Base Currency.

Where Share Classes are denominated in a currency other than the Base Currency of the Fund, a currency specific benchmark will typically be used for performance comparison purposes. This will either be the benchmark of the Fund expressed in another currency or a different currency specific benchmark with similar characteristics. Benchmarks applicable to such Share Classes are disclosed in the relevant PRIIPS KID.

**Base Currency:** US Dollars.

**Investment Manager:** abrdr Investments Limited

**Investment Process:** Fixed Income

**Investor Profile:** This Fund gives access to debt securities of emerging market companies which comply with the Fund's Promoting ESG Investment process, and may be suitable for investors willing to accept a high level of risk within the fixed income investment spectrum. Investors are likely to use this Fund to complement an existing core bond portfolio and are likely to have a long-term investment horizon. This Fund may also be suitable for investors seeking a sustainability-related outcome.

#### **Risk warnings specific to abrdr SICAV I – Emerging Markets Corporate Bond Fund**

In addition to the general risk factors set out under "General Risk Factors" potential investors should be aware of certain Fund specific risks:

- The Fund's underlying investments are subject to interest rate risk and credit risk. Interest rate fluctuations affect the capital value of investments. Where long term interest rates rise, the capital value of bonds is likely to fall and vice versa. Credit risk reflects the ability of a bond issuer to meet its obligations. Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
- The Fund invests in debt securities, including Sub-Investment Grade securities. Consequently, the Fund's portfolio may have a significant position in Sub-Investment Grade bonds, which means that there is more risk to investor's capital and income than from a fund investing in Investment Grade bonds.
- The Fund may utilise financial derivative instruments for investment purposes in pursuing its investment objective (in addition to use for hedging purposes). Use of derivatives other than for hedging may result in leverage and may increase volatility in the Net Asset Value of the Fund.
- The Fund invests in Emerging Markets which tend to be more volatile than mature markets and its value could move sharply up or down. In some circumstances, the underlying investments may become less liquid which may constrain the Investment Manager's ability to realise some or all of the portfolio. The registration and settlement arrangements in Emerging Markets may be less developed than in more mature markets so the operational risks of investing are higher. Political risks and adverse economic circumstances are more likely to arise.
- Performance may be strongly influenced by movements in currency rates because the Fund may have exposure to a particular currency that is different to the value of the securities denominated in that currency held by the Fund.
- The Fund may be invested in contingent convertible bonds. If the financial strength of a bond's issuer falls by a predetermined threshold, the bond may suffer substantial or total losses of capital (investors should refer to the risk factor "Contingent Securities" in the section "General Risk Factors" for information on other risks associated with contingent convertible bonds).
- Applying ESG and sustainability criteria in the investment process may result in the exclusion of securities in which the Fund might otherwise invest. Such securities could be part of the benchmark against which the Fund is managed, or be within the universe of potential investments. This may have a positive or negative impact on performance and may mean that the Fund's performance profile differs to that of funds which are managed against the same benchmark or invest in a similar universe of potential investments but without applying ESG or sustainability criteria. Furthermore, the lack of common or harmonised definitions and labels regarding ESG and sustainability criteria may result in different approaches by managers when integrating ESG and sustainability criteria into investment decisions. This means that it may be difficult to compare funds with ostensibly similar objectives and that these funds will employ different security selection and exclusion criteria. Consequently, the performance profile of otherwise similar funds may deviate more substantially than might otherwise be expected. Additionally, in the absence of common or harmonised definitions and labels, a degree of subjectivity is required and this will mean that a fund may invest in a security that another manager or an investor would not.

#### **ABRDR SICAV I – EMERGING MARKETS EQUITY FUND**

This Fund is subject to Article 8 of the SFDR. Further information can be found under section "EU's Sustainable Finance Disclosure Regulation – Sustainability Risk Integration".

##### **Investment Objective and Policy**

The Fund's investment objective is long term total return to be achieved by investing at least 70% of the Fund's assets in equities and equity-related securities of companies listed, incorporated or domiciled in Emerging Market countries or companies that derive a significant proportion of their revenues or profits from Emerging Market countries operations or have a significant proportion of their assets there.

The Fund may invest up to 30% of its net assets in Mainland China equity and equity-related securities, although only up to 20% of its net assets may be invested directly through QFI regime, the Shanghai-Hong Kong and Shenzhen-Hong Kong Stock Connect programme or by any other available means.

The Fund is actively managed. The Fund aims to outperform the MSCI Emerging Markets Index (USD) benchmark before charges. The benchmark is also used as a reference point for portfolio construction and as a basis for setting risk constraints, but does not incorporate any sustainable criteria.

In order to achieve its objective, the Fund will take positions whose weightings diverge from the benchmark and may invest in securities which are not included in the benchmark. The investments of the Fund may deviate significantly from the components of and their respective weightings in the benchmark. Due to the active nature of the management process, the Fund's performance profile may deviate significantly from that of the benchmark.

The Fund promotes environmental and social characteristics but does not have a sustainable investment objective.

Investment in all equity and equity-related securities will follow abrdn's "Emerging Markets Promoting ESG Equity Investment Approach".

Through the application of this approach the Fund does not apply a minimum threshold in Sustainable Investments. However, the Fund targets an ESG rating that is equal to or better, and a meaningfully lower carbon intensity, than the benchmark.

This approach utilises abrdn's equity investment process, which enables portfolio managers to qualitatively identify and avoid ESG laggards. To complement this research, the abrdn ESG House Score is used to quantitatively identify and exclude those companies exposed to the highest ESG risks. Additionally, abrdn apply a set of company exclusions which are related to the UN Global Compact, Controversial Weapons, Tobacco Manufacturing and Thermal Coal. More detail on this overall process is captured within the abrdn Emerging Markets Promoting ESG Equity Investment Approach, which is published at [www.abrdn.com](http://www.abrdn.com) under "Fund Centre".

Engagement with external company management teams is used to evaluate the ownership structures, governance and management quality of those companies in order to inform portfolio construction.

Financial derivative instruments, money-market instruments and cash may not adhere to this approach.

The Fund may utilise financial derivative instruments for hedging and/or investment purposes, or to manage foreign exchange risks, subject to the conditions and within the limits laid down by applicable laws and regulations. The use of derivatives for hedging and/or investment purposes is expected to be very limited, mainly in those cases where there are significant inflows into the Fund so that cash can be invested while the Fund's investments in equity and equity related securities is maintained.

Where Share Classes are denominated in a currency other than the Base Currency of the Fund, a currency specific benchmark will typically be used for performance comparison purposes. This will either be the benchmark of the Fund expressed in another currency or a different currency specific benchmark with similar characteristics. Benchmarks applicable to such Share Classes are disclosed in the relevant PRIIPS KID.

**Base Currency:** US Dollars.

**Investment Manager:** abrdn Investments Limited

**Sub-Investment Manager:** abrdn Asia Limited (Asian assets only)

**Investment Process:** Active Equities - Values Led Investing

**Investor Profile:** This Fund gives access to global emerging market stocks and may be suitable for investors seeking capital appreciation opportunities through equity investments which comply with the Fund's Promoting ESG Investment process. Despite potentially higher long-term returns offered by investments in global emerging market equities, investors need to be comfortable with the additional political and economic risks associated with emerging market investments. Investors are likely to hold this Fund as a complement to a diversified portfolio and should have a long-term investment horizon. This Fund may also be suitable for investors seeking a sustainability-related outcome.

#### **Risk warnings specific to abrdn SICAV I – Emerging Markets Equity Fund**

In addition to the general risk factors set out under "General Risk Factors" potential investors should be aware of certain Fund specific risks:

- The Fund invests in Emerging Markets which tend to be more volatile than mature markets and its value could move sharply up or down. In some circumstances, the underlying investments may become less liquid which may constrain the Investment Manager's ability to realise some or all of the portfolio. The registration and settlement arrangements in Emerging Markets may be less developed than in more mature markets so the operational risks of investing are higher. Political risks and adverse economic circumstances are more likely to arise.
- The Fund may invest in Mainland China - potential investors should note the "Investing in Mainland China" section of the "General Risk Factors" and the "Taxation of Chinese Equity and Bonds" section under "Taxation".
- The Fund may invest in companies with VIE structures in order to gain exposure to industries with foreign ownership restrictions. There is a risk that investments in these structures may be adversely affected by changes in the applicable legal and regulatory framework.
- The Fund may utilise financial derivative instruments for investment purposes in pursuing its investment objective (in addition to use for hedging purposes). Use of derivatives other than for hedging may result in leverage and may increase volatility in the Net Asset Value of the Fund.

- Applying ESG and sustainability criteria in the investment process may result in the exclusion of securities in which the Fund might otherwise invest. Such securities could be part of the benchmark against which the Fund is managed, or be within the universe of potential investments. This may have a positive or negative impact on performance and may mean that the Fund's performance profile differs to that of funds which are managed against the same benchmark or invest in a similar universe of potential investments but without applying ESG or sustainability criteria. Furthermore, the lack of common or harmonised definitions and labels regarding ESG and sustainability criteria may result in different approaches by managers when integrating ESG and sustainability criteria into investment decisions. This means that it may be difficult to compare funds with ostensibly similar objectives and that these funds will employ different security selection and exclusion criteria. Consequently, the performance profile of otherwise similar funds may deviate more substantially than might otherwise be expected. Additionally, in the absence of common or harmonised definitions and labels, a degree of subjectivity is required and this will mean that a fund may invest in a security that another manager or an investor would not.

## **ABRDN SICAV I – EMERGING MARKETS INFRASTRUCTURE EQUITY FUND**

This Fund is subject to Article 8 of the SFDR. Further information can be found under section "EU's Sustainable Finance Disclosure Regulation – Sustainability Risk Integration".

### **Investment Objective and Policy**

The Fund's investment objective is long term total return to be achieved by investing at least 70% of the Fund's assets in equities and equity-related securities of companies active in the field of infrastructure related sectors and are listed, incorporated or domiciled in Emerging Market countries or derive a significant proportion of their revenues or profits from Emerging Market countries operations or have a significant proportion of their assets there.

The Fund may invest up to 30% of its net assets in Mainland China equity and equity-related securities, including through QFI regime, the Shanghai-Hong Kong and Shenzhen-Hong Kong Stock Connect programme or by any other available means.

The Fund is actively managed.

The Fund aims to outperform the MSCI Emerging Market Infrastructure Index (USD) benchmark before charges. The benchmark is also used as a reference point for portfolio construction and as a basis for setting risk constraints, but does not incorporate any sustainable criteria.

In order to achieve its objective, the Fund will take positions whose weightings diverge from the benchmark and may invest in securities which are not included in the benchmark. The investments of the Fund may deviate significantly from the components of and their respective weightings in the benchmark. Due to the active nature of the management process, the Fund's performance profile may deviate significantly from that of the benchmark.

The Fund promotes environmental and social characteristics but does not have a sustainable investment objective.

Investment in all equity and equity-related securities will follow abrdn's "Emerging Markets Infrastructure Promoting ESG Equity Investment Approach".

Through the application of this approach the Fund does not apply a minimum threshold in Sustainable Investments. However, the Fund targets an ESG rating that is equal to or better, and a meaningfully lower carbon intensity, than the benchmark.

This approach utilises abrdn's equity investment process, which enables portfolio managers to qualitatively identify and avoid ESG laggards. To complement this research, the abrdn ESG House Score is used to quantitatively identify and exclude those companies exposed to the highest ESG risks. Additionally, abrdn apply a set of company exclusions which are related to the UN Global Compact, Controversial Weapons, Tobacco Manufacturing and Thermal Coal. More detail on this overall process is captured within the abrdn Emerging Markets Infrastructure Promoting ESG Equity Investment Approach, which is published at [www.abrdn.com](http://www.abrdn.com) under "Fund Centre".

Engagement with external company management teams is used to evaluate the ownership structures, governance and management quality of those companies in order to inform portfolio construction.

Financial derivative instruments, money-market instruments and cash may not adhere to this approach.

The Fund may utilise financial derivative instruments for hedging and/or investment purposes, or to manage foreign exchange risks, subject to the conditions and within the limits laid down by applicable laws and regulations. The use of derivatives for hedging and/or investment purposes is expected to be very limited, mainly in those cases where there are significant inflows into the Fund so that cash can be invested while the Fund's investments in equity and equity related securities is maintained.

Where Share Classes are denominated in a currency other than the Base Currency of the Fund, a currency specific benchmark will typically be used for performance comparison purposes. This will either be the benchmark of the Fund expressed in another currency or a different currency specific benchmark with similar characteristics. Benchmarks applicable to such Share Classes are disclosed in the relevant PRIIPS KID.

**Base Currency:** US Dollars.

**Investment Manager:** abrtn Investments Limited

**Sub-Investment Manager:** abrtn Asia Limited (Asian assets only)

**Investment Process:** Active Equities – Values Led Investing

**Investor Profile:** This Fund gives access to a global range of equities issued by infrastructure companies and may be suitable for investors seeking capital appreciation opportunities through equity investments which comply with the Fund's Promoting ESG Investment process. With a potentially high exposure to companies located in Emerging Markets, investors in this Fund need to be comfortable with the additional political and economic risks associated with investments in Emerging Markets. Investors are likely to hold this Fund as a complement to a diversified portfolio and should have a long-term investment horizon. This Fund may also be suitable for investors seeking a sustainability-related outcome.

Investors should be aware of the particular valuation and switching arrangements applicable to abrtn SICAV I – Emerging Markets Infrastructure Equity Fund which are referred to in this Prospectus.

#### **Risk warnings specific to abrtn SICAV I – Emerging Markets Infrastructure Equity Fund**

In addition to the general risk factors set out under "General Risk Factors" potential investors should be aware of certain Fund specific risks:

- The Fund invests in a specialist market sector and as such is likely to be more volatile than a more widely invested fund.
- The Fund invests in Emerging Markets which tend to be more volatile than mature markets and its value could move sharply up or down. In some circumstances, the underlying investments may become less liquid which may constrain the Investment Manager's ability to realise some or all of the portfolio. The registration and settlement arrangements in Emerging Markets may be less developed than in more mature markets so the operational risks of investing are higher. Political risks and adverse economic circumstances are more likely to arise.
- The Fund may invest in Mainland China - potential investors should note the "Investing in Mainland China" section of the "General Risk Factors" and the "Taxation of Chinese Equity and Bonds" section under "Taxation".
- The Fund may invest in companies with VIE structures in order to gain exposure to industries with foreign ownership restrictions. There is a risk that investments in these structures may be adversely affected by changes in the applicable legal and regulatory framework.
- The Fund may utilise financial derivative instruments for investment purposes in pursuing its investment objective (in addition to use for hedging purposes). Use of derivatives other than for hedging may result in leverage and may increase volatility in the Net Asset Value of the Fund.
- Applying ESG and sustainability criteria in the investment process may result in the exclusion of securities in which the Fund might otherwise invest. Such securities could be part of the benchmark against which the Fund is managed, or be within the universe of potential investments. This may have a positive or negative impact on performance and may mean that the Fund's performance profile differs to that of funds which are managed against the same benchmark or invest in a similar universe of potential investments but without applying ESG or sustainability criteria. Furthermore, the lack of common or harmonised definitions and labels regarding ESG and sustainability criteria may result in different approaches by managers when integrating ESG and sustainability criteria into investment decisions. This means that it may be difficult to compare funds with ostensibly similar objectives and that these funds will employ different security selection and exclusion criteria. Consequently, the performance profile of otherwise similar funds may deviate more substantially than might otherwise be expected. Additionally, in the absence of common or harmonised definitions and labels, a degree of subjectivity is required and this will mean that a fund may invest in a security that another manager or an investor would not.

#### **ABRDN SICAV I – EMERGING MARKETS SMALLER COMPANIES FUND**

This Fund is subject to Article 8 of the SFDR. Further information can be found under section "EU's Sustainable Finance Disclosure Regulation – Sustainability Risk Integration".

#### **Investment Objective and Policy**

The Fund's investment objective is long term total return to be achieved by investing at least 70% of the Fund's assets in smaller capitalisation equities and equity-related securities of companies listed, incorporated or domiciled in Emerging Market countries or companies that derive a significant proportion of their revenues or profits from Emerging Market countries operations or have a significant proportion of their assets there.

The Fund may invest up to 20% of its net assets directly or indirectly in Mainland China securities, including through QFI regime, Shanghai-Hong Kong Stock Connect or Shenzhen Hong Kong Stock Connect programme or by any other available means.

For the purpose of this Fund, smaller capitalisation companies are defined as companies with a market capitalisation in the Base Currency of the Fund, as at the date of investment, of under US\$5 billion.

The Fund is actively managed.

The Fund aims to outperform the MSCI Emerging Markets Small Cap Index (USD) benchmark before charges. The benchmark is also used as a reference point for portfolio construction and as a basis for setting risk constraints, but does not incorporate any sustainable criteria.

In order to achieve its objective, the Fund will take positions whose weightings diverge from the benchmark and may invest in securities which are not included in the benchmark. The investments of the Fund may deviate significantly from the components of and their respective weightings in the benchmark. Due to the active nature of the management process, the Fund's performance profile may deviate significantly from that of the benchmark.

The Fund promotes environmental and social characteristics but does not have a sustainable investment objective.

Investment in all equity and equity-related securities will follow abrdn's "Emerging Markets Smaller Companies Promoting ESG Equity Investment Approach".

Through the application of this approach the Fund does not apply a minimum threshold in Sustainable Investments. However, the Fund targets a meaningfully lower carbon intensity than the benchmark.

This approach utilises abrdn's equity investment process, which enables portfolio managers to qualitatively identify and avoid ESG laggards. To complement this research, the abrdn ESG House Score is used to quantitatively identify and exclude those companies exposed to the highest ESG risks. Additionally, abrdn apply a set of company exclusions which are related to the UN Global Compact, Controversial Weapons, Tobacco Manufacturing and Thermal Coal. More detail on this overall process is captured within the abrdn Emerging Markets Smaller Companies Promoting ESG Equity Investment Approach, which is published at [www.abrdn.com](http://www.abrdn.com) under "Fund Centre".

Engagement with external company management teams is used to evaluate the ownership structures, governance and management quality of those companies in order to inform portfolio construction.

Financial derivative instruments, money-market instruments and cash may not adhere to this approach.

The Fund may utilise financial derivative instruments for hedging and/or investment purposes, or to manage foreign exchange risks, subject to the conditions and within the limits laid down by applicable laws and regulations. The use of derivatives for hedging and/or investment purposes is expected to be very limited, mainly in those cases where there are significant inflows into the Fund so that cash can be invested while the Fund's investments in equity and equity related securities is maintained.

Where Share Classes are denominated in a currency other than the Base Currency of the Fund, a currency specific benchmark will typically be used for performance comparison purposes. This will either be the benchmark of the Fund expressed in another currency or a different currency specific benchmark with similar characteristics. Benchmarks applicable to such Share Classes are disclosed in the relevant PRIIPS KID.

**Base Currency:** US Dollars.

**Investment Manager:** abrdn Investments Limited

**Sub-Investment Manager:** abrdn Asia Limited (Asian assets only)

**Investment Process:** Active Equities - Values Led Investing

**Investor Profile:** This Fund gives access to equity securities of emerging market small capitalisation companies and may be suitable for investors seeking capital appreciation opportunities through equity investments which comply with the Fund's Promoting ESG Investment process. Although such companies have often been associated with higher returns, they also carry higher risks than developed market blue-chip companies. Due to this additional volatility the investor is likely to hold this portfolio as a complement to an existing portfolio and is likely to have a long-term investment horizon. This Fund may also be suitable for investors seeking a sustainability-related outcome.

#### **Risk warnings specific to abrdn SICAV I – Emerging Markets Smaller Companies Fund**

In addition to the general risk factors set out under "General Risk Factors" potential investors should be aware of certain Fund specific risks:

- The Fund invests in the shares of smaller companies which may be less liquid and more volatile than those of larger companies.
- The Fund invests in Emerging Markets which tend to be more volatile than mature markets and its value could move sharply up or down. In some circumstances, the underlying investments may become less liquid which may constrain the Investment Manager's ability to realise some or all of the portfolio. The registration and settlement arrangements in Emerging Markets may be less developed than in more mature markets so the operational risks of investing are higher. Political risks and adverse economic circumstances are more likely to arise.
- The Fund may invest in Mainland China - potential investors should note the "Investing in Mainland China" section of the "General Risk Factors" and the "Taxation of Chinese Equity and Bonds" section under "Taxation".



- The Fund may invest in companies with VIE structures in order to gain exposure to industries with foreign ownership restrictions. There is a risk that investments in these structures may be adversely affected by changes in the applicable legal and regulatory framework.
- The Fund may utilise financial derivative instruments for investment purposes in pursuing its investment objective (in addition to use for hedging purposes). Use of derivatives other than for hedging may result in leverage and may increase volatility in the Net Asset Value of the Fund.
- Applying ESG and sustainability criteria in the investment process may result in the exclusion of securities in which the Fund might otherwise invest. Such securities could be part of the benchmark against which the Fund is managed, or be within the universe of potential investments. This may have a positive or negative impact on performance and may mean that the Fund's performance profile differs to that of funds which are managed against the same benchmark or invest in a similar universe of potential investments but without applying ESG or sustainability criteria. Furthermore, the lack of common or harmonised definitions and labels regarding ESG and sustainability criteria may result in different approaches by managers when integrating ESG and sustainability criteria into investment decisions. This means that it may be difficult to compare funds with ostensibly similar objectives and that these funds will employ different security selection and exclusion criteria. Consequently, the performance profile of otherwise similar funds may deviate more substantially than might otherwise be expected. Additionally, in the absence of common or harmonised definitions and labels, a degree of subjectivity is required and this will mean that a fund may invest in a security that another manager or an investor would not.

## **ABRDN SICAV I – EMERGING MARKETS SUSTAINABLE EQUITY FUND**

This Fund is subject to Article 8 of the SFDR. Further information can be found under section "EU's Sustainable Finance Disclosure Regulation – Sustainability Risk Integration".

### **Investment Objective and Policy**

The Fund's investment objective is long term total return to be achieved by investing at least 90% of the Fund's assets in equities and equity-related securities of companies listed, incorporated or domiciled in Emerging Market Countries or companies that derive a significant proportion of their revenues or profits from Emerging Market Countries operations or have a significant proportion of their assets there.

The Fund may invest up to 30% of its net assets in Mainland China equity and equity related securities, although only up to 20% of its net assets may be invested directly through QFI regime, the Shanghai-Hong Kong and Shenzhen-Hong Kong Stock Connect programme or by any other available means.

The Fund is actively managed. The Fund aims to outperform the MSCI Emerging Markets Index (USD) benchmark before charges. The benchmark is also used as a reference point for portfolio construction and as a basis for setting risk constraints but does not incorporate any sustainable criteria.

In order to achieve its objective, the Fund will take positions whose weightings diverge from the benchmark and may invest in securities which are not included in the benchmark. The investments of the Fund may deviate significantly from the components of and their respective weightings in the benchmark. Due to the active and sustainable nature of the management process, the Fund's performance profile may deviate significantly from that of the benchmark.

The Fund promotes environmental and social characteristics but does not have a sustainable investment objective. Investment in all equity and equity-related securities will follow abrdn's "Emerging Markets Sustainable Equity Investment Approach".

Through the application of this approach the Fund has an expected minimum of 20% in Sustainable Investments. Furthermore, the Fund targets an ESG rating that is equal to or better, a meaningfully lower carbon intensity than the benchmark.

This approach utilises abrdn's equity investment process, which enables portfolio managers to qualitatively identify and focus investment in sustainable leaders and improvers. Sustainable leaders are viewed as companies with the best in class ESG credentials or products and services which address global environmental and societal challenges, whilst improvers are typically companies with average governance, ESG management practices and disclosure with potential for improvement.

To complement this research, the abrdn ESG House Score is used to quantitatively identify and exclude those companies exposed to the highest ESG risks. Additionally, abrdn apply a set of company exclusions which are related to the UN Global Compact, Norges Bank Investment Management (NBIM), State Owned Enterprises (SOE), Weapons, Tobacco, Gambling, Thermal Coal, Oil & Gas and Electricity Generation. More detail on this overall process is captured within the abrdn Emerging Markets Sustainable Equity Investment Approach, which is published at [www.abrdn.com](http://www.abrdn.com) under "Fund Centre".

Engagement with external company management teams is used to evaluate the ownership structures, governance and management quality of those companies in order to inform portfolio construction.

The abrdn Emerging Markets Sustainable Equity Investment Approach reduces the benchmark investable universe by a minimum of 20%.

Financial derivative instruments, money-market instruments and cash may not adhere to this approach.

The Fund may utilise financial derivative instruments for hedging and/or investment purposes, or to manage foreign exchange risks, subject to the conditions and within the limits laid down by applicable laws and regulations. The use of derivatives for hedging and/or investment purposes is expected to be very limited, mainly in those cases where there are significant inflows into the Fund so that cash can be invested while the Fund's investments in equity and equity related securities is maintained.

Where Share Classes are denominated in a currency other than the Base Currency of the Fund, a currency specific benchmark will typically be used for performance comparison purposes. This will either be the benchmark of the Fund expressed in another currency or a different currency specific benchmark with similar characteristics. Benchmarks applicable to such Share Classes are disclosed in the relevant PRIIPS KID.

**Base Currency:** US Dollars.

**Investment Manager:** abrdn Investments Limited

**Sub-Investment Manager:** abrdn Asia Limited (Asian Assets only)

**Investment Process:** Active Equities - Values Led Investing

**Investor Profile:** This Fund gives access to a range of stocks of companies worldwide which are based, or operating mainly, in countries classified as Emerging Markets and which comply with the Fund's Sustainable Investment process. The Fund may be of interest to investors seeking income and capital growth opportunities through equity investment. Despite potentially higher long-term returns offered by investments in emerging market equities, investors need to be comfortable with the additional political and economic risks associated with such investments. Investors are likely to hold this Fund as a complement to a diversified portfolio and should have a long-term investment horizon. This Fund may also be suitable for investors seeking a sustainability-related outcome.

#### **Risk warnings specific to abrdn SICAV I – Emerging Markets Sustainable Equity Fund**

In addition to the general risk factors set out under "General Risk Factors" potential investors should be aware of certain Fund specific risks:

- The Fund invests in Emerging Markets which tend to be more volatile than mature markets and its value could move sharply up or down. In some circumstances, the underlying investments may become less liquid which may constrain the Investment Manager's ability to realise some or all of the portfolio. The registration and settlement arrangements in Emerging Markets may be less developed than in more mature markets so the operational risks of investing are higher. Political risks and adverse economic circumstances are more likely to arise.
- The Fund may invest in Mainland China - potential investors should note the "Investing in Mainland China" section of the "General Risk Factors" and the "Taxation of Chinese Equity and Bonds" section under "Taxation".
- The Fund may invest in companies with VIE structures in order to gain exposure to industries with foreign ownership restrictions. There is a risk that investments in these structures may be adversely affected by changes in the applicable legal and regulatory framework.
- The Fund may utilise financial derivative instruments for investment purposes in pursuing its investment objective (in addition to use for hedging purposes). Use of derivatives other than for hedging may result in leverage and may increase volatility in the Net Asset Value of the Fund.
- Applying ESG and sustainability criteria in the investment process may result in the exclusion of securities in which the Fund might otherwise invest. Such securities could be part of the benchmark against which the Fund is managed, or be within the universe of potential investments. This may have a positive or negative impact on performance and may mean that the Fund's performance profile differs to that of funds which are managed against the same benchmark or invest in a similar universe of potential investments but without applying ESG or sustainability criteria. Furthermore, the lack of common or harmonised definitions and labels regarding ESG and sustainability criteria may result in different approaches by managers when integrating ESG and sustainability criteria into investment decisions. This means that it may be difficult to compare funds with ostensibly similar objectives and that these funds will employ different security selection and exclusion criteria. Consequently, the performance profile of otherwise similar funds may deviate more substantially than might otherwise be expected. Additionally, in the absence of common or harmonised definitions and labels, a degree of subjectivity is required and this will mean that a fund may invest in a security that another manager or an investor would not.

#### **ABRDN SICAV I – EMERGING MARKETS SDG EQUITY FUND**

This Fund is subject to Article 9 of the SFDR. Further information can be found under section "EU's Sustainable Finance Disclosure Regulation – Sustainability Risk Integration".

#### **Investment Objective and Policy**

The Fund aims to achieve long term growth by investing in companies in Emerging Market countries which in our view will make a positive contribution to society through their alignment achieving the United Nation's Sustainable Development Goals ('SDGs').



The Fund invests at least 90% of the Fund's assets in its investment universe. This is defined as equities and equity-related securities of companies that are under active research coverage by the investment team and are listed, incorporated or domiciled in Emerging Markets, or companies that derive a significant proportion of their revenues or profits from Emerging Market countries operations or have a significant proportion of their assets in those countries.

The Fund may also invest in equities and equity-related securities of companies that have a connection with a Frontier Market.

The Fund may invest up to 30% of its net assets in Mainland China equities and equity-related securities, although only up to 20% of its net assets may be invested directly through QFI regime, the Shanghai-Hong Kong and Shenzhen-Hong Kong Stock Connect programme or by any other available means.

Investment in all equity and equity related securities will follow the abrdn "Emerging Markets SDG Equity Investment Approach". Financial derivative instruments, money-market instruments and cash may not adhere to this approach.

Through the application of this approach the Fund has an expected minimum of 75% in Sustainable Investments. Furthermore, the Fund targets a lower carbon intensity than the benchmark.

This approach identifies companies which are aligned to the Sustainable Development Goals. These goals designed to address the world's major long-term challenges. These include climate change, growing social inequality, and unsustainable production and consumption. The Fund will invest in companies with minimum of 20% of their revenue, profit, capital or operating expenditure or research and development linked to the UN's SDGs. For companies classified in the benchmark as "Financials", alternative measures of materiality are used based on loans and customer base, details of which can be found in the abrdn Emerging Markets SDG Equity Approach. The Fund will also invest up to 20% in SDG leaders. These are companies that are considered to be integral to the supply chain for progressing towards the UN's SDGs, but may not currently meet the 20% materiality requirement.

Engagement with external company management teams is used to evaluate the ownership structures, governance and management quality of those companies in order to inform portfolio construction.

In addition we apply a set of company exclusion which are related to normative screening (UN Global Compact, ILO and OECD), Norges Bank Investment Management (NBIM), State-Owned Enterprises (SOE), Weapons, Tobacco, Thermal Coal, Oil & Gas, and Electricity Generation. Further detail of this overall process is captured within the abrdn Emerging Markets SDG Equity Investment Approach, which is published at [www.abrdn.com](http://www.abrdn.com) under "Fund Centre".

The portfolio construction and Emerging Markets SDG Equity Investment Approach, reduces the investment universe by a minimum of 20%.

The Fund is actively managed.

The Fund aims to outperform the MSCI Emerging Markets Index (USD) benchmark before charges. The benchmark is also used as a reference point for portfolio construction and as a basis for setting risk constraints, but does not incorporate any sustainable criteria.

In order to achieve its objective, the Fund will take positions whose weightings diverge from the benchmark and may invest in securities which are not included in the benchmark. The investments of the Fund may deviate significantly from the components of and their respective weightings in the benchmark. Due to the active and sustainable nature of the management process, the Fund's performance profile may deviate significantly from that of the benchmark over the longer term.

The Fund may utilise financial derivative instruments for hedging and/or investment purposes, or to manage foreign exchange risks, subject to the conditions and within the limits laid down by applicable laws and regulations. The use of derivatives for hedging and/or investment purposes is expected to be very limited, mainly in those cases where there are significant inflows into the Fund so that cash can be invested while the Fund's investments in equity and equity related securities is maintained.

Where Share Classes are denominated in a currency other than the Base Currency of the Fund, a currency specific benchmark will typically be used for performance comparison purposes. This will either be the benchmark of the Fund expressed in another currency or a different currency specific benchmark with similar characteristics. Benchmarks applicable to such Share Classes are disclosed in the relevant PRIIPS KID.

**Base Currency:** US Dollars.

**Investment Manager:** abrdn Investments Limited

**Sub-Investment Manager:** abrdn Asia Limited (Asian assets only)

**Investment Process:** Active Equities - Values Led Investing

**Investor Profile:** This Fund gives access to Emerging Market stocks and may be suitable for investors seeking capital appreciation opportunities through equity investments that are aligned with achieving the UN's Sustainable Development Goals. Despite potentially higher long-term returns offered by investments in Emerging Market equities, investors need to be comfortable with the additional

political and economic risks associated with investments in these countries. Investors are likely to hold this Fund as a complement to a diversified portfolio and should have a long-term investment horizon. This Fund may also be suitable for investors seeking a sustainability-related outcome.

#### **Risk warnings specific to abrdn SICAV I – Emerging Markets SDG Equity Fund**

In addition to the general risk factors set out under "General Risk Factors" potential investors should be aware of certain Fund specific risks:

- The Fund invests in Emerging Markets which tend to be more volatile than mature markets and its value could move sharply up or down. In some circumstances, the underlying investments may become less liquid which may constrain the Investment Manager's ability to realise some or all of the portfolio. The registration and settlement arrangements in Emerging Markets may be less developed than in more mature markets so the operational risks of investing are higher. Political risks and adverse economic circumstances are more likely to arise. The Fund may also invest in Frontier Markets which involves similar risks, but to a greater extent since they tend to be even smaller, less developed, and less accessible than other Emerging Markets.
- The Fund may invest in Mainland China - potential investors should note the "Investing in Mainland China" section of the "General Risk Factors" and the "Taxation of Chinese Equity and Bonds" section under "Taxation".
- The Fund may invest in companies with VIE structures in order to gain exposure to industries with foreign ownership restrictions. There is a risk that investments in these structures may be adversely affected by changes in the applicable legal and regulatory framework.
- The Fund may utilise financial derivative instruments for investment purposes in pursuing its investment objective (in addition to use for hedging purposes). Use of derivatives other than for hedging may result in leverage and may increase volatility in the Net Asset Value of the Fund.
- Applying ESG and sustainability criteria in the investment process may result in the exclusion of securities in which the Fund might otherwise invest. Such securities could be part of the benchmark against which the Fund is managed, or be within the universe of potential investments. This may have a positive or negative impact on performance and may mean that the Fund's performance profile differs to that of funds which are managed against the same benchmark or invest in a similar universe of potential investments but without applying ESG or sustainability criteria. Furthermore, the lack of common or harmonised definitions and labels regarding ESG and sustainability criteria may result in different approaches by managers when integrating ESG and sustainability criteria into investment decisions. This means that it may be difficult to compare funds with ostensibly similar objectives and that these funds will employ different security selection and exclusion criteria. Consequently, the performance profile of otherwise similar funds may deviate more substantially than might otherwise be expected. Additionally, in the absence of common or harmonised definitions and labels, a degree of subjectivity is required and this will mean that a fund may invest in a security that another manager or an investor would not.

#### **ABRDN SICAV I – EMERGING MARKETS SDG CORPORATE BOND FUND**

This Fund is subject to Article 9 of the SFDR. Further information can be found under section "EU's Sustainable Finance Disclosure Regulation – Sustainability Risk Integration".

##### **Investment Objective and Policy**

The Fund aims to achieve long-term total return by investing at least 90% of its assets in Debt and Debt-Related Securities issued by corporations and governments, including sub-sovereign, supranational, inflation-linked, convertible, asset backed and mortgage backed bonds.

At least 70% of the Fund's assets will be invested in Debt and Debt-Related Securities, which are issued by corporations (including government-owned corporations) with their registered office or principal place of business in an Emerging Market; and/or by corporations or holding companies which carry out a substantial part of their operations, derive a significant proportion of their revenues or profits or have a significant proportion of their assets in Emerging Market countries.

Up to 15% of the Fund may be invested in contingent convertible securities.

The Fund may also invest up to 10% in Debt and Debt-Related Securities issued by governments in Frontier Market countries, which are typically smaller, less developed countries that exhibit similar economic characteristics to Emerging Market countries. Frontier Market countries are defined as those included in the MSCI Frontier Markets series of indices or FTSE Frontier Markets series of indices of JP Morgan Frontier Markets series of indices, or any country classified by the World Bank as a low-income country.

Investment in Debt and Debt-Related Securities will follow the abrdn "Emerging Markets SDG Corporate Bond Investment Approach".

Through the application of this approach, the Fund has an expected minimum of 75% in Sustainable Investments. Furthermore, the Fund targets a lower carbon intensity than the benchmark.

This approach identifies companies which are aligned to the United Nation's Sustainable Development Goals ("SDGs"). These goals are designed to address the world's major long-term challenges. These include climate change, growing social inequality, and unsustainable production and consumption. The Fund will invest in companies (including government-owned companies) with a minimum of 20% of their revenue, profit, capital or operating expenditure or research and development linked to the United

Nation's SDGs. For companies classified in the benchmark as "Financials", alternative measures of materiality are used based on loans and customer base, details of which can be found in the Emerging Markets SDG Corporate Bond Investment Approach.

The Fund will also invest up to 20% in SDG leaders. These are companies that are considered to be integral to the supply chain for progressing towards the SDGs, but may not currently meet the 20% materiality requirement.

The Fund may also invest in Green bonds, Social bonds or Sustainable bonds, which can be confirmed as having a positive contribution towards the achievement of the United Nation's SDG's. Up to 10% of the Fund's assets may be invested in such bonds which are issued by companies that do not meet the materiality thresholds or are not regarded as SDG leaders, as defined above.

The Fund also utilises abrdn's fixed income investment process, where every company that the Fund invests in is given a 'Low', 'Medium' or 'High' ESG Risk Rating, which is used to assess how the Fund believes the ESG factors are likely to impact on the its ability to repay its debt, both now and in the future. Any companies deemed to have a 'High' ESG Risk Rating are excluded from the investment universe.

Engagement with external company management teams is used to evaluate the ownership structures, governance and management quality of those companies in order to inform portfolio construction.

In addition, abrdn apply a set of company exclusions, which are related to normative screening (UN Global Compact, ILO and OECD), State-Owned Enterprises, Tobacco, Thermal Coal, Oil & Gas, Electricity Generation, Gambling, Alcohol, Adult Entertainment and Weapons. Further detail of this overall process is captured within the Emerging Markets SDG Corporate Bond Investment Approach, which is published at [www.abrdn.com](http://www.abrdn.com) under "Fund Centre".

For Government bonds (including Frontier Market bonds), the Fund utilises an approach designed to incorporate environmental, social, governance and political factors ("ESGP") when looking at sovereign issuers. The ESGP filtering relies on excluding from the investment universe, a subset of countries falling below a threshold for a number of indicators that are part of our ESGP framework. The criteria focus on the indicators under the governance and political pillars.

The Fund is actively managed.

The Fund aims to outperform the JP Morgan ESG CEMBI Broad Diversified Index (USD) before charges. The benchmark is also used as a reference point for portfolio construction and as a basis for setting risk constraints. In order to achieve its objective, the Fund will take positions whose weightings diverge from the benchmark or invest in securities which are not included in the benchmark. It should be noted that as there is no common or harmonised definition with regards to ESG, the exclusions applied for the benchmark may not entirely align to those defined in the Emerging Markets SDG Corporate Bond Investment Approach and therefore, securities that have specifically been excluded from the benchmark may be included in the Fund's investment universe.

The investments of the Fund may deviate significantly from the components of and their respective weightings in the benchmark. Due to the active and sustainable nature of the management process, the Fund's performance profile may deviate significantly from that of the benchmark over the longer term.

The portfolio construction and abrdn Emerging Markets SDG Corporate Bond Investment Approach is expected to reduce the investment universe by a minimum of 20%. Investments in financial derivative instruments, money market instruments and cash may not adhere to this approach.

The Fund may utilise financial derivative instruments for hedging and/or investment purposes, or to manage foreign exchange risks, subject to the conditions and within the limits laid down by applicable laws and regulations.

The Fund's portfolio will typically be hedged back to the Base Currency.

Where Share Classes are denominated in a different currency to that of the reference currency of the Fund, a currency specific benchmark will typically be used for performance comparison purposes. This will either be the benchmark of the Fund expressed in another currency or a different currency specific benchmark with similar characteristics. Benchmarks applicable to such Share Classes are disclosed in the relevant PRIIPS KID

**Base Currency:** US Dollars.

**Investment Manager:** abrdn Investments Limited

**Investment Process:** Fixed Income

**Investor Profile:** This Fund gives access to debt securities of Emerging Market companies and may be suitable for investors willing to accept a high level of risk within the fixed income investment spectrum from a portfolio aligned with achieving the SDGs. Investors are likely to use this Fund to complement an existing core bond portfolio and are likely to have a long-term investment horizon. This Fund may also be suitable for investors seeking a sustainability-related outcome.

### **Risk warnings specific to abrdn SICAV I – Emerging Markets SDG Corporate Bond Fund**

In addition to the general risk factors set out under "General Risk Factors" potential investors should be aware of certain Fund specific risks:

- The Fund's underlying investments are subject to interest rate risk and credit risk. Interest rate fluctuations affect the capital value of investments. Where long term interest rates rise, the capital value of bonds is likely to fall and vice versa. Credit risk reflects the ability of a bond issuer to meet its obligations. Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
- The Fund invests in debt securities, including Sub-Investment Grade securities. Consequently, the Fund's portfolio may have a significant position in Sub-Investment Grade bonds, which means that there is more risk to investor's capital and income than from a fund investing in Investment Grade bonds.
- The Fund invests in Emerging Markets which tend to be more volatile than mature markets and its value could move sharply up or down. In some circumstances, the underlying investments may become less liquid which may constrain the Investment Manager's ability to realise some or all of the portfolio. The registration and settlement arrangements in Emerging Markets may be less developed than in more mature markets so the operational risks of investing are higher. Political risks and adverse economic circumstances are more likely to arise.
- The Fund may be invested in contingent convertible bonds. If the financial strength of a bond's issuer falls by a predetermined threshold, the bond may suffer substantial or total losses of capital (investors should refer to the risk factor "Contingent Securities" in the section "General Risk Factors" for information on other risks associated with contingent convertible bonds).
- Applying ESG and sustainability criteria in the investment process may result in the exclusion of securities in which the Fund might otherwise invest. Such securities could be part of the benchmark against which the Fund is managed, or be within the universe of potential investments. This may have a positive or negative impact on performance and may mean that the Fund's performance profile differs to that of funds which are managed against the same benchmark or invest in a similar universe of potential investments but without applying ESG or sustainability criteria.
- Furthermore, the lack of common or harmonised definitions and labels regarding ESG and sustainability criteria may result in different approaches by managers when integrating ESG and sustainability criteria into investment decisions. This means that it may be difficult to compare funds with ostensibly similar objectives and that these funds will employ different security selection and exclusion criteria. Consequently, the performance profile of otherwise similar funds may deviate more substantially than might otherwise be expected. Additionally, in the absence of common or harmonised definitions and labels, a degree of subjectivity is required and this will mean that a fund may invest in a security that another manager or an investor would not.

### **ABRDN SICAV I – EMERGING MARKETS TOTAL RETURN BOND FUND**

This Fund is subject to Article 6 of the SFDR. Further information can be found under section "EU's Sustainable Finance Disclosure Regulation – Sustainability Risk Integration".

#### **Investment Objective and Policy**

The Fund's investment objective is to achieve long term total return, by investing at least two-thirds of the Fund's assets in Debt and Debt-Related Securities, which are issued by governments or government-related bodies domiciled in an Emerging Market country.

The Fund will invest in Emerging Market Debt and Debt-Related Securities denominated in any currency or maturity. These include Debt and Debt-Related Securities issued by governments, government related bodies and quasi-sovereigns, including inflation-linked debt and floating rate notes (FRNs). The Fund may also invest in Frontier Markets, which are typically smaller, less developed constituents of the JP Morgan EMBI Global Diversified Index that exhibit similar economic characteristics to Emerging Market countries.

The Fund may invest up to 100% of its Net Asset Value in Sub-Investment Grade Debt and Debt-Related Securities.

In times of extreme market stress and increased volatility, the Investment Manager may deviate from the above mentioned limits by increasing allocations to developed market securities, with a view to reducing portfolio risk and volatility.

The Fund may utilise financial derivative instruments routinely for hedging and/or investment purposes, or to manage foreign exchange risks, subject to the conditions and within the limits laid down by applicable laws and regulations. The Fund will actively manage its currency exposure and may use derivatives to express currency views.

The Fund is actively managed.

The holdings of the Fund are not selected with reference to a benchmark index and the fund does not aim to outperform any benchmark but the performance of the Fund (before charges) can be compared over the long term (5 years or more) against a basket of the following indices, which is rebalanced to the stated weights on a daily basis: 75% JP Morgan EMBI Global Diversified Index (USD) and 25% JP Morgan GBI-EM Global Diversified Index (USD). These indices are used as a basis for risk setting constraints. In order to achieve its objective, the Fund has the flexibility to seek opportunities across the full range of Debt and Debt-Related Securities. The potential change in value of the Fund (as measured by expected volatility) is ordinarily expected to be lower than the potential change in value of the above basket of indices over the longer term.

Where Share Classes are denominated in a currency other than the Base Currency of the Fund, a currency specific benchmark will typically be used for performance comparison purposes. This will either be the benchmark of the Fund expressed in another currency or a different currency specific benchmark with similar characteristics. Benchmarks applicable to such Share Classes are disclosed in the relevant PRIIPS KID.

**Base Currency:** US Dollars.

**Investment Manager:** abrdn Investments Limited

**Investment Process:** Fixed Income

**Investor Profile:** This Fund gives access to a range of sovereign debt securities, primarily from issuers in Emerging Market countries, and may be suitable for investors willing to accept a moderate level of risk. Investors are likely to use this fund to complement an existing core bond portfolio for enhanced diversification and have a long term investment horizon.

#### **Risk warnings specific to abrdn SICAV I – Emerging Markets Total Return Bond Fund**

In addition to the general risk factors set out under "General Risk Factors" potential investors should be aware of certain Fund specific risks:

- The Fund invests in Emerging Markets which tend to be more volatile than mature markets and the value of your investment could move sharply up or down. In some circumstances, the underlying investments may become less liquid which may constrain the Investment Manager's ability to realise some or all of the portfolio. The registration and settlement arrangements in Emerging Markets may be less developed than in more mature markets so the operational risks of investing are higher. Political risks and adverse economic circumstances are more likely to arise, putting the value of your investment at risk.
- The Fund's portfolio may have a significant position in Sub-Investment Grade bonds, which means that there may be more risk to investor's capital and income than from a fund investing in Investment Grade bonds.
- The Fund may utilise financial derivative instruments for investment purposes in pursuing its investment objective (in addition to use for hedging purposes). Use of derivatives other than for hedging may result in leverage and may increase volatility in the Net Asset Value of the Fund.
- The Fund's underlying investments are subject to interest rate risk and credit risk. Interest rate fluctuations affect the capital value of investments. Where long-term interest rates rise, the capital value of bonds is likely to fall and vice versa. Credit risk reflects the ability of a bond issuer to meet its obligations. Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
- The risk profile of this Fund may be higher relative to other bond funds due to its investments in asset-backed and mortgage-backed securities.
- The Fund may be invested in contingent convertible bonds. If the financial strength of a bond's issuer falls by a predetermined threshold, the bond may suffer substantial or total losses of capital (investors should refer to the risk factor "Contingent Securities" in the section "General Risk Factors" for information on other risks associated with contingent convertible bonds).

#### **ABRDN SICAV I – EURO GOVERNMENT BOND FUND**

This Fund is subject to Article 6 of the SFDR. Further information can be found under section "EU's Sustainable Finance Disclosure Regulation – Sustainability Risk Integration".

##### **Investment Objective and Policy**

The Fund's investment objective is long-term total return to be achieved by investing at least two-thirds of the Fund's assets in Euro denominated Investment Grade Debt and Debt-Related Securities issued by governments or government related bodies.

The Fund will maintain a Euro currency exposure of at least 80% at all times.

The Fund may have up to 10% exposure to European Emerging Market countries.

The Fund may invest up to 10% of its Net Asset Value in Sub-Investment Grade Debt and Debt-Related Securities.

The Fund may utilise financial derivative instruments for hedging and/or investment purposes, or to manage foreign exchange risks, subject to the conditions and within the limits laid down by applicable laws and regulations.

Without limiting the generality of the foregoing, the Investment Manager may alter the currency exposure of the Fund, solely through the use of derivative contracts (without buying or selling underlying Transferable Securities or currencies). Furthermore, the Fund's portfolio may be fully or partially hedged back to the Base Currency if, in the opinion of the Investment Manager, this is believed to be appropriate.

The Fund is actively managed.

The Fund aims to outperform the Bloomberg Euro Aggregate Treasury Bond Index (EUR) benchmark before charges. The benchmark is also used as a reference point for portfolio construction and as a basis for setting risk constraints.

In order to achieve its objective, the Fund will take positions whose weightings diverge from the benchmark or invest in securities which are not included in the benchmark. The investments of the Fund may deviate significantly from the components of and their respective weightings in the benchmark. Due to the Fund's risk constraints, the Fund's performance profile is not ordinarily expected to deviate significantly from that of the benchmark over the longer term.

Where Share Classes are denominated in a currency other than the Base Currency of the Fund, a currency specific benchmark will typically be used for performance comparison purposes. This will either be the benchmark of the Fund expressed in another currency or a different currency specific benchmark with similar characteristics. Benchmarks applicable to such Share Classes are disclosed in the relevant PRIIPS KID.

**Base Currency:** Euro.

**Investment Manager:** abrdn Investments Limited

**Investment Process:** Fixed Income

**Investor Profile:** This Fund gives access to Investment Grade Euro denominated government Debt and Debt-Related Securities and may be suitable for investors looking for potentially higher returns. Investors are likely to use this fund to complement an existing core bond portfolio for enhanced diversification and have a long term investment horizon.

#### **Risk warnings specific to abrdn SICAV I – Euro Government Bond Fund**

In addition to the general risk factors set out under "General Risk Factors" potential investors should be aware of certain Fund specific risks:

- The Fund will have significant exposure to one currency, increasing its potential volatility.
- The Fund may utilise financial derivative instruments for investment purposes in pursuing its investment objective (in addition to use for hedging purposes). Use of derivatives other than for hedging may result in leverage and may increase volatility in the Net Asset Value of the Fund.
- The Fund's underlying investments are subject to interest rate risk and credit risk. Interest rate fluctuations affect the capital value of investments. Where long-term interest rates rise, the capital value of bonds is likely to fall and vice versa. Credit risk reflects the ability of a bond issuer to meet its obligations. Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
- The Fund may be invested in contingent convertible bonds. If the financial strength of a bond's issuer falls by a predetermined threshold, the bond may suffer substantial or total losses of capital (investors should refer to the risk factor "Contingent Securities" in the section "General Risk Factors" for information on other risks associated with contingent convertible bonds).

#### **ABRDN SICAV I – EUROPEAN SUSTAINABLE EQUITY FUND**

This Fund is subject to Article 8 of the SFDR. Further information can be found under section "EU's Sustainable Finance Disclosure Regulation – Sustainability Risk Integration".

##### **Investment Objective and Policy**

The Fund's investment objective is long term total return to be achieved by investing at least 90% of the Fund's assets in equities and equity-related securities of companies listed, incorporated or domiciled in Europe, or companies that derive a significant proportion of their revenues or profits from European operations, or have a significant proportion of their assets there.

The Fund is actively managed. The Fund aims to outperform the FTSE World Europe Index (EUR) benchmark before charges. The benchmark is also used as a reference point for portfolio construction and as a basis for setting risk constraints, but does not incorporate any sustainable criteria.

In order to achieve its objective, the Fund will take positions whose weightings diverge from the benchmark and may invest in securities which are not included in the benchmark. The investments of the Fund may deviate significantly from the components of and their respective weightings in the benchmark. Due to the active and sustainable nature of the management process, the Fund's performance profile may deviate significantly from that of the benchmark.

The Fund promotes environmental and social characteristics but does not have a sustainable investment objective.

Investment in all equity and equity-related securities will follow abrdn's "European Sustainable Equity Investment Approach".

Through the application of this approach the Fund has an expected minimum of 20% in Sustainable Investments. Furthermore, the Fund targets an ESG rating that is equal to or better, and a meaningfully lower carbon intensity, than the benchmark.

This approach utilises abrdn's equity investment process, which enables portfolio managers to qualitatively identify and focus investments in sustainable leaders and improvers. Sustainable leaders are viewed as companies with the best in class ESG credentials or products and services which address global environmental and societal challenges, whilst improvers are typically companies with average governance, ESG management practices and disclosure with potential for improvement.

To complement this research, the abrdn ESG House Score is used to quantitatively identify and exclude those companies exposed to the highest ESG risks. Additionally, abrdn apply a set of company exclusions which are related to the UN Global Compact, Norges Bank Investment Management (NBIM), State Owned Enterprises (SOE), Weapons, Tobacco, Gambling, Thermal Coal, Oil & Gas, and Electricity Generation. More detail on this overall process is captured within the abrdn European Sustainable Equity Investment Approach, which is published at [www.abrdn.com](http://www.abrdn.com) under "Fund Centre".

Engagement with external company management teams is used to evaluate the ownership structures, governance and management quality of those companies in order to inform portfolio construction.

The abrdn European Sustainable Equity Investment Approach reduces the benchmark investable universe by a minimum of 20%.

Financial derivative instruments, money-market instruments and cash may not adhere to this approach.

The Fund may utilise financial derivative instruments for hedging and/or investment purposes, or to manage foreign exchange risks, subject to the conditions and within the limits laid down by applicable laws and regulations. The use of derivatives for hedging and/or investment purposes is expected to be very limited, mainly in those cases where there are significant inflows into the Fund so that cash can be invested while the Fund's investments in equity and equity related securities is maintained.

Where Share Classes are denominated in a currency other than the Base Currency of the Fund, a currency specific benchmark will typically be used for performance comparison purposes. This will either be the benchmark of the Fund expressed in another currency or a different currency specific benchmark with similar characteristics. Benchmarks applicable to such Share Classes are disclosed in the relevant PRIIPS KID.

**Base Currency:** Euro.

**Investment Manager:** abrdn Investments Limited

**Investment Process:** Active Equities – Values Led Investing

**Investor Profile:** This Fund gives access to European stocks and may be suitable for investors seeking capital appreciation opportunities through equity investments which comply with the Fund's Sustainable Investment Process because the Fund is diversified across a number of markets, investors may use this portfolio as a stand-alone equity investment or as part of a core equity investment. Due to the traditionally volatile nature of share prices, the investor is likely to have a long-term investment horizon. This fund may also be suitable for investors seeking a sustainability-related outcome.

#### **Risk warnings specific to abrdn SICAV I – European Sustainable Equity Fund**

In addition to the general risk factors set out under "General Risk Factors" potential investors should be aware of certain Fund specific risks:

- The Fund invests in equity and equity-related securities in Europe thereby providing exposure to Emerging Markets which tend to be more volatile than mature markets and its value could move sharply up or down. In some circumstances, the underlying investments may become less liquid which may constrain the Investment Manager's ability to realise some or all of the portfolio. The registration and settlement arrangements in Emerging Markets may be less developed than in more mature markets so the operational risks of investing are higher. Political risks and adverse economic circumstances are more likely to arise.
- The Fund may utilise financial derivative instruments for investment purposes in pursuing its investment objective (in addition to use for hedging purposes). Use of derivatives other than for hedging may result in leverage and may increase volatility in the Net Asset Value of the Fund.
- Applying ESG and sustainability criteria in the investment process may result in the exclusion of securities in which the Fund might otherwise invest. Such securities could be part of the benchmark against which the Fund is managed, or be within the universe of potential investments. This may have a positive or negative impact on performance and may mean that the Fund's performance profile differs to that of funds which are managed against the same benchmark or invest in a similar universe of potential investments but without applying ESG or sustainability criteria. Furthermore, the lack of common or harmonised definitions and labels regarding ESG and sustainability criteria may result in different approaches by managers when integrating ESG and sustainability criteria into investment decisions. This means that it may be difficult to compare funds with ostensibly similar objectives and that these funds will employ different security selection and exclusion criteria. Consequently, the performance profile of otherwise similar funds may deviate more substantially than might otherwise be expected. Additionally, in the absence of common or harmonised definitions and labels, a degree of subjectivity is required and this will mean that a fund may invest in a security that another manager or an investor would not.

## ABRDN SICAV I – EUROPE EX UK SUSTAINABLE EQUITY FUND

This Fund is subject to Article 8 of the SFDR. Further information can be found under section "EU's Sustainable Finance Disclosure Regulation – Sustainability Risk Integration".

### Investment Objective and Policy

The Fund's investment objective is long term total return to be achieved by investing at least 90% of the Fund's assets in equities and equity-related securities of companies listed, incorporated or domiciled in Europe (excluding the United Kingdom); or, companies that derive a significant proportion of their revenues or profits from Europe (excluding the United Kingdom) operations, or have a significant proportion of their assets there.

The Fund is actively managed. The Fund aims to outperform the FTSE World Europe ex UK Index (EUR) benchmark before charges. The benchmark is also used as a reference point for portfolio construction and as a basis for setting risk constraints, but does not incorporate any sustainable criteria.

In order to achieve its objective, the Fund will take positions whose weightings diverge from the benchmark and may invest in securities which are not included in the benchmark. The investments of the Fund may deviate significantly from the components of and their respective weightings in the benchmark. Due to the active and sustainable nature of the management process, the Fund's performance profile may deviate significantly from that of the benchmark.

The Fund promotes environmental and social characteristics but does not have a sustainable investment objective.

Investment in all equity and equity-related securities will follow abrdn's "Europe ex UK Sustainable Equity Investment Approach".

Through the application of this approach the Fund has an expected minimum of 20% in Sustainable Investments. Furthermore, the Fund targets an ESG rating that is equal to or better, and a meaningfully lower carbon intensity, than the benchmark.

This approach utilises abrdn's equity investment process, which enables portfolio managers to qualitatively identify and focus investment in sustainable leaders and improvers. Sustainable leaders are viewed as companies with the best in class ESG credentials or products and services which address global environmental and societal challenges, whilst improvers are typically companies with average governance, ESG management practices and disclosure with potential for improvement.

To complement this research, the abrdn ESG House Score is used to quantitatively identify and exclude those companies exposed to the highest ESG risks. Additionally, abrdn apply a set of company exclusions which are related to the UN Global Compact, Norges Bank Investment Management (NBIM), State Owned Enterprises (SOE), Weapons, Tobacco, Gambling, Thermal Coal, Oil & Gas and Electricity Generation. More detail on this overall process is captured within the abrdn Europe ex UK Sustainable Equity Investment Approach, which is published at [www.abrdn.com](http://www.abrdn.com) under "Fund Centre".

Engagement with external company management teams is used to evaluate the ownership structures, governance and management quality of those companies in order to inform portfolio construction.

The abrdn Europe ex UK Sustainable Equity Investment Approach reduces the benchmark investable universe by a minimum of 20%.

Financial derivative instruments, money-market instruments and cash may not adhere to this approach.

The Fund may utilise financial derivative instruments for hedging and/or investment purposes, or to manage foreign exchange risks, subject to the conditions and within the limits laid down by applicable laws and regulations. The use of derivatives for hedging and/or investment purposes is expected to be very limited, mainly in those cases where there are significant inflows into the Fund so that cash can be invested while the Fund's investments in equity and equity related securities is maintained.

Where Share Classes are denominated in a currency other than the Base Currency of the Fund, a currency specific benchmark will typically be used for performance comparison purposes. This will either be the benchmark of the Fund expressed in another currency or a different currency specific benchmark with similar characteristics. Benchmarks applicable to such Share Classes are disclosed in the relevant PRIIPS KID

<b>Base Currency:</b>	Euro.
<b>Investment Manager:</b>	abrdn Investments Limited
<b>Investment Process:</b>	Active Equities – Values Led Investing

**Investor Profile:** This Fund gives access to European (ex-UK) stocks and may be suitable for investors seeking capital appreciation opportunities through equity investments which comply with the Fund's Sustainable Investment process. Because the Fund is diversified across a number of markets, it may be suitable for investors who are looking for a standalone equity investment in the European region or as part of a core equity investment. Due to the traditionally volatile nature of share prices, the investor is likely to have a long-term investment horizon. This Fund may also be suitable for investors seeking a sustainability-related outcome.



### **Risk warnings specific to abrdn SICAV I – Europe ex UK Sustainable Equity Fund**

In addition to the general risk factors set out under "General Risk Factors" potential investors should be aware of certain Fund specific risks:

- The Fund invests in equity and equity-related securities in Europe (excluding the United Kingdom) thereby providing exposure to Emerging Markets which tend to be more volatile than mature markets and its value could move sharply up or down. In some circumstances, the underlying investments may become less liquid which may constrain the Investment Manager's ability to realise some or all of the portfolio. The registration and settlement arrangements in Emerging Markets may be less developed than in more mature markets so the operational risks of investing are higher. Political risks and adverse economic circumstances are more likely to arise.
- The Fund may utilise financial derivative instruments for investment purposes in pursuing its investment objective (in addition to use for hedging purposes). Use of derivatives other than for hedging may result in leverage and may increase volatility in the Net Asset Value of the Fund.
- Applying ESG and sustainability criteria in the investment process may result in the exclusion of securities in which the Fund might otherwise invest. Such securities could be part of the benchmark against which the Fund is managed, or be within the universe of potential investments. This may have a positive or negative impact on performance and may mean that the Fund's performance profile differs to that of funds which are managed against the same benchmark or invest in a similar universe of potential investments but without applying ESG or sustainability criteria. Furthermore, the lack of common or harmonised definitions and labels regarding ESG and sustainability criteria may result in different approaches by managers when integrating ESG and sustainability criteria into investment decisions. This means that it may be difficult to compare funds with ostensibly similar objectives and that these funds will employ different security selection and exclusion criteria. Consequently, the performance profile of otherwise similar funds may deviate more substantially than might otherwise be expected. Additionally, in the absence of common or harmonised definitions and labels, a degree of subjectivity is required and this will mean that a fund may invest in a security that another manager or an investor would not.

### **ABRDN SICAV I – FRONTIER MARKETS BOND FUND**

This Fund is subject to Article 6 of the SFDR. Further information can be found under section "EU's Sustainable Finance Disclosure Regulation – Sustainability Risk Integration".

#### **Investment Objective and Policy**

The Fund's investment objective is to achieve long term total return by investing at least two-thirds of the Fund's assets in Debt and Debt-Related Securities which are (i) issued by governments or government related bodies domiciled in a Frontier Market country and/or issued by corporations (including holding companies of such corporations) with their registered office, principal place of business or preponderance of their business activities in a Frontier Market country; and/or (ii) denominated in the currency of a Frontier Market country as at the date of investment.

Frontier Market countries include the constituents of the MSCI Frontier Markets series of indices or FTSE Frontier Markets series of indices or JP Morgan Frontier Markets series of indices, or any country classified by the World Bank as a low income country. In addition, there are a number of countries that exhibit similar characteristics to the countries on these indices, which the manager regards as suitable for investment by the Fund.

The Fund may invest up to 100% of its Net Asset Value in Sub-Investment Grade Debt and Debt-Related Securities.

The Fund may utilise financial derivative instruments for hedging and/or investment purposes, or to manage foreign exchange risks, subject to the conditions and within the limits laid down by applicable laws and regulations.

Without limiting the generality of the foregoing, the Investment Manager may alter the currency exposure of the Fund, solely through the use of derivative contracts (without buying or selling underlying Transferable Securities or currencies). Furthermore, the Fund's portfolio may be fully or partially hedged back to the Base Currency if, in the opinion of the Investment Manager, this is believed to be appropriate.

The Fund is actively managed. The Fund does not aim to outperform any benchmark and there is no benchmark used as a reference for portfolio construction.

The NEXGEM Index (USD) is used as a basis for setting risk constraints. The Investment Manager seeks to reduce the risk of significant changes in the value of the Fund compared to the Index. The potential change in value of the Fund (as measured by expected volatility) is not ordinarily expected to exceed 150% of the potential change in value of the Index over the longer term.

**Base Currency:** US Dollars.  
**Investment Manager:** abrdn Investments Limited

**Investment Process:** Fixed Income

**Investor Profile:** This Fund gives access to debt securities of Frontier Debt Market and may be suitable for investors willing to accept a high level of risk within the fixed income spectrum. Despite potentially

higher long-term returns offered by investments in Frontier Debt Market instruments, investors need to be comfortable with the additional political and economic risks associated with frontier market investments. Investors are likely to hold this Fund as a complement to a diversified portfolio and should have a long-term investment horizon.

#### **Risk warnings specific to abrdn SICAV I – Frontier Markets Bond Fund**

In addition to the general risk factors set out under "General Risk Factors" potential investors should be aware of certain Fund specific risks:

- The Fund's underlying investments are subject to interest rate risk, credit risk and currency risk. Interest rate fluctuations affect the capital value of investments. Where long term interest rates rise, the capital value of bonds is likely to fall and vice versa. Credit risk reflects the ability of a bond issuer to meet its obligations.
- The Fund invests in debt and debt-related securities, including Sub-Investment Grade securities. Consequently, the Fund's portfolio may have a significant position in Non-Investment Grade bonds, which means that there is more risk to investor's capital and income than from a fund investing in Investment Grade bonds.
- The Fund may utilise financial derivative instruments for investment purposes in pursuing its investment objective (in addition to use for hedging purposes). Use of derivatives other than for hedging may result in leverage and may increase volatility in the Net Asset Value of the Fund.
- The Fund may invest in Emerging Markets which tend to be more volatile than mature markets and its value could move sharply up or down. In some circumstances, the underlying investments may become less liquid which may constrain the Investment Manager's ability to realise some or all of the portfolio. The registration and settlement arrangements in Emerging Markets may be less developed than in more mature markets so the operational risks of investing are higher. Political risks and adverse economic circumstances are more likely to arise. The Fund may also invest in Frontier Markets which involves similar risks, but to a greater extent since they tend to be even smaller, less developed, and less accessible than other Emerging Markets.
- Performance may be strongly influenced by movements in currency rates because the Fund may have exposure to a particular currency that is different to the value of the securities denominated in that currency held by the Fund.

#### **ABRDN SICAV I – GDP WEIGHTED GLOBAL GOVERNMENT BOND FUND**

This Fund is subject to Article 6 of the SFDR. Further information can be found under section "EU's Sustainable Finance Disclosure Regulation – Sustainability Risk Integration".

#### **Investment Objective and Policy**

The Fund's investment objective is to achieve income and capital return by investing at least two-thirds of the Fund's assets in Debt and Debt-Related Securities which are issued by governments or government-related bodies domiciled globally.

The Fund may invest up to 20% in Sub-Investment Grade Debt and Debt-Related Securities.

The Fund may invest up to 25% of its net assets in Mainland China Debt and Debt-Related Securities including the China Interbank Bond Market, through QFI regime or by any other available means.

The Fund is a global fund insofar as its investments are not confined to or concentrated in any particular geographic region or market. The Fund will take into consideration the relative Gross Domestic Product ("GDP") of the country of issuance in determining the overall exposure of a given country in the portfolio.

The Fund may utilise financial derivative instruments for hedging and/or investment purposes, or to manage foreign exchange risks, subject to the conditions and within the limits laid down by applicable laws and regulations.

Without limiting the generality of the foregoing, the Investment Manager may alter the currency exposure of the Fund, solely through the use of derivative contracts (without buying or selling underlying Transferable Securities or currencies). Furthermore, the Fund's portfolio may be fully or partially hedged back to the Base Currency if, in the opinion of the Investment Manager, this is believed to be appropriate.

The Fund is actively managed.

The Fund aims to outperform the Bloomberg Global Treasury Universal-GDP Weighted by Country Index (USD) benchmark before charges. The benchmark is also used as a reference point for portfolio construction and as a basis for setting risk constraints.

In order to achieve its objective, the Fund will take positions whose weightings diverge from the benchmark or invest in securities which are not included in the benchmark. The investments of the Fund may deviate significantly from the components of and their respective weightings in the benchmark. Due to the active nature of the management process, the Fund's performance profile may deviate significantly from that of the benchmark over the longer term.

Where Share Classes are denominated in a currency other than the Base Currency of the Fund, a currency specific benchmark will typically be used for performance comparison purposes. This will either be the benchmark of the Fund expressed in another currency or a different currency specific benchmark with similar characteristics. Benchmarks applicable to such Share Classes are disclosed in the relevant PRIIPS KID.

<b>Base Currency:</b>	US Dollars.
<b>Investment Manager:</b>	abrdrn Investments Limited
<b>Sub-Investment Manager:</b>	abrdrn Asia Limited (Asian assets only)
<b>Investment Process:</b>	Fixed Income
<b>Investor Profile:</b>	This Fund gives access to a global range of government debt securities and may be suitable for investors willing to accept a moderate level of risk. Investors are likely to use this fund as part of a core portfolio investment and have a long-term investment horizon.

#### **Risk warnings specific to abrdrn SICAV I – GDP Weighted Global Government Bond Fund**

In addition to the general risk factors set out under "General Risk Factors" potential investors should be aware of certain Fund specific risks:

- The Fund's underlying investments are subject to interest rate risk and credit risk. Interest rate fluctuations affect the capital value of investments. Where long term interest rates rise, the capital value of bonds is likely to fall and vice versa. Credit risk reflects the ability of a bond issuer to meet its obligations. Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
- The Fund's portfolio may have a significant position in Sub-Investment Grade bonds, which means that there may be more risk to investor's capital and income than from a fund investing in Investment Grade bonds.
- The Fund may utilise financial derivative instruments for investment purposes in pursuing its investment objective (in addition to use for hedging purposes). Use of derivatives other than for hedging may result in leverage and may increase volatility in the Net Asset Value of the Fund.
- The Fund may invest in Emerging Markets which tend to be more volatile than mature markets and its value could move sharply up or down. In some circumstances, the underlying investments may become less liquid which may constrain the Investment Manager's ability to realise some or all of the portfolio. The registration and settlement arrangements in Emerging Markets may be less developed than in more mature markets so the operational risks of investing are higher. Political risks and adverse economic circumstances are more likely to arise.
- The Fund may invest in Mainland China – potential investors should note the "Investing in Mainland China" section of the "General Risk Factors" and the "Taxation of Chinese Equity and Bonds" section under "Taxation".
- Performance may be strongly influenced by movements in currency rates because the Fund may have exposure to a particular currency that is different to the value of the securities denominated in that currency held by the Fund.

#### **ABDRN SICAV I – GLOBAL BOND FIXED MATURITY 2023 FUND**

This Fund is subject to Article 6 of the SFDR. Further information can be found under section "EU's Sustainable Finance Disclosure Regulation – Sustainability Risk Integration".

##### **Investment Objective and Policy**

The Fund's investment objective is to achieve income and capital preservation over the term of the Fund by investing at least 75% of the Fund's assets in Debt and Debt-Related Securities with a maturity equal to, or less than four years, ending on 23 October 2023, issued by corporations and governments (including government-owned entities) worldwide, and denominated in US Dollars.

The Fund may invest up to 40% of its Net Asset Value in Sub-Investment Grade Debt and Debt-Related Securities.

The Investment Manager will seek to reduce the risk of losses and the expected change (as measured by annual volatility) in the value of the Fund is not ordinarily expected to exceed 7.5%.

The Fund will only be open to subscription on the day of the launch, unless an extension is granted by the Board of Directors. After this day, the Fund will be closed for subscriptions and will only remain open for redemptions.

All redemptions made before the Fund's Maturity Date will be subject to a dilution adjustment which will generally not exceed 2% of the Net Asset Value. Any dilution adjustment will be retained for the benefit of the Fund.

The minimum viable amount for the Fund shall be USD 100 million (the "**Minimum Viable Amount**"). In the event that the Net Asset Value of this Fund falls below the Minimum Viable Amount at any time, or in case the Investment Manager deems the Fund's investment objective can no longer be met, the Board of Directors may decide to liquidate the Fund.

It is intended that the Fund's term will end on 23 October 2023 (the "**Maturity Date**") when the Fund will be liquidated and Shares of the Fund will be compulsorily redeemed at the prevailing Net Asset Value per Share.

Over a period of approximately 12 months approaching the Fund's Maturity Date, the Fund will no longer be subject to holding at least 75% of the assets in Debt and Debt-Related Securities; instead, the portfolio will be managed so that investments match the Maturity Date, by investing in shorter-dated financial instruments issued by governments or by corporate issuers such as commercial paper, bonds, notes, bills, deposits, certificates of deposits and cash, and/or in collective investment schemes which invest in these instruments.

The Fund is actively managed and does not use a benchmark for portfolio construction, risk management or performance assessment purposes.

**Base Currency:** US Dollars

**Investment Manager:** abrdn Investments Limited

**Sub-Investment Manager:** abrdn Asia Limited

**Investment Process:** Fixed Income

**Investor Profile:** This Fund gives access to a global range of Debt securities and may be suitable for investors willing to accept a medium level of risk within the fixed investment spectrum and who have a medium-term investment horizon.

Investors should be aware of the dilution adjustment which may be applicable to abrdn SICAV I – Global Bond Fixed Maturity 2023 Fund and which is referred to in the Investment Objective and Policy and in section "Dealing in Shares of abrdn SICAV I" in this Prospectus.

**Investors should be aware that no exchange (or switch) is permitted within, into or out of this Fund.**

#### **Risk warnings specific to abrdn SICAV I – Global Bond Fixed Maturity 2023 Fund**

In addition to the general risk factors set out under "General Risk Factors" potential investors should be aware of certain Fund specific risks:

- **The Fund is not a guaranteed fund and returns can be negative. Furthermore, the Fund is intended to be held to the Maturity Date. Investors who do not hold their Shares to the Maturity Date may suffer significant losses.**
- The Fund's underlying investments are subject to interest rate risk and credit risk. Interest rate fluctuations affect the capital value of investments. Where long-term interest rates rise, the capital value of bonds is likely to fall and vice versa. Credit risk reflects the ability of a bond issuer to meet its obligations. Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
- The Fund invests in Debt securities, including Sub-Investment Grade securities. Consequently, the Fund's portfolio may have a significant position in Sub-Investment Grade bonds, which means that there is more risk to investor's capital and income than from a fund investing in Investment Grade bonds.
- The Fund invests in Emerging Markets which tend to be more volatile than mature markets and its value could move sharply up or down. In some circumstances, the underlying investments may become less liquid which may constrain the Investment Manager's ability to realise some or all of the portfolio. The registration and settlement arrangements in Emerging Markets may be less developed than in more mature markets so the operational risks of investing are higher. Political risks and adverse economic circumstances are more likely to arise.

#### **ABRDN SICAV I – GLOBAL BOND FUND**

This Fund is subject to Article 6 of the SFDR. Further information can be found under section "EU's Sustainable Finance Disclosure Regulation – Sustainability Risk Integration".

#### **Investment Objective and Policy**

The Fund's investment objective is long-term total return to be achieved by investing at least two-thirds of the Fund's assets in global Investment Grade Debt and Debt-Related Securities, including Emerging Markets.

The Fund may invest up to 30% of its net assets in Mainland China Debt and Debt-Related Securities, including via the China Interbank Bond Market, through QFI regime and Bond Connect or by any other available means.

The Fund will maintain an Investment Grade currency exposure of at least 80% at all times.

The Fund is global insofar as its investments are not confined to or concentrated in any particular geographic region or market.

The Fund may invest up to 10% of its Net Asset Value in Sub-Investment Grade Debt and Debt-Related Securities.

The Fund may utilise financial derivative instruments for hedging and/or investment purposes, or to manage foreign exchange risks, subject to the conditions and within the limits laid down by applicable laws and regulations.

Without limiting the generality of the foregoing, the Investment Manager may alter the currency exposure of the Fund, solely through the use of derivative contracts (without buying or selling underlying Transferable Securities or currencies). Furthermore,

the Fund's portfolio may be fully or partially hedged back to the Base Currency if, in the opinion of the Investment Manager, this is believed to be appropriate.

The Fund is actively managed.

The Fund aims to outperform the Bloomberg Global Aggregate Index (USD) benchmark before charges. The benchmark is also used as a reference point for portfolio construction and as a basis for setting risk constraints.

In order to achieve its objective, the Fund will take positions whose weightings diverge from the benchmark or invest in securities which are not included in the benchmark. The investments of the Fund may deviate significantly from the components of and their respective weightings in the benchmark. Due to the active nature of the management process, the Fund's performance profile may deviate significantly from that of the benchmark over the longer term.

Where Share Classes are denominated in a currency other than the Base Currency of the Fund, a currency specific benchmark will typically be used for performance comparison purposes. This will either be the benchmark of the Fund expressed in another currency or a different currency specific benchmark with similar characteristics. Benchmarks applicable to such Share Classes are disclosed in the relevant PRIIPS KID.

**Base Currency:** US Dollars.

**Investment Manager:** abrdn Investments Limited

**Sub-Investment Manager:** abrdn Inc.

abrdn Asia Limited (Mainland Chinese assets only)

**Investment Process:** Fixed Income

**Investor Profile:** This Fund gives access to a global range of Investment Grade securities and may be suitable for investors aiming for relatively stable income streams with possibility of capital growth. Investors are likely to use this fund as part of a core portfolio investment and have a long term investment horizon.

#### **Risk warnings specific to abrdn SICAV I – Global Bond Fund**

In addition to the general risk factors set out under "General Risk Factors" potential investors should be aware of certain Fund specific risks:

- The Fund will utilise financial derivative instruments for investment purposes in pursuing its investment objective (in addition to use for hedging purposes). Use of derivatives other than for hedging may result in leverage and may increase volatility in the Net Asset Value of the Fund.
- The Fund's underlying investments are subject to interest rate risk and credit risk. Interest rate fluctuations affect the capital value of investments. Where long-term interest rates rise, the capital value of bonds is likely to fall and vice versa. Credit risk reflects the ability of a bond issuer to meet its obligations. Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
- The Fund may be invested in contingent convertible bonds. If the financial strength of a bond's issuer falls by a predetermined threshold, the bond may suffer substantial or total losses of capital (investors should refer to the risk factor "Contingent Securities" in the section "General Risk Factors" for information on other risks associated with contingent convertible bonds).
- The Fund may invest in Mainland China - potential investors should note the "Investing in Mainland China" section of the "General Risk Factors" and the "Taxation of Chinese Equity and Bonds" section under "Taxation".

#### **ABRDN SICAV I – GLOBAL CLIMATE AND ENVIRONMENT EQUITY FUND**

This Fund is subject to Article 9 of the SFDR. Further information can be found under section "EU's Sustainable Finance Disclosure Regulation – Sustainability Risk Integration".

#### **Investment Objective and Policy**

The Fund's investment objective is long term total return to be achieved by investing in global equity and equity-related securities including Emerging Market countries that develop or use products and services designed to maximize resource efficiency, support the transition to a low carbon economy and address wider environmental challenges.

The Fund will invest at least 90% of the Fund's assets in its investment universe. This is defined as equities and equity-related securities of companies that are under active research coverage by the Investment Manager and are listed on global stock exchanges including Emerging Markets.

The Fund may invest up to 10% of its net assets in Mainland China equity and equity-related securities including through the Shanghai-Hong Kong and Shenzhen- Hong Kong Stock Connect programme or by any other available means.

Investment in all equity and equity related securities will follow the abrdn "Global Climate and Environment Equity Investment Approach".

Financial derivative instruments, money-market instruments and cash may not adhere to this approach.

Through the application of this approach the Fund has an expected minimum of 75% in Sustainable Investments.

This approach identifies companies delivering a positive change through the products and services they provide in those areas of the economy that directly influence the environment and emissions, and also identifies companies delivering a positive impact through leading operational performance with respect to emissions, resource efficiency or waste-minimisation compared to peers.

Engagement with external company management teams is used to evaluate the ownership structures, governance and management quality of those companies in order to inform portfolio construction.

In addition, we apply a set of company exclusion which are related to normative screening (UN Global Compact, ILO and OECD), Norges Bank Investment Management (NBIM), State-Owned Enterprises (SOE), Weapons, Tobacco, Gambling, Alcohol, Thermal Coal, Oil & Gas and Electricity Generation. Further detail of this overall process is captured within the abrdn Global Climate and Environment Equity Investment Approach, which is published at [www.abrdn.com](http://www.abrdn.com) under "Fund Centre".

The portfolio construction and the abrdn Global Climate and Environment Equity Investment Approach reduces the investment universe by a minimum of 20%.

The Fund is actively managed.

The Fund aims to outperform the MSCI AC World Index (USD) benchmark before charges. The benchmark is also used as a reference point for portfolio construction and as a basis for setting risk constraints, but does not incorporate any sustainable criteria.

In order to achieve its objective, the Fund will take positions whose weightings diverge from the benchmark and may invest in securities which are not included in the benchmark. The investments of the Fund may deviate significantly from the components of and their respective weightings in the benchmark. Due to the active and sustainable nature of the management process, the Fund's performance profile may deviate significantly from that of the benchmark.

The Fund may utilise financial derivative instruments for hedging and/or investment purposes, or to manage foreign exchange risks, subject to the conditions and within the limits laid down by applicable laws and regulations. The use of derivatives for hedging and/or investment purposes is expected to be very limited, mainly in those cases where there are significant inflows into the Fund so that cash can be invested while the Fund's investments in equity and equity related securities is maintained.

Where Share Classes are denominated in a currency other than the Base Currency of the Fund, a currency specific benchmark will typically be used for performance comparison purposes. This will either be the benchmark of the Fund expressed in another currency or a different currency specific benchmark with similar characteristics. Benchmarks applicable to such Share Classes are disclosed in the relevant PRIIPS KID.

<b>Base Currency:</b>	US Dollars
<b>Investment Manager:</b>	abrdn Investments Limited
<b>Investment Process:</b>	Active Equities - Thematic
<b>Investor Profile:</b>	This Fund provides access to global equities that comply with our Global Climate and Environment Equity Investment Approach and may be suitable for investors seeking long term capital growth. Investors are likely to hold this Fund as a standalone global equity investment or as part of a wider diversified portfolio. Investors should have a long term investment horizon. This Fund may also be suitable for investors seeking a sustainability-related outcome.

**Risk warnings specific to abrdn SICAV I – Global Climate and Environment Equity Fund:**

In addition to the general risk factors set out under "General Risk Factors" potential investors should be aware of certain Fund specific risks:

- The Fund invests in equity and equity-related securities throughout the World that provide exposure to Emerging Markets which tend to be more volatile than mature markets and its value could move sharply up or down. In some circumstances, the underlying investments may become less liquid which may constrain the Investment Manager's ability to realise some or all of the portfolio. The registration and settlement arrangements in Emerging Markets may be less developed than in more mature markets so the operational risks of investing are higher. Political risks and adverse economic circumstances are more likely to arise.
- The Fund may invest in Mainland China – potential investors should note the "Investing in Mainland China" section of the "General Risk Factors" and the "Taxation of Chinese Equity and Bonds" section under "Taxation".

- The Fund may invest in companies with VIE structures in order to gain exposure to industries with foreign ownership restrictions. There is a risk that investments in these structures may be adversely affected by changes in the applicable legal and regulatory framework.
- The Fund may utilise financial derivative instruments for investment purposes in pursuing its investment objective (in addition to use for hedging purposes). Use of derivatives other than for hedging may result in leverage and may increase volatility in the Net Asset Value of the Fund.
- Applying ESG and sustainability criteria in the investment process may result in the exclusion of securities in which the Fund might otherwise invest. Such securities could be part of the benchmark against which the Fund is managed, or be within the universe of potential investments. This may have a positive or negative impact on performance and may mean that the Fund's performance profile differs to that of funds which are managed against the same benchmark or invest in a similar universe of potential investments but without applying ESG or sustainability criteria. Furthermore, the lack of common or harmonised definitions and labels regarding ESG and sustainability criteria may result in different approaches by managers when setting ESG objectives integrating ESG and sustainability criteria into investment decisions. This means that it may be difficult to compare funds with ostensibly similar objectives and that these funds will employ different security selection and exclusion criteria. Consequently, the performance profile of otherwise similar funds may deviate more substantially than might otherwise be expected. Additionally, in the absence of common or harmonised definitions and labels, a degree of subjectivity is required and this will mean that a fund may invest in a security that another manager or an investor would not.

## **ABRDN SICAV I – GLOBAL CORPORATE SUSTAINABLE BOND FUND**

This Fund is subject to Article 8 of the SFDR. Further information can be found under section "EU's Sustainable Finance Disclosure Regulation – Sustainability Risk Integration".

### **Investment Objective and Policy**

The Fund's investment objective is long-term total return to be achieved by investing at least 90% of assets in Debt and Debt-Related Securities issued by corporations and governments anywhere in the world, including sub-sovereigns, inflation-linked, convertible, asset backed and mortgage backed bonds.

At least 80% of the Fund's assets will be invested in Investment Grade Debt and Debt-Related Securities issued by corporations worldwide, including in Emerging Market countries.

The Fund may invest up to 20% of assets in Sub-Investment Grade Debt and Debt-Related Securities.

The Fund is actively managed. The Fund aims to outperform the Bloomberg Global Aggregate Corporate Bond (hedged to USD) Index before charges. The benchmark is also used as a reference point for portfolio construction and as a basis for setting risk constraints but does not incorporate any sustainable criteria.

In order to achieve its objective, the Fund will take positions whose weightings diverge from the benchmark or invest in securities which are not included in the benchmark. The investments of the Fund may deviate significantly from the components and their weightings in the benchmark. Due to the Fund's risk constraints, its performance profile is not ordinarily expected to deviate significantly from that of the benchmark over the longer term.

The Fund promotes environmental and social characteristics but does not have a sustainable investment objective.

Investment in Debt and Debt-Related Securities will follow the abrdn "Global Corporate Sustainable Bond Investment Approach".

Through the application of this approach, the Fund has an expected minimum of 15% in Sustainable Investments. Furthermore, the Fund targets an ESG rating that is equal to or better, and a meaningfully lower carbon intensity, than the benchmark.

This approach utilises abrdn's fixed income investment process, which enables portfolio managers to qualitatively assess how ESG factors are likely to impact on the company's ability to repay its debt, both now and in the future. To complement this research, the abrdn ESG House Score is used to quantitatively identify and exclude those companies exposed to the highest ESG risks. In addition, abrdn apply a set of company exclusions, which are related to the UN Global Compact, State Owned Enterprises (SOE), Weapons, Tobacco, Thermal Coal, Oil & Gas and Electricity Generation. While these exclusions are applied at a company level, investment is permitted in Green bonds, Social bonds or Sustainable bonds issued by companies otherwise excluded by the environmental screens, where the proceeds of such issues can be confirmed as having a positive environmental impact.

Engagement with external company management teams is a part of abrdn's investment process and ongoing stewardship programme. This process evaluates the ownership structures, governance and management quality of those companies, in order to inform portfolio construction. As part of this, where the engagement process identifies companies in high carbon emitting sectors with ambitious and credible targets to decarbonise their operations, up to 5% of assets may be invested in these companies in order to support their transition to ultimately comply with the environmental screens.

Further detail of this overall process is captured within the Global Corporate Sustainable Bond Investment Approach, which is published at [www.abrdn.com](http://www.abrdn.com) under "Fund Centre".

The Global Corporate Sustainable Bond Investment Approach is expected to reduce the investment universe by a minimum of 15%.

Investment in financial derivative instruments, money market instruments and cash may not adhere to this approach.

The Fund may utilise financial derivative instruments routinely for hedging and/or investment purposes, or to manage foreign exchange risks, subject to the conditions and within the limits laid down by applicable laws and regulations.

The Fund's portfolio will typically be hedged back to the Base Currency.

Where Share Classes are denominated in a currency other than the Base Currency of the Fund, a currency specific benchmark will typically be used for performance comparison purposes. This will either be the benchmark of the Fund expressed in another currency or a different currency specific benchmark with similar characteristics. Benchmarks applicable to such Share Classes are disclosed in the relevant PRIIPS KID.

**Base Currency:** US Dollars.

**Investment Manager:** abrdn Investments Limited

**Sub-Investment Manager:** abrdn Inc.

**Investment Process** Fixed Income

**Investor Profile:** This Fund gives access to a global range of corporate bonds which comply with the Fund's Sustainable Investment process, and may be suitable for investors willing to accept a medium level of risk. The Fund is intended to be held by investors who have a long-term investment horizon. This Fund may also be suitable for investors seeking a sustainability-related outcome.

#### **Risk warnings specific to abrdn SICAV I – Global Corporate Sustainable Bond Fund**

In addition to the general risk factors set out under "General Risk Factors" potential investors should be aware of certain Fund specific risks:

- The Fund invests in Emerging Markets which tend to be more volatile than mature markets and the value of your investment could move sharply up or down. In some circumstances, the underlying investments may become less liquid which may constrain the Investment Manager's ability to realise some or all of the portfolio. The registration and settlement arrangements in Emerging Markets may be less developed than in more mature markets so the operational risks of investing are higher. Political risks and adverse economic circumstances are more likely to arise, putting the value of your investment at risk.
- The risk profile of this Fund may be higher relative to other bond funds due to its investments in asset-backed and mortgage-backed securities.
- The Fund's underlying investments are subject to interest rate risk and credit risk. Interest rate fluctuations affect the capital value of investments. Where long-term interest rates rise, the capital value of bonds is likely to fall and vice versa. Credit risk reflects the ability of a bond issuer to meet its obligations. Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
- The Fund may invest in Mainland China - potential investors should note the "Investing in Mainland China" section of the "General Risk Factors" and the "Taxation of Chinese Equity and Bonds" section under "Taxation".
- The Fund may utilise financial derivative instruments for investment purposes in pursuing its investment objective (in addition to use for hedging purposes). Use of derivatives other than for hedging may result in leverage and may increase volatility in the Net Asset Value of the Fund.
- The Fund may be invested in contingent convertible bonds. If the financial strength of a bond's issuer falls by a predetermined threshold, the bond may suffer substantial or total losses of capital (investors should refer to the risk factor "Contingent Securities" in the section "General Risk Factors" for information on other risks associated with contingent convertible bonds).
- Applying ESG and sustainability criteria in the investment process may result in the exclusion of securities in which the Fund might otherwise invest. Such securities could be part of the benchmark against which the Fund is managed, or be within the universe of potential investments. This may have a positive or negative impact on performance and may mean that the Fund's performance profile differs to that of funds which are managed against the same benchmark or invest in a similar universe of potential investments but without applying ESG or sustainability criteria. Furthermore, the lack of common or harmonised definitions and labels regarding ESG and sustainability criteria may result in different approaches by managers when integrating ESG and sustainability criteria into investment decisions. This means that it may be difficult to compare funds with ostensibly similar objectives and that these funds will employ different security selection and exclusion criteria. Consequently, the performance profile of otherwise similar funds may deviate more substantially than might otherwise be expected. Additionally, in the absence of common or harmonised definitions and labels, a degree of subjectivity is required and this will mean that a fund may invest in a security that another manager or an investor would not.



## **ABRDN SICAV I – GLOBAL DYNAMIC DIVIDEND FUND**

This Fund is subject to Article 6 of the SFDR. Further information can be found under section "EU's Sustainable Finance Disclosure Regulation – Sustainability Risk Integration".

### **Investment Objective and Policy**

The Fund's investment objective is to achieve income combined with long-term capital growth by investing at least two-thirds of the Fund's assets in equities and equity-related securities of companies.

The Fund is actively managed. The Fund aims to outperform the MSCI AC World (Net) Index (USD) with a yield greater than the benchmark before charges. The benchmark is also used as a reference point for portfolio construction and as a basis for setting risk constraints.

In order to achieve its objective, the Fund will take positions whose weightings diverge from the benchmark or invest in securities which are not included in the benchmark. The investments of the Fund may deviate significantly from the components of and their respective weightings in the benchmark. Due to the active nature of the management process, the Fund's performance profile may deviate significantly from that of the benchmark over the longer term.

Where Share Classes are denominated in a currency other than the Base Currency of the Fund, a currency specific benchmark will typically be used for performance comparison purposes. This will either be the benchmark of the Fund expressed in another currency or a different currency specific benchmark with similar characteristics. Benchmarks applicable to such Share Classes are disclosed in the relevant PRIIPS KID.

**Base Currency:** US Dollars

**Investment Manager:** abrdn Investments Limited  
abrdn Inc.

**Investment Process:** Active Equities – Dynamic Dividend

**Investor Profile:** This Fund gives access to Global equity markets and may be suitable for investors seeking income combined with capital appreciation and willing to accept a medium level of risk. Because the Fund is diversified across a number of Global markets, investors may use this Fund as a stand-alone equity investment or as part of a core equity investment. Due to the traditionally volatile nature of share prices, the investor is likely to have a long-term investment horizon.

### **Risk warnings specific to abrdn SICAV I – Global Dynamic Dividend Fund**

In addition to the general risk factors set out under "General Risk Factors" potential investors should be aware of certain Fund specific risks:

- The Fund invests in equity and equity-related securities throughout the World that provide exposure to Emerging Markets which tend to be more volatile than mature markets and its value could move sharply up or down. In some circumstances, the underlying investments may become less liquid which may constrain the Investment Manager's ability to realise some or all of the portfolio. The registration and settlement arrangements in Emerging Markets may be less developed than in more mature markets so the operational risks of investing are higher. Political risks and adverse economic circumstances are more likely to arise.
- The Fund may invest in Mainland China – potential investors should note the "Investing in Mainland China" section of the "General Risk Factors" and the "Taxation of Chinese Equity and Bonds" section under "Taxation".
- The Fund may invest in companies with VIE structures in order to gain exposure to industries with foreign ownership restrictions. There is a risk that investments in these structures may be adversely affected by changes in the applicable legal and regulatory framework.

## **ABRDN SICAV I – GLOBAL GOVERNMENT BOND FUND**

This Fund is subject to Article 6 of the SFDR. Further information can be found under section "EU's Sustainable Finance Disclosure Regulation – Sustainability Risk Integration".

### **Investment Objective and Policy**

The Fund's investment objective is long-term total return to be achieved by investing at least two-thirds of the Fund's assets in global Investment Grade Debt and Debt-Related Securities which are issued by governments or government-related bodies.

The Fund will maintain an Investment Grade currency exposure of at least 80% at all times.

The Fund is global insofar as its investments are not confined to or concentrated in any particular geographic region or market.

The Fund may invest up to 10% of its Net Asset Value in Sub-Investment Grade Debt and Debt-Related Securities.

The Fund may utilise financial derivative instruments for hedging and/or investment purposes, or to manage foreign exchange risks, subject to the conditions and within the limits laid down by applicable laws and regulations.

Without limiting the generality of the foregoing, the Investment Manager may alter the currency exposure of the Fund, solely through the use of derivative contracts (without buying or selling underlying Transferable Securities or currencies). Furthermore, the Fund's portfolio may be fully or partially hedged back to the Base Currency if, in the opinion of the Investment Manager, this is believed to be appropriate.

The Fund is actively managed.

The Fund aims to outperform the FTSE World Government Bond Index (USD) benchmark before charges. The benchmark is also used as a reference point for portfolio construction and as a basis for setting risk constraints.

In order to achieve its objective, the Fund will take positions whose weightings diverge from the benchmark or invest in securities which are not included in the benchmark. The investments of the Fund may deviate significantly from the components of and their respective weightings in the benchmark. Due to the active nature of the management process, the Fund's performance profile may deviate significantly from that of the benchmark over the longer term.

Where Share Classes are denominated in a currency other than the Base Currency of the Fund, a currency specific benchmark will typically be used for performance comparison purposes. This will either be the benchmark of the Fund expressed in another currency or a different currency specific benchmark with similar characteristics. Benchmarks applicable to such Share Classes are disclosed in the relevant PRIIPS KID.

**Base Currency:** US Dollars.

**Investment Manager:** abrdn Investments Limited

**Investment Process:** Fixed Income

**Investor Profile:** This Fund gives access to a global range of Investment Grade securities and may be suitable for investors aiming for relatively stable income streams with possibility of capital growth. Investors are likely to use this fund as part of a core portfolio investment and have a long term investment horizon.

#### **Risk warnings specific to abrdn SICAV I – Global Government Bond Fund**

In addition to the general risk factors set out under "General Risk Factors" potential investors should be aware of certain Fund specific risks:

- The Fund will utilise financial derivative instruments for investment purposes in pursuing its investment objective (in addition to use for hedging purposes). Use of derivatives other than for hedging may result in leverage and may increase volatility in the Net Asset Value of the Fund.
- The Fund's underlying investments are subject to interest rate risk and credit risk. Interest rate fluctuations affect the capital value of investments. Where long-term interest rates rise, the capital value of bonds is likely to fall and vice versa. Credit risk reflects the ability of a bond issuer to meet its obligations. Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
- The Fund may be invested in contingent convertible bonds. If the financial strength of a bond's issuer falls by a predetermined threshold, the bond may suffer substantial or total losses of capital (investors should refer to the risk factor "Contingent Securities" in the section "General Risk Factors" for information on other risks associated with contingent convertible bonds).

#### **ABRDN SICAV I – GLOBAL INNOVATION EQUITY FUND**

This Fund is subject to Article 8 of the SFDR. Further information can be found under section "EU's Sustainable Finance Disclosure Regulation – Sustainability Risk Integration".

#### **Investment Objective and Policy**

The Fund's investment objective is long term total return to be achieved by investing at least 70% of the Fund's assets in equities and equity-related securities of companies of all sizes whose business models are focused on and/or benefit from all forms of innovation, listed on global stock exchanges including Emerging Markets.

The Fund looks to invest in the impact of innovation by breaking it into five pillars: How we live, How we make, How we save and spend, How we work and How we play, which are key pillars of human activity. By considering the impact of innovation via the five pillars, the Fund then looks to invest in companies that are using innovation to "improve" their businesses, "disrupt" existing businesses and "enable" innovation to occur.

The Fund is actively managed. The Fund aims to outperform the MSCI AC World Index (USD) benchmark before charges. The benchmark is also used as a reference point for portfolio construction and as a basis for setting risk constraints, but does not incorporate any sustainable criteria.

In order to achieve its objective, the Fund will take positions whose weightings diverge from the benchmark and may invest in securities which are not included in the benchmark. The investments of the Fund may deviate significantly from the components

of and their respective weightings in the benchmark. Due to the active nature of the management process, the Fund's performance profile may deviate significantly from that of the benchmark.

The Fund promotes environmental and social characteristics but does not have a sustainable investment objective. Investment in all equity and equity-related securities will follow the abrdn "Global Innovation Promoting ESG Equity Investment Approach".

Through the application of this approach the Fund does not apply a minimum threshold in Sustainable Investments. However, the Fund targets an ESG rating that is equal to or better, and a meaningfully lower carbon intensity, than the benchmark.

This approach utilises abrdn's equity investment process, which enables portfolio managers to qualitatively identify and avoid ESG laggards. To complement this research, the abrdn ESG House Score is used to quantitatively identify and exclude those companies exposed to the highest ESG risks. Additionally, abrdn apply a set of company exclusions which are related to the UN Global Compact, Controversial Weapons, Tobacco Manufacturing and Thermal Coal. More detail on this overall process is captured within the abrdn Global Innovation Promoting ESG Equity Investment Approach, which is published at [www.abrdn.com](http://www.abrdn.com) under "Fund Centre".

Engagement with external company management teams is used to evaluate the ownership structures, governance and management quality of those companies in order to inform portfolio construction.

Financial derivative instruments, money-market instruments and cash may not adhere to this approach.

The Fund may utilise financial derivative instruments for hedging and/or investment purposes, or to manage foreign exchange risks, subject to the conditions and within the limits laid down by applicable laws and regulations. The use of derivatives for hedging and/or investment purposes is expected to be very limited, mainly in those cases where there are significant inflows into the Fund so that cash can be invested while the Fund's investments in equity and equity related securities is maintained.

Where Share Classes are denominated in a currency other than the Base Currency of the Fund, a currency specific benchmark will typically be used for performance comparison purposes. This will either be the benchmark of the Fund expressed in another currency or a different currency specific benchmark with similar characteristics. Benchmarks applicable to such Share Classes are disclosed in the relevant PRIIPS KID.

**Base Currency:** US Dollars.

**Investment Manager:** abrdn Investments Limited

**Sub-Investment Manager:** abrdn Inc.

**Investment Process:** Active Equities - Thematic

**Investor Profile:** This Fund provides broad access to global stock markets and may be suitable for investors seeking long term total returns through equity investments which comply with the Fund's Promoting ESG Investment process. Investors are likely to hold this Fund as a standalone global equity investment or as part of a wider diversified portfolio. Investors should have a long term investment horizon. This Fund may also be suitable for investors seeking a sustainability-related outcome.

#### **Risk warnings specific to abrdn SICAV I – Global Innovation Equity Fund**

In addition to the general risk factors set out under "General Risk Factors" potential investors should be aware of certain Fund specific risks:

- The Fund invests in a specialist market sector and as such is likely to be more volatile than a more widely invested fund.
- The Fund invests in equity and equity-related securities throughout the World that provide exposure to Emerging Markets which tend to be more volatile than mature markets and its value could move sharply up or down. In some circumstances, the underlying investments may become less liquid which may constrain the Investment Manager's ability to realise some or all of the portfolio. The registration and settlement arrangements in Emerging Markets may be less developed than in more mature markets so the operational risks of investing are higher. Political risks and adverse economic circumstances are more likely to arise.
- The Fund may invest in Mainland China – potential investors should note the "Investing in Mainland China" section of the "General Risk Factors" and the "Taxation of Chinese Equity and Bonds" section under "Taxation".
- The Fund may invest in companies with VIE structures in order to gain exposure to industries with foreign ownership restrictions. There is a risk that investments in these structures may be adversely affected by changes in the applicable legal and regulatory framework
- Applying ESG and sustainability criteria in the investment process may result in the exclusion of securities in which the Fund might otherwise invest. Such securities could be part of the benchmark against which the Fund is managed, or be within the universe of potential investments. This may have a positive or negative impact on performance and may mean that the Fund's performance profile differs to that of funds which are managed against the same benchmark or invest in a similar universe of potential investments but without applying ESG or sustainability criteria. Furthermore, the lack of common or harmonised definitions and labels regarding ESG and sustainability criteria may result in different approaches by managers when integrating ESG and sustainability criteria into investment decisions. This means that it may be difficult to compare

funds with ostensibly similar objectives and that these funds will employ different security selection and exclusion criteria. Consequently, the performance profile of otherwise similar funds may deviate more substantially than might otherwise be expected. Additionally, in the absence of common or harmonised definitions and labels, a degree of subjectivity is required and this will mean that a fund may invest in a security that another manager or an investor would not.

- The Fund may utilise financial derivative instruments for investment purposes in pursuing its investment objective (in addition to use for hedging purposes). Use of derivatives other than for hedging may result in leverage and may increase volatility in the Net Asset Value of the Fund.

## **ABRDN SICAV I – GLOBAL MID-CAP EQUITY FUND**

This Fund is subject to Article 8 of the SFDR. Further information can be found under section "EU's Sustainable Finance Disclosure Regulation – Sustainability Risk Integration".

The Fund's investment objective is long term total return to be achieved by investing at least 70% of the Fund's assets in mid-cap equities and equity-related securities of companies listed on global stock exchanges including Emerging Markets.

The Fund may invest up to 20% of its net assets directly or indirectly in Mainland China securities, including through QFI regime, Shanghai-Hong Kong Stock Connect or Shenzhen Hong Kong Stock Connect programme or by any other available means.

Mid-cap companies are defined as any stock in the MSCI ACWI Mid-Cap Index or, if not included within the index, any stock having a market capitalisation between that of the smallest and largest stock in such index.

The Fund may also invest in small and larger capitalisation companies listed on global stock exchanges.

The Fund is actively managed. The Fund aims to outperform the MSCI ACWI Mid-Cap Index (USD) benchmark before charges. The benchmark is also used as a reference point for portfolio construction and as a basis for setting risk constraints, but does not incorporate any sustainable criteria.

In order to achieve its objective, the Fund will take positions whose weightings diverge from the benchmark and may invest in securities which are not included in the benchmark. The investments of the Fund may deviate significantly from the components of and their respective weightings in the benchmark. Due to the active nature of the management process, the Fund's performance profile may deviate significantly from that of the benchmark.

The Fund promotes environmental and social characteristics but does not have a sustainable investment objective.

Investment in all equity and equity-related securities will follow abrdn's "Global Mid-Cap Promoting ESG Equity Investment Approach".

Through the application of this approach the Fund does not apply a minimum threshold in Sustainable Investments. However, the Fund targets an ESG rating that is equal to or better, and a meaningfully lower carbon intensity, than the benchmark.

This approach utilises abrdn's equity investment process, which enables portfolio managers to qualitatively identify and avoid ESG laggards. To complement this research, the abrdn ESG House Score is used to quantitatively identify and exclude those companies exposed to the highest ESG risks. Additionally, abrdn apply a set of company exclusions which are related to the UN Global Compact, Controversial Weapons, Tobacco Manufacturing and Thermal Coal. More detail on this overall process is captured within the abrdn Global Mid-Cap Promoting ESG Equity Investment Approach, which is published at [www.abrdn.com](http://www.abrdn.com) under "Fund Centre".

Engagement with external company management teams is used to evaluate the ownership structures, governance and management quality of those companies in order to inform portfolio construction.

Financial derivative instruments, money-market instruments and cash may not adhere to this approach.

The Fund may utilise financial derivative instruments for hedging and/or investment purposes, or to manage foreign exchange risks, subject to the conditions and within the limits laid down by applicable laws and regulations. The use of derivatives for hedging and/or investment purposes is expected to be very limited, mainly in those cases where there are significant inflows into the Fund so that cash can be invested while the Fund's investments in equity and equity related securities is maintained.

Where Share Classes are denominated in a currency other than the Base Currency of the Fund, a currency specific benchmark will typically be used for performance comparison purposes. This will either be the benchmark of the Fund expressed in another currency or a different currency specific benchmark with similar characteristics. Benchmarks applicable to such Share Classes are disclosed in the relevant PRIIPS KID.

**Base Currency:** US Dollars.

**Investment Manager:** abrdn Investments Limited

**Investment Process:** Active Equities – Values Led Investing

**Investor Profile:** This Fund gives access to equities of mid-capitalisation companies globally and may be suitable for investors seeking capital appreciation opportunities through equity investments which comply with the Fund's Promoting ESG Investment process. Although mid-capitalisation companies have often been associated with high returns, they also carry higher risks than investing in larger companies. Due to this additional volatility the investor is likely to hold this portfolio as a complement to an existing core portfolio and is likely to have a long term investment horizon. This Fund may also be suitable for investors seeking a sustainability-related outcome.

#### **Risk warnings specific to abrdn SICAV I – Global Mid-Cap Equity Fund**

In addition to the general risk factors set out under "General Risk Factors" potential investors should be aware of certain Fund specific risks:

- The Fund invests in the shares of mid-capitalisation companies which may be less liquid and more volatile than those of larger companies.
- The Fund invests in equity and equity-related securities throughout the World that provide exposure to Emerging Markets which tend to be more volatile than mature markets and its value could move sharply up or down. In some circumstances, the underlying investments may become less liquid which may constrain the Investment Manager's ability to realise some or all of the portfolio. The registration and settlement arrangement in Emerging Markets may be less developed than in more mature markets so the operational risks of investing are higher. Political risks and adverse economic circumstances are more likely to arise.
- The Fund may invest in Mainland China – potential investors should note the "Investing in Mainland China" section of the "General Risk Factors" and "Taxation of Chinese Equity and Bonds" section under "Taxation".
- The Fund may utilise financial derivative instruments for investment purposes in pursuing its investment objective (in addition to use for hedging purposes). Use of derivatives other than for hedging may result in leverage and may increase volatility in the Net Asset Value of the Fund.
- Applying ESG and sustainability criteria in the investment process may result in the exclusion of securities in which the Fund might otherwise invest. Such securities could be part of the benchmark against which the Fund is managed, or be within the universe of potential investments. This may have a positive or negative impact on performance and may mean that the Fund's performance profile differs to that of funds which are managed against the same benchmark or invest in a similar universe of potential investments but without applying ESG or sustainability criteria. Furthermore, the lack of common or harmonised definitions and labels regarding ESG and sustainability criteria may result in different approaches by managers when integrating ESG and sustainability criteria into investment decisions. This means that it may be difficult to compare funds with ostensibly similar objectives and that these funds will employ different security selection and exclusion criteria. Consequently, the performance profile of otherwise similar funds may deviate more substantially than might otherwise be expected. Additionally, in the absence of common or harmonised definitions and labels, a degree of subjectivity is required and this will mean that a fund may invest in a security that another manager or an investor would not.

#### **ABRDN SICAV I – INDIAN BOND FUND**

This Fund is subject to Article 6 of the SFDR. Further information can be found under section "EU's Sustainable Finance Disclosure Regulation – Sustainability Risk Integration".

#### **Investment Objective and Policy**

The Fund's investment objective is long term total return to be achieved by investing at least two-thirds of the Fund's assets in Indian Rupee denominated Debt and Debt-Related Securities which are issued by government or government-related bodies domiciled in India, and/or corporations (including holding companies of such corporations) with their registered office, principal place of business or the preponderance of their business activities in India.

The Fund may also invest in Debt and Debt-Related Securities issued by non-Indian corporations or governments which are denominated in Indian Rupee.

Whilst the Fund will aim to maintain a minimum of 80% in Debt and Debt-Related Securities denominated in Indian Rupee in normal market conditions, there may be exceptional circumstances where investment in Indian domestic fixed income securities may be restricted by Indian domestic regulation. In such circumstances, the Fund may have substantial exposure to non-Indian Rupee denominated Debt and Debt-Related Securities outside of India.

Exposure to non-Indian Rupee denominated Debt and Debt-Related Securities will be in USD denominated Debt and Debt-Related Securities. Any non-Indian Rupee exposure within the Fund's portfolio will typically be converted to Indian Rupee using financial derivative instruments.

The Fund may utilise financial derivative instruments for hedging and/or investment purposes, or to manage foreign exchange risks, subject to the conditions and within the limits laid down by applicable laws and regulations.

The Fund is actively managed. The Fund does not aim to outperform any benchmark and there is no benchmark used as a reference for portfolio construction.

The Fund does not aim to outperform any benchmark. Where Share Classes are denominated in a currency other than the Base Currency of the Fund, a benchmark will be typically used for performance comparison purposes. Benchmarks applicable to such Share Classes are disclosed in the relevant PRIIPS KID.

The Markit iBoxx Asia India Index (USD) is used as a basis for setting risk constraints.

The Investment Manager seeks to reduce the risk of significant changes in the value of the Fund compared to this index. The potential change in value of the Fund (as measured by expected volatility) is not ordinarily expected to exceed 150% of the potential change in value of this index over the longer term.

The Markit iBoxx Asia India Index (USD) is a government bond only index. Investors should be aware that the Indian bond market operates with capital controls as of writing in 2019. Other than the requirement for foreign investors to register as foreign portfolio investors (FPIs), foreign exposure to the bond market is capped and investment in bonds is regulated via a quota system, with separate quotas for government, corporate and state debt bonds. These quotas can be used freely until the entire limit for each quota respectively is utilised. As a result, it is possible that at certain times the Manager may not have full access to the market or parts thereof, which may influence the ability to manage risk versus the index. As a result the fund seeks to provide diversified exposure to the overall local currency bond market rather than replicate or manage exposure against the index.

**Base Currency:** US Dollars.

**Investment Manager:** abrdn Investments Limited

**Sub-Investment Manager:** abrdn Asia Limited

**Investment Process:** Fixed Income

**Investor Profile:** This Fund gives access to debt securities of issuers located in an Emerging Market and may be suitable for investors willing to accept a high level of risk within the fixed income investment spectrum. Investors are likely to use this Fund to complement an existing core bond portfolio and are likely to have a long-term investment horizon.

#### **Risk warnings specific to abrdn SICAV I – Indian Bond Fund**

In addition to the general risk factors set out under "General Risk Factors" potential investors should be aware of certain Fund specific risks:

- The Fund's exposure to a single country market increases potential volatility.
- The Fund's underlying investments are subject to interest rate risk and credit risk. Interest rate fluctuations affect the capital value of investments. Where long term interest rates rise, the capital value of bonds is likely to fall and vice versa. Credit risk reflects the ability of a bond issuer to meet its obligations. Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
- The Fund invests in Debt and Debt-Related securities, including Sub-Investment Grade securities. Consequently, the Fund's portfolio may have a significant position in Sub-Investment Grade bonds, which means that there is more risk to investors' capital and income than from a fund investing in Investment Grade bonds.
- The Fund invests in Indian Debt and Debt-Related Securities thereby providing exposure to Emerging Markets which tend to be more volatile than mature markets and its value could move sharply up or down. In some circumstances, the underlying investments may become less liquid which may constrain the Investment Manager's ability to realise some or all of the portfolio. The registration and settlement arrangements in Emerging Markets may be less developed than in more mature markets so the operational risks of investing are higher. Political risks and adverse economic circumstances are more likely to arise, putting the value of your investment at risk.
- The Fund may utilise financial derivative instruments for investment purposes in pursuing its investment objective (in addition to use for hedging purposes). Use of derivatives other than for hedging may result in leverage and may increase volatility in the Net Asset Value of the Fund.

#### **ABRDN SICAV I – INDIAN EQUITY FUND**

This Fund is subject to Article 8 of the SFDR. Further information can be found under section "EU's Sustainable Finance Disclosure Regulation – Sustainability Risk Integration".

#### **Investment Objective and Policy**

The Fund's investment objective is long term total return to be achieved by investing at least 70% of the Fund's assets in equities and equity-related securities of companies listed, incorporated or domiciled in India or companies that derive a significant proportion of their revenues or profits from Indian operations or have a significant proportion of their assets there.

The Fund is actively managed.

The Fund aims to outperform the MSCI India Index (USD) benchmark before charges. The benchmark is also used as a reference point for portfolio construction and as a basis for setting risk constraints, but does not incorporate any sustainable criteria.

In order to achieve its objective, the Fund will take positions whose weightings diverge from the benchmark and may invest in securities which are not included in the benchmark. The investments of the Fund may deviate significantly from the components of and their respective weightings in the benchmark. Due to the active nature of the management process, the Fund's performance profile may deviate significantly from that of the benchmark.

The Fund promotes environmental and social characteristics but does not have a sustainable investment objective.

Investment in all equity and equity-related securities will follow abrdn's "Indian Promoting ESG Equity Investment Approach".

Through the application of this approach the Fund does not apply a minimum threshold in Sustainable Investments. However, the Fund targets an ESG rating that is equal to or better, and a meaningfully lower carbon intensity, than the benchmark.

This approach utilises abrdn's equity investment process, which enables portfolio managers to qualitatively identify and avoid ESG laggards. To complement this research, the abrdn ESG House Score is used to quantitatively identify and exclude those companies exposed to the highest ESG risks. Additionally, abrdn apply a set of company exclusions which are related to the UN Global Compact, Controversial Weapons, Tobacco Manufacturing and Thermal Coal. More detail on this overall process is captured within the abrdn Indian Promoting ESG Equity Investment Approach, which is published at [www.abrdn.com](http://www.abrdn.com) under "Fund Centre".

Engagement with external company management teams is used to evaluate the ownership structures, governance and management quality of those companies in order to inform portfolio construction.

Financial derivative instruments, money-market instruments and cash may not adhere to this approach.

The Fund may utilise financial derivative instruments for hedging and/or investment purposes, or to manage foreign exchange risks, subject to the conditions and within the limits laid down by applicable laws and regulations. The use of derivatives for hedging and/or investment purposes is expected to be very limited, mainly in those cases where there are significant inflows into the Fund so that cash can be invested while the Fund's investments in equity and equity related securities is maintained.

Where Share Classes are denominated in a currency other than the Base Currency of the Fund, a currency specific benchmark will typically be used for performance comparison purposes. This will either be the benchmark of the Fund expressed in another currency or a different currency specific benchmark with similar characteristics. Benchmarks applicable to such Share Classes are disclosed in the relevant PRIIPS KID.

**Base Currency:** US Dollars.

**Investment Manager:** abrdn Investments Limited

**Sub-Investment Manager:** abrdn Asia Limited

**Investment Process:** Active Equities - Values Led Investing

**Investor Profile:** This Fund gives access to Indian equity securities and may be suitable for investors seeking capital appreciation opportunities through equity investments which comply with the Fund's Promoting ESG Investment process. The investor may use this single country equity fund as a complement to a diversified portfolio or as a stand-alone core equity portfolio. Due to the additional individual risks associated with investments in India, the investor should have a long-term investment horizon. This Fund may also be suitable for investors seeking a sustainability-related outcome.

#### **Risk warnings specific to abrdn SICAV I – Indian Equity Fund**

In addition to the general risk factors set out under "General Risk Factors" potential investors should be aware of certain Fund specific risks:

- The Fund's exposure to a single country market increases potential volatility.
- The Fund invests in Indian equity and equity-related securities thereby providing exposure to Emerging Markets which tend to be more volatile than mature markets and its value could move sharply up or down. In some circumstances, the underlying investments may become less liquid which may constrain the Investment Manager's ability to realise some or all of the portfolio. The registration and settlement arrangements in Emerging Markets may be less developed than in more mature markets so the operational risks of investing are higher. Political risks and adverse economic circumstances are more likely to arise.
- The Fund may utilise financial derivative instruments for investment purposes in pursuing its investment objective (in addition to use for hedging purposes). Use of derivatives other than for hedging may result in leverage and may increase volatility in the Net Asset Value of the Fund.
- Applying ESG and sustainability criteria in the investment process may result in the exclusion of securities in which the Fund might otherwise invest. Such securities could be part of the benchmark against which the Fund is managed, or be within the universe of potential investments. This may have a positive or negative impact on performance and may mean that the Fund's performance profile differs to that of funds which are managed against the same benchmark or invest in a similar universe of potential investments but without applying ESG or sustainability criteria. Furthermore, the lack of common or harmonised definitions and labels regarding ESG and sustainability criteria may result in different approaches by managers when integrating ESG and sustainability criteria into investment decisions. This means that it may be difficult

to compare funds with ostensibly similar objectives and that these funds will employ different security selection and exclusion criteria. Consequently, the performance profile of otherwise similar funds may deviate more substantially than might otherwise be expected. Additionally, in the absence of common or harmonised definitions and labels, a degree of subjectivity is required and this will mean that a fund may invest in a security that another manager or an investor would not.

abrdn SICAV I – Indian Equity Fund has a wholly-owned subsidiary Aberdeen Global Indian Equity Limited (the "Subsidiary"). The Subsidiary invests in Indian securities. The investment objective and policy also apply to the Subsidiary. For more details on the Subsidiary see Appendix E.

Potential investors should note the "Taxation of Indian Equities" section under "Taxation".

The abrdn SICAV I – Indian Equity Fund and the Subsidiary are viewed as one entity for compliance with the Code on Unit Trusts and Mutual Funds issued by the Securities and Futures Commission in Hong Kong.

## **ABRDN SICAV I – JAPANESE SUSTAINABLE EQUITY FUND**

This Fund is subject to Article 8 of the SFDR. Further information can be found under section "EU's Sustainable Finance Disclosure Regulation – Sustainability Risk Integration".

### **Investment Objective and Policy**

The Fund's investment objective is long term total return to be achieved by investing at least 90% of the Fund's assets in equities and equity-related securities of companies listed, incorporated or domiciled in Japan or companies that derive a significant proportion of their revenues or profits from Japanese operations or have a significant proportion of their assets there.

The Fund is actively managed.

The Fund aims to outperform the MSCI Japan Index (JPY) benchmark before charges. The benchmark is also used as a reference point for portfolio construction and as a basis for setting risk constraints, but does not incorporate any sustainable criteria.

In order to achieve its objective, the Fund will take positions whose weightings diverge from the benchmark and may invest in securities which are not included in the benchmark. The investments of the Fund may deviate significantly from the components of and their respective weightings in the benchmark. Due to the active and sustainable nature of the management process, the Fund's performance profile may deviate significantly from that of the benchmark.

The Fund promotes environmental and social characteristics but does not have a sustainable investment objective.

Investment in all equity and equity-related securities will follow abrdn's "Japanese Sustainable Equity Investment Approach".

Through the application of this approach the Fund has an expected minimum of 15% in Sustainable Investments. Furthermore, the Fund targets an ESG rating that is equal to or better, and a meaningfully lower carbon intensity, than the benchmark.

This approach utilises abrdn's equity investment process, which enables portfolio managers to qualitatively identify and focus investment in sustainable leaders and improvers. Sustainable leaders are viewed as companies with the best in class ESG credentials or products and services which address global environmental and societal challenges, whilst improvers are typically companies with average governance, ESG management practices and disclosure with potential for improvement.

To complement this research, the abrdn ESG House Score is used to quantitatively identify and exclude those companies exposed to the highest ESG risks. Additionally, abrdn apply a set of company exclusions which are related to the UN Global Compact, Norges Bank Investment Management (NBIM), State Owned Enterprises (SOE), Weapons, Tobacco, Gambling, Thermal Coal, Oil & Gas and Electricity Generation. More detail on this overall process is captured within the abrdn Japanese Sustainable Equity Investment Approach, which is published at [www.abrdn.com](http://www.abrdn.com) under "Fund Centre".

Engagement with external company management teams is used to evaluate the ownership structures, governance and management quality of those companies in order to inform portfolio construction.

The abrdn Japanese Sustainable Equity Investment Approach reduces the benchmark investable universe by a minimum of 20%.

Financial derivative instruments, money-market instruments and cash may not adhere to this approach.

The Fund may utilise financial derivative instruments for hedging and/or investment purposes, or to manage foreign exchange risks, subject to the conditions and within the limits laid down by applicable laws and regulations. The use of derivatives for hedging and/or investment purposes is expected to be very limited, mainly in those cases where there are significant inflows into the Fund so that cash can be invested while the Fund's investments in equity and equity related securities is maintained.

Where Share Classes are denominated in a currency other than the Base Currency of the Fund, a currency specific benchmark will typically be used for performance comparison purposes. This will either be the benchmark of the Fund expressed in another



currency or a different currency specific benchmark with similar characteristics. Benchmarks applicable to such Share Classes are disclosed in the relevant PRIIPS KID.

**Base Currency:** Japanese Yen.

**Investment Manager:** abrdn Investments Limited

**Sub-Investment Manager:** abrdn Japan Limited

**Investment Advisor (non-discretionary):** abrdn Asia Limited (Asian assets only)

**Investment Process:** Active Equities – Values Led Investing

**Investor Profile:** This Fund gives access to Japanese equity securities and may be suitable for investors seeking capital appreciation opportunities through equity investments which comply with the Fund's Sustainable Investment process. The investor may use this fund as a complement to a diversified portfolio or as a stand-alone core equity portfolio. Due to the traditionally volatile nature of share prices and the individual economic and political risks associated with single-country investing, the investor is likely to have a long-term investment horizon. This Fund may also be suitable for investors seeking a sustainability-related outcome.

#### **Risk warnings specific to abrdn SICAV I – Japanese Sustainable Equity Fund**

In addition to the general risk factors set out under "General Risk Factors" potential investors should be aware of certain Fund specific risks:

- The Fund's exposure to a single country market increases potential volatility.
- The Fund may utilise financial derivative instruments for investment purposes in pursuing its investment objective (in addition to use for hedging purposes). Use of derivatives other than for hedging may result in leverage and may increase volatility in the Net Asset Value of the Fund.
- Applying ESG and sustainability criteria in the investment process may result in the exclusion of securities in which the Fund might otherwise invest. Such securities could be part of the benchmark against which the Fund is managed, or be within the universe of potential investments. This may have a positive or negative impact on performance and may mean that the Fund's performance profile differs to that of funds which are managed against the same benchmark or invest in a similar universe of potential investments but without applying ESG or sustainability criteria. Furthermore, the lack of common or harmonised definitions and labels regarding ESG and sustainability criteria may result in different approaches by managers when integrating ESG and sustainability criteria into investment decisions. This means that it may be difficult to compare funds with ostensibly similar objectives and that these funds will employ different security selection and exclusion criteria. Consequently, the performance profile of otherwise similar funds may deviate more substantially than might otherwise be expected. Additionally, in the absence of common or harmonised definitions and labels, a degree of subjectivity is required and this will mean that a fund may invest in a security that another manager or an investor would not.

#### **ABRDN SICAV I – JAPANESE SMALLER COMPANIES SUSTAINABLE EQUITY FUND**

This Fund is subject to Article 8 of the SFDR. Further information can be found under section "EU's Sustainable Finance Disclosure Regulation – Sustainability Risk Integration".

##### **Investment Objective and Policy**

The Fund's investment objective is long term total return to be achieved by investing at least 90% of the Fund's assets in equities and equity-related securities of companies listed, incorporated or domiciled in Japan or companies that derive a significant proportion of their revenues or profits from Japanese operations or have a significant proportion of their assets there.

At least 70% of the Fund's assets will be invested in smaller capitalisation companies, which are defined as companies with a market capitalisation in the Base Currency of the Fund, as at the date of investment, of under Yen 500 billion.

The Fund is actively managed.

The Fund aims to outperform the MSCI Japan Small Cap Index (JPY) benchmark before charges. The benchmark is also used as a reference point for portfolio construction and as a basis for setting risk constraints, but does not incorporate any sustainable criteria.

In order to achieve its objective, the Fund will take positions whose weightings diverge from the benchmark and may invest in securities which are not included in the benchmark. The investments of the Fund may deviate significantly from the components of and their respective weightings in the benchmark. Due to the active and sustainable nature of the management process, the Fund's performance profile may deviate significantly from that of the benchmark.

The Fund promotes environmental and social characteristics but does not have a sustainable investment objective.

Investment in all equity and equity-related securities will follow abrdn's "Japanese Smaller Companies Sustainable Equity Investment Approach".

Through the application of this approach the Fund has an expected minimum of 15% in Sustainable Investments. Furthermore, the Fund targets an ESG rating that is equal to or better, and a meaningfully lower carbon intensity, than the benchmark.

This approach utilises abrdn's equity investment process, which enables portfolio managers to qualitatively identify and focus investment in sustainable leaders and improvers. Sustainable leaders are viewed as companies with the best in class ESG credentials or products and services which address global environmental and societal challenges, whilst improvers are typically companies with average governance, ESG management practices and disclosure with potential for improvement.

To complement this research, the abrdn ESG House Score is used to quantitatively identify and exclude those companies exposed to the highest ESG risks. Additionally, abrdn apply a set of company exclusions which are related to the UN Global Compact, Norges Bank Investment Management (NBIM), State Owned Enterprises (SOE), Weapons, Tobacco, Gambling, Thermal Coal, Oil & Gas and Electricity Generation. More detail on this overall process is captured within the abrdn Japanese Smaller Companies Sustainable Equity Investment Approach, which is published at [www.abrdn.com](http://www.abrdn.com) under "Fund Centre".

Engagement with external company management teams is used to evaluate the ownership structures, governance and management quality of those companies in order to inform portfolio construction.

The abrdn Japanese Smaller Companies Sustainable Equity Investment Approach reduces the benchmark investable universe by a minimum of 20%.

Financial derivative instruments, money-market instruments and cash may not adhere to this approach.

The Fund may utilise financial derivative instruments for hedging and/or investment purposes, or to manage foreign exchange risks, subject to the conditions and within the limits laid down by applicable laws and regulations. The use of derivatives for hedging and/or investment purposes is expected to be very limited, mainly in those cases where there are significant inflows into the Fund so that cash can be invested while the Fund's investments in equity and equity related securities is maintained.

Where Share Classes are denominated in a currency other than the Base Currency of the Fund, a currency specific benchmark will typically be used for performance comparison purposes. This will either be the benchmark of the Fund expressed in another currency or a different currency specific benchmark with similar characteristics. Benchmarks applicable to such Share Classes are disclosed in the relevant PRIIPS KID.

<b>Base Currency:</b>	Japanese Yen.
<b>Investment Manager:</b>	abrdn Investments Limited
<b>Sub-Investment Manager:</b>	abrdn Japan Limited
<b>Investment Advisor (non-discretionary):</b>	abrdn Asia Limited (Asian assets only)
<b>Investment Process:</b>	Active Equities - Values Led Investing

**Investor Profile:** This Fund gives access to equities of small capitalisation companies in Japan and may be suitable for investors seeking capital appreciation opportunities through equity investments which comply with the Fund's Sustainable Investment process. Although small capitalisation companies have often been associated with high returns, they also carry higher risks than blue-chip companies. Due to this additional volatility the investor is likely to hold this portfolio as a complement to an existing core portfolio and is likely to have a long-term investment horizon. This Fund may also be suitable for investors seeking a sustainability-related outcome.

#### **Risk warnings specific to abrdn SICAV I – Japanese Smaller Companies Sustainable Equity Fund**

In addition to the general risk factors set out under "General Risk Factors" potential investors should be aware of certain Fund specific risks:

- The Fund's exposure to a single country market increases potential volatility.
- The Fund invests in the shares of smaller companies which may be less liquid and more volatile than those of larger companies.
- The Fund may utilise financial derivative instruments for investment purposes in pursuing its investment objective (in addition to use for hedging purposes). Use of derivatives other than for hedging may result in leverage and may increase volatility in the Net Asset Value of the Fund.
- Applying ESG and sustainability criteria in the investment process may result in the exclusion of securities in which the Fund might otherwise invest. Such securities could be part of the benchmark against which the Fund is managed, or be within the universe of potential investments. This may have a positive or negative impact on performance and may mean that the Fund's performance profile differs to that of funds which are managed against the same benchmark or invest in a similar universe of potential investments but without applying ESG or sustainability criteria. Furthermore, the lack of common or harmonised definitions and labels regarding ESG and sustainability criteria may result in different approaches

by managers when integrating ESG and sustainability criteria into investment decisions. This means that it may be difficult to compare funds with ostensibly similar objectives and that these funds will employ different security selection and exclusion criteria. Consequently, the performance profile of otherwise similar funds may deviate more substantially than might otherwise be expected. Additionally, in the absence of common or harmonised definitions and labels, a degree of subjectivity is required and this will mean that a fund may invest in a security that another manager or an investor would not.

## **ABRDN SICAV I – LATIN AMERICAN EQUITY FUND**

This Fund is subject to Article 6 of the SFDR. Further information can be found under section "EU's Sustainable Finance Disclosure Regulation – Sustainability Risk Integration".

### **Investment Objective and Policy**

The Fund's investment objective is long term total return to be achieved by investing at least two-thirds of the Fund's assets in equities and equity-related securities of companies with their registered office in a Latin American country; and/or, of companies which have the preponderance of their business activities in a Latin American country; and/or, of holding companies that have the preponderance of their assets in companies with their registered office in a Latin American country.

The Fund is actively managed.

The Fund aims to outperform the MSCI EM Latin America 10/40 Net Total Return Index (USD) benchmark before charges. The benchmark is also used as a reference point for portfolio construction and as a basis for setting risk constraints.

In order to achieve its objective, the Fund will take positions whose weightings diverge from the benchmark or invest in securities which are not included in the benchmark. The investments of the Fund may deviate significantly from the components of and their respective weightings in the benchmark. Due to the active nature of the management process, the Fund's performance profile may deviate significantly from that of the benchmark.

Where Share Classes are denominated in a currency other than the Base Currency of the Fund, a currency specific benchmark will typically be used for performance comparison purposes. This will either be the benchmark of the Fund expressed in another currency or a different currency specific benchmark with similar characteristics. Benchmarks applicable to such Share Classes are disclosed in the relevant PRIIPS KID.

**Base Currency:** US Dollars.

**Investment Manager:** abrdn Investments Limited

**Investment Advisor:** abrdn Brasil Investimentos Ltda

**Investment Process:** Active Equities - Long Term Quality

**Investor Profile:** This Fund gives access to Latin American stocks and may be suitable for investors seeking capital appreciation opportunities through equity investments. Despite potentially higher long-term returns offered by equity investments in this region, investors need to be comfortable with the additional political and economic risks associated with such investments. Investors are likely to hold this Fund as a complement to a diversified portfolio and should have a long-term investment horizon.

Investors should be aware of the particular valuation and switching arrangements applicable to abrdn SICAV I – Latin American Equity Fund which are referred to in this Prospectus.

### **Risk warnings specific to abrdn SICAV I – Latin American Equity Fund**

In addition to the general risk factors set out under "General Risk Factors" potential investors should be aware of certain Fund specific risks:

- The Fund invests in Latin American stocks thereby providing exposure to Emerging Markets which tend to be more volatile than mature markets and its value could move sharply up or down. In some circumstances, the underlying investments may become less liquid which may constrain the Investment Manager's ability to realise some or all of the portfolio. The registration and settlement arrangements in Emerging Markets may be less developed than in more mature markets so the operational risks of investing are higher. Political risks and adverse economic circumstances are more likely to arise.

## **ABRDN SICAV I – LISTED PRIVATE CAPITAL FUND**

This Fund is subject to Article 6 of the SFDR. Further information can be found under section "EU's Sustainable Finance Disclosure Regulation – Sustainability Risk Integration".

### **Investment Objective and Policy**

The Fund's investment objective is to achieve long-term capital growth combined with income by investing at least two-thirds of the Fund's assets in a diversified portfolio of equity and equity-related securities that provide exposure to global private capital markets. Such securities include shares of Closed-Ended Funds whose main business activity is to make or manage investments, directly or indirectly, in private equity and private debt markets.

The Fund may have exposure to currencies other than the Base Currency of up to 100% of its Net Asset Value.

The Fund may utilise financial derivative instruments for hedging and/or investment purposes, or to manage foreign exchange risks, subject to the conditions and within the limits laid down by applicable laws and regulations. The use of derivatives for investment purposes is expected to be very limited, mainly in those cases where there are significant inflows into the Fund so that cash can be invested while the Fund's investments in equity and equity related securities is maintained.

Furthermore, the Fund's portfolio may be fully or partially hedged back to the Base Currency if, in the opinion of the Investment Manager, this is believed to be appropriate.

The Fund is actively managed.

The Fund aims to outperform the MSCI World Net Total Return Index (USD) benchmark before charges. The LPX Composite Listed Private Equity Index (USD) and the S&P Listed Private Equity Net Total Return Index (USD) are used as a reference point for portfolio construction.

In order to achieve its objective, the Fund will take positions whose weightings diverge from the benchmarks or invest in securities which are not included in the benchmarks. The investments of the Fund may deviate significantly from the components of and their respective weightings in the benchmarks.

Where Share Classes are denominated in a currency other than the Base Currency of the Fund, a currency specific benchmark will typically be used for performance comparison purposes. This will either be the benchmark of the Fund expressed in another currency or a different currency specific benchmark with similar characteristics. Benchmarks applicable to such Share Classes are disclosed in the relevant PRIIPS KID.

**Base Currency:** US Dollars.

**Investment Manager:** abrdn Investments Limited.

**Investment Process:** Closed End Fund Strategies

**Investor Profile:** The Fund provides exposure to private markets, giving opportunities to invest in private companies and unlisted business ventures. The Fund does this by holding the shares of listed investment vehicles which themselves invest in or manage private market asset classes, predominantly private equity and debt. Investors seeking indirect exposure to private market assets are likely to hold this Fund as a complement to a diversified portfolio covering a range of asset classes. The Fund may be of interest to investors seeking a combination of capital growth and income and who are willing to accept a moderate level of risk and have a long term investment horizon.

#### **Risk warnings specific to abrdn SICAV I – Listed Private Capital Fund**

In addition to the general risk factors set out under "General Risk Factors" potential investors should be aware of certain Fund specific risks:

- The Fund's exposure to equities means that investors are exposed to stock market movements which may increase volatility in the net asset value of the Fund. The Fund's underlying investments are subject to interest rate risk and credit risk. Interest rate fluctuations affect the capital value of investments. Where long term interest rates rise, the capital value of bonds is likely to fall and vice versa. Credit risk reflects the ability of a bond issuer to meet its obligations. Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
- The Fund invests entirely in companies that are listed on stock markets. The value of these companies is driven by the growth and performance of the underlying private market assets in which they invest. Private market assets have different or additional risks when compared to public market assets. Such risks include the use of leverage (debt), which may magnify losses in adverse market conditions, and reduced transparency in terms of the performance and valuation of private market investments. Because private market assets are not listed, liquidity is lower than for public market assets and more dependent on a favourable realisation environment when such assets are sold
- The Fund's exposure to Closed-Ended Funds, which typically trade at a discount or premium to the value of their underlying assets, means that investors are exposed to changes in these premiums or discounts as well as changes to the value of the underlying assets held by such funds. The widening of discounts may negatively impact investors' returns.
- The Fund will invest in instruments that provide exposure to indirect private equity and private debt. In some circumstances, especially under adverse market or economic conditions such assets may become less liquid or experience a drop in value, which may constrain the Investment Manager's ability to realise some, or all, of the portfolio.
- Performance may be strongly influenced by movements in currency rates because the Fund may have exposure to a particular currency that is different to the value of the securities denominated in that currency held by the Fund.

- The Fund may utilise financial derivative instruments for investment purposes in pursuing its investment objective (in addition to use for hedging purposes). Use of derivatives other than for hedging may result in leverage and may increase volatility in the Net Asset Value of the Fund.

## **ABRDN SICAV I – NORTH AMERICAN SMALLER COMPANIES FUND**

This Fund is subject to Article 8 of the SFDR. Further information can be found under section "EU's Sustainable Finance Disclosure Regulation – Sustainability Risk Integration".

### **Investment Objective and Policy**

The Fund's investment objective is long term total return to be achieved by investing at least 70% of the Fund's assets in small capitalisation equities and equity-related securities of companies listed, incorporated or domiciled in the United States of America (USA) or Canada or companies that derive a significant proportion of their revenues or profits from US or Canadian operations or have a significant proportion of their assets there.

Investment in companies listed, incorporated or domiciled in Canada is not expected to exceed 20%

Small capitalisation companies are defined as any stock having a market capitalisation less than the 10<sup>th</sup> percentile stock of the overall US market.

The Fund is actively managed. The Fund aims to outperform the Russell 2000 Index (USD) benchmark before charges. The benchmark is also used as a reference point for portfolio construction and as a basis for setting risk constraints, but does not incorporate any sustainable criteria.

In order to achieve its objective, the Fund will take positions whose weightings diverge from the benchmark and may invest in securities which are not included in the benchmark. The investments of the Fund may deviate significantly from the components of and their respective weightings in the benchmark. Due to the active nature of the management process, the Fund's performance profile may deviate significantly from that of the benchmark.

The Fund promotes environmental and social characteristics but does not have a sustainable investment objective.

Investment in all equity and equity-related securities will follow the abrdn "North American Smaller Companies Promoting ESG Equity Investment Approach".

Through the application of this approach the Fund does not apply a minimum threshold in Sustainable Investments. However, the Fund targets an ESG rating that is equal to or better, and a meaningfully lower carbon intensity, than the benchmark.

This approach utilises abrdn's equity investment process, which enables portfolio managers to qualitatively identify and avoid ESG laggards. To complement this research, the abrdn ESG House Score is used to quantitatively identify and exclude those companies exposed to the highest ESG risks. Additionally, abrdn apply a set of company exclusions which are related to the UN Global Compact, Controversial Weapons, Tobacco Manufacturing and Thermal Coal. More detail on this overall process is captured within the abrdn North American Smaller Companies Promoting ESG Equity Investment Approach, which is published at [www.abrdn.com](http://www.abrdn.com) under "Fund Centre".

Engagement with external company management teams is used to evaluate the ownership structures, governance and management quality of those companies in order to inform portfolio construction.

Financial derivative instruments, money-market instruments and cash may not adhere to this approach.

The Fund may utilise financial derivative instruments for hedging and/or investment purposes, or to manage foreign exchange risks, subject to the conditions and within the limits laid down by applicable laws and regulations. The use of derivatives for hedging and/or investment purposes is expected to be very limited, mainly in those cases where there are significant inflows into the Fund so that cash can be invested while the Fund's investments in equity and equity related securities is maintained.

Where Share Classes are denominated in a currency other than the Base Currency of the Fund, a currency specific benchmark will typically be used for performance comparison purposes. This will either be the benchmark of the Fund expressed in another currency or a different currency specific benchmark with similar characteristics. Benchmarks applicable to such Share Classes are disclosed in the relevant PRIIPS KID.

**Base Currency:** US Dollars.

**Investment Manager:** abrdn Inc.

**Investment Process:** Active Equities – Values Led Investing

**Investor Profile:** This Fund gives access to stocks of small capitalisation companies in the US and may be suitable for investors seeking capital appreciation opportunities through equity investments which comply with the Fund's Promoting ESG Investment process. Although small capitalisation companies have often been associated with high returns, they also carry higher risks than blue-chip companies. Due to this additional volatility, the investor is likely to hold this portfolio as a complement to an existing core portfolio and is likely to have a long-term investment horizon. This Fund may also be suitable for investors seeking a sustainability-related outcome.

### **Risk warnings specific to abrdn SICAV I – North American Smaller Companies Fund**

In addition to the general risk factors set out under "General Risk Factors" potential investors should be aware of certain Fund specific risks:

- The Fund's exposure to a single country market increases potential volatility.
- The Fund invests in the shares of smaller companies which may be less liquid and more volatile than those of larger companies.
- Applying ESG and sustainability criteria in the investment process may result in the exclusion of securities in which the Fund might otherwise invest. Such securities could be part of the benchmark against which the Fund is managed, or be within the universe of potential investments. This may have a positive or negative impact on performance and may mean that the Fund's performance profile differs to that of funds which are managed against the same benchmark or invest in a similar universe of potential investments but without applying ESG or sustainability criteria. Furthermore, the lack of common or harmonised definitions and labels regarding ESG and sustainability criteria may result in different approaches by managers when integrating ESG and sustainability criteria into investment decisions. This means that it may be difficult to compare funds with ostensibly similar objectives and that these funds will employ different security selection and exclusion criteria. Consequently, the performance profile of otherwise similar funds may deviate more substantially than might otherwise be expected. Additionally, in the absence of common or harmonised definitions and labels, a degree of subjectivity is required and this will mean that a fund may invest in a security that another manager or an investor would not.
- The Fund may utilise financial derivative instruments for investment purposes in pursuing its investment objective (in addition to use for hedging purposes). Use of derivatives other than for hedging may result in leverage and may increase volatility in the Net Asset Value of the Fund.

### **ABRDN SICAV I – SELECT EMERGING MARKETS BOND FUND**

This Fund is subject to Article 6 of the SFDR. Further information can be found under section "EU's Sustainable Finance Disclosure Regulation – Sustainability Risk Integration".

#### **Investment Objective and Policy**

The Fund's investment objective is long term total return to be achieved by investing at least two-thirds of the Fund's assets in debt and debt-related securities which are issued by corporations with their registered office in, and/or government related bodies domiciled in an Emerging Market country.

The Fund may invest up to 100% of its Net Asset Value in Sub-Investment Grade Debt and Debt-Related Securities.

The Fund is actively managed.

The Fund aims to outperform the JP Morgan EMBI Global Diversified Index (USD) benchmark before charges. The benchmark is also used as a reference point for portfolio construction and as a basis for setting risk constraints.

In order to achieve its objective, the Fund will take positions whose weightings diverge from the benchmark or invest in securities which are not included in the benchmark. The investments of the Fund may deviate significantly from the components of and their respective weightings in the benchmark. Due to the active nature of the management process, the Fund's performance profile may deviate significantly from that of the benchmark over the longer term.

Where Share Classes are denominated in a currency other than the Base Currency of the Fund, a currency specific benchmark will typically be used for performance comparison purposes. This will either be the benchmark of the Fund expressed in another currency or a different currency specific benchmark with similar characteristics. Benchmarks applicable to such Share Classes are disclosed in the relevant PRIIPS KID.

**Base Currency:** US Dollars.

**Investment Manager:** abrdn Investments Limited

**Investment Process:** Fixed Income

**Investor Profile:** This Fund gives access to debt securities of issuers located in Emerging Markets and may be suitable for investors willing to accept a medium level of risk within the fixed income investment spectrum. Investors are likely to use this fund to complement an existing core bond portfolio and are likely to have a long-term investment horizon.

### **Risk warnings specific to abrdn SICAV I – Select Emerging Markets Bond Fund**

In addition to the general risk factors set out under "General Risk Factors" potential investors should be aware of certain Fund specific risks:

- The Fund's underlying investments are subject to interest rate risk and credit risk. Interest rate fluctuations affect the capital value of investments. Where long term interest rates rise, the capital value of bonds is likely to fall and vice versa. Credit risk reflects the ability of a bond issuer to meet its obligations. Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
- The Fund invests in debt and debt-related securities, including Sub-Investment Grade securities. Consequently, the Fund's portfolio may have a significant position in Sub-Investment Grade bonds, which means that there is more risk to investor's capital and income than from a fund investing in Investment Grade bonds.
- The Fund invests in Emerging Markets which tend to be more volatile than mature markets and its value could move sharply up or down. In some circumstances, the underlying investments may become less liquid which may constrain the Investment Manager's ability to realise some or all of the portfolio. The registration and settlement arrangements in Emerging Markets may be less developed than in more mature markets so the operational risks of investing are higher. Political risks and adverse economic circumstances are more likely to arise.
- The Fund may be invested in contingent convertible bonds. If the financial strength of a bond's issuer falls by a predetermined threshold, the bond may suffer substantial or total losses of capital (investors should refer to the risk factor "Contingent Securities" in the section "General Risk Factors" for information on other risks associated with contingent convertible bonds).

### **ABRDN SICAV I – SELECT EMERGING MARKETS INVESTMENT GRADE BOND FUND**

This Fund is subject to Article 6 of the SFDR. Further information can be found under section "EU's Sustainable Finance Disclosure Regulation – Sustainability Risk Integration".

#### **Investment Objective and Policy**

The Fund's investment objective is long term total return to be achieved by investing at least two-thirds of the Fund's assets in Investment Grade Debt and Debt-Related Securities which are issued by governments or government-related bodies domiciled in an Emerging Market country, and/or corporations (including holding companies of such corporations) with their registered office, principal place of business or preponderance of their business activities in an Emerging Market country.

At the point of investment all bonds shall be investment grade, meaning they will either:

- (i). Have a credit rating of "BBB-" or higher from at least one major rating agency such as Standard & Poor's, Moody's or Fitch; or
- (ii). Have an internal credit rating of "BBB-" or higher assigned, based on the Investment Manager's assessment.

The Fund may utilise financial derivative instruments for hedging and/ or investment purposes, or to manage foreign exchange risks, subject to the conditions and within the limits laid down by applicable laws and regulations. Derivatives used for investment purposes will be limited to currency forwards to take active currency positions.

Without limiting the generality of the foregoing, the Investment Manager may alter the currency exposure of the Fund, solely through the use of forward FX contracts (without buying or selling underlying currencies). Furthermore, the Fund's portfolio may be fully or partially hedged back to the Base Currency if, in the opinion of the Investment Manager, this is believed to be appropriate.

The Fund is actively managed.

The Fund aims to outperform the JP Morgan EMBI Global Diversified Investment Grade Index (USD) benchmark before charges. The benchmark is also used as a reference point for portfolio construction and as a basis for setting risk constraints.

In order to achieve its objective, the Fund will take positions whose weightings diverge from the benchmark or invest in securities which are not included in the benchmark. The investments of the Fund may deviate significantly from the components of and their respective weightings in the benchmark. Due to the active nature of the management process, the Fund's performance profile may deviate significantly from that of the benchmark over the longer term.

Where Share Classes are denominated in a currency other than the Base Currency of the Fund, a currency specific benchmark will typically be used for performance comparison purposes. This will either be the benchmark of the Fund expressed in another currency or a different currency specific benchmark with similar characteristics. Benchmarks applicable to such Share Classes are disclosed in the relevant PRIIPS KID.

**Base Currency:** US Dollars.

**Investment Manager:** abrdn Investments Limited

**Investment Process:** Fixed Income

**Investor Profile:** This Fund gives access to debt securities of issuers located in Emerging Markets and may be suitable for investors willing to accept a medium level of risk within the fixed income investment

spectrum. Investors are likely to use this fund to complement an existing core bond portfolio and are likely to have a long-term investment horizon.

#### **Risk warnings specific to abrdn SICAV I – Select Emerging Markets Investment Grade Bond Fund**

In addition to the general risk factors set out under "General Risk Factors" potential investors should be aware of certain Fund specific risks:

- The Fund's underlying investments are subject to interest rate risk and credit risk. Interest rate fluctuations affect the capital value of investments. Where long term interest rates rise, the capital value of bonds is likely to fall and vice versa. Credit risk reflects the ability of a bond issuer to meet its obligations. Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
- The Fund may hold Sub-Investment Grade securities, which means that there is more risk involved than from Investment Grade securities.
- The Fund invests in Emerging Markets which tend to be more volatile than mature markets and its value could move sharply up or down. In some circumstances, the underlying investments may become less liquid which may constrain the Investment Manager's ability to realise some or all of the portfolio. The registration and settlement arrangements in Emerging Markets may be less developed than in more mature markets so the operational risks of investing are higher. Political risks and adverse economic circumstances are more likely to arise, putting the value of your investment at risk.

#### **ABRDN SICAV I – SELECT EURO HIGH YIELD BOND FUND**

This Fund is subject to Article 6 of the SFDR. Further information can be found under section "EU's Sustainable Finance Disclosure Regulation – Sustainability Risk Integration".

#### **Investment Objective and Policy**

The Fund's investment objective is long term total return to be achieved by investing at least two-thirds of the Fund's assets in debt and debt-related securities which are Sub-Investment Grade and denominated in Euro and issued by corporations or government related bodies.

The Fund may invest up to 100% of its Net Asset Value in Sub-Investment Grade Debt and Debt-Related Securities.

The Fund is actively managed.

The Fund aims to outperform the ICE BofAML Euro High Yield Constrained Index (EUR) benchmark before charges. The benchmark is also used as a reference point for portfolio construction and as a basis for setting risk constraints.

In order to achieve its objective, the Fund will take positions whose weightings diverge from the benchmark or invest in securities which are not included in the benchmark. The investments of the Fund may deviate significantly from the components of and their respective weightings in the benchmark. Due to the active nature of the management process, the Fund's performance profile may deviate significantly from that of the benchmark over the longer term.

Where Share Classes are denominated in a currency other than the Base Currency of the Fund, a currency specific benchmark will typically be used for performance comparison purposes. This will either be the benchmark of the Fund expressed in another currency or a different currency specific benchmark with similar characteristics. Benchmarks applicable to such Share Classes are disclosed in the relevant PRIIPS KID.

**Base Currency:** Euro.

**Investment Manager:** abrdn Investments Limited

**Investment Process:** Fixed Income

**Investor Profile:** This Fund gives access to Euro-denominated high yield securities and may be suitable for investors willing to accept a high level of risk in their fixed income investment. Due to the high risks associated with non-investment grade bonds, investors are likely to use this fund to complement an existing core bond portfolio and are likely to have a long-term investment horizon.

#### **Risk warnings specific to abrdn SICAV I – Select Euro High Yield Bond Fund**

In addition to the general risk factors set out under "General Risk Factors" potential investors should be aware of certain Fund specific risks:

- The Fund's underlying investments are subject to interest rate risk and credit risk. Interest rate fluctuations affect the capital value of investments. Where long term interest rates rise, the capital value of bonds is likely to fall and vice versa. Credit risk reflects the ability of a bond issuer to meet its obligations. Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
- The Fund will have significant exposure to one currency, increasing its potential volatility.
- The Fund's portfolio may have a significant position in Sub-Investment Grade bonds, which means that there may be more risk to investor's capital and income than from a fund investing in Investment Grade bonds.



The Fund may be invested in contingent convertible bonds. If the financial strength of a bond's issuer falls by a predetermined threshold, the bond may suffer substantial or total losses of capital (investors should refer to the risk factor "Contingent Securities" in the section "General Risk Factors" for information on other risks associated with contingent convertible bonds).

## **ABRDN SICAV I – SHORT DATED ENHANCED INCOME FUND**

This Fund is subject to Article 6 of the SFDR. Further information can be found under section "EU's Sustainable Finance Disclosure Regulation – Sustainability Risk Integration".

### **Investment Objective and Policy**

The Fund's investment objective is to achieve long-term total return combined with liquidity (by virtue of the high quality short-dated nature of the portfolio), whilst aiming to avoid loss of capital. The objective is to be achieved by investing at least 70% of assets in Debt and Debt-Related Securities issued by corporations and governments anywhere in the world (including in Emerging Market countries) with a maturity of up to 5 years, including sub-sovereigns, inflation-linked and convertible bonds.

The Fund is actively managed.

The Fund aims to achieve a yield in excess of the Bloomberg Global Corporate Aggregate 1-3 Year Index (USD Hedged) over rolling three-year periods (before charges). There is however no certainty or promise that the Fund will achieve this level of return.

At least 50% of the Fund's assets will be invested in Investment Grade Debt and Debt-Related Securities issued by corporations worldwide, including in Emerging Market countries.

The Fund may invest up to 20% of assets in Sub-Investment Grade Debt and Debt-Related Securities.

There is no benchmark used for portfolio construction or as a basis for setting risk constraints in the management of the Fund. However, the investment team will seek to maintain a minimum average credit rating of A- and an average duration within a range of one year to two years for the portfolio in normal circumstances. While this may fluctuate, duration will not exceed two and a half years at any time.

The Fund may utilise financial derivative instruments for hedging and/or to manage foreign exchange risks, subject to the conditions and within the limits laid down by applicable laws and regulations.

The Fund's portfolio will typically be hedged back to the Base Currency.

Where Share Classes are denominated in a currency other than the Base Currency of the Fund, a currency specific benchmark will typically be used for performance comparison purposes. This will either be the benchmark of the Fund expressed in another currency or a different currency specific benchmark with similar characteristics. Benchmarks applicable to such Share Classes are disclosed in the relevant PRIIPS KID.

**Base Currency:** US Dollars

**Investment Manager:** abrdn Investments Limited

**Sub-Investment Manager:** abrdn Asia Limited

**Investment Process:** Fixed Income

**Investor Profile:** This Fund gives access to a global range of bonds and money-market instruments and may be suitable for investors willing to accept a medium level of risk within the fixed income investment spectrum. The Fund is intended to be held by investors who have a medium-term investment horizon.

**Investors should be aware that no exchange (or switch) is permitted within, into or out of this Fund.**

### **Risk warnings specific to abrdn SICAV I – Short Dated Enhanced Income Fund**

In addition to the general risk factors set out under "General Risk Factors" potential investors should be aware of certain Fund specific risks:

- The Fund's underlying investments are subject to interest rate risk and credit risk. Interest rate fluctuations affect the capital value of investments. Where long-term interest rates rise, the capital value of bonds is likely to fall and vice versa. Credit risk reflects the ability of a bond issuer to meet its obligations. Where a bond market has a low number

of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.

- The Fund invests in fixed interest securities, including Sub-Investment Grade securities. Consequently, the Fund's portfolio may have a significant position in Sub-Investment Grade bonds, which means that there is more risk to investor's capital and income than from a fund investing in Investment Grade bonds.
- The Fund invests in Emerging Markets which tend to be more volatile than mature markets and its value could move sharply up or down. In some circumstances, the underlying investments may become less liquid which may constrain the Investment Manager's ability to realise some or all of the portfolio. The registration and settlement arrangements in Emerging Markets may be less developed than in more mature markets so the operational risks of investing are higher. Political risks and adverse economic circumstances are more likely to arise.
- The Fund may invest in Mainland China - potential investors should note the "Investing in Mainland China" section of the "General Risk Factors" and the "Taxation of Chinese Equity and Bonds" section under "Taxation".
- The Fund may be invested in contingent convertible bonds. If the financial strength of a bond's issuer falls by a predetermined threshold, the bond may suffer substantial or total losses of capital (investors should refer to the risk factor "Contingent Securities" in the section "General Risk Factors" for information on other risks associated with contingent convertible bonds).

## **ABRDN SICAV I – US DOLLAR CREDIT SUSTAINABLE BOND FUND**

This Fund is subject to Article 8 of the SFDR. Further information can be found under section "EU's Sustainable Finance Disclosure Regulation – Sustainability Risk Integration".

### **Investment Objective and Policy**

The Fund's investment objective is long-term total return to be achieved by investing at least 90% of assets in Debt and Debt-Related Securities issued by corporations and governments anywhere in the world and denominated in US Dollar, including sub-sovereigns, inflation-linked, convertible, asset-backed and mortgage backed bonds.

At least two-thirds of the Fund's assets will be invested in US Dollar denominated Investment Grade Debt and Debt-Related Securities issued by corporations (including government-owned corporations).

The Fund may also invest up to 10% of its Net Asset Value in Sub-Investment Grade Debt and Debt-Related Securities.

The Fund is actively managed.

The Fund aims to outperform the Bloomberg US Credit Index (USD) benchmark before charges. The benchmark is also used as a reference point for portfolio construction and as a basis for setting risk constraints, but does not incorporate any sustainable criteria.

In order to achieve its objective, the Fund will take positions whose weightings diverge from the benchmark or invest in securities which are not included in the benchmark. The investments of the Fund may deviate significantly from the components of and their respective weightings in the benchmark. Due to the active nature of the management process, the Fund's performance profile may deviate significantly from that of the benchmark over the longer term.

The Fund promotes environmental and social characteristics but does not have a sustainable investment objective.

Investment in Debt and Debt-Related Securities will follow the abrdn "US Dollar Credit Sustainable Investment Approach".

Through the application of this approach, the Fund has an expected minimum of 15% in Sustainable Investments. Furthermore, the Fund targets an ESG rating that is equal to or better, and a meaningfully lower carbon intensity, than the benchmark.

This approach utilises abrdn's fixed income investment process, which enables portfolio managers to qualitatively assess how ESG factors are likely to impact on the company's ability to repay its debt, both now and in the future. To complement this research, the abrdn ESG House Score is used to quantitatively identify and exclude those companies exposed to the highest ESG risks. In addition, abrdn apply a set of company exclusions, which are related to the UN Global Compact, State Owned Enterprises (SOE), Weapons, Tobacco, Thermal Coal, Oil & Gas and Electricity Generation. While these exclusions are applied at a company level, investment is permitted in Green bonds, Social bonds or Sustainable bonds issued by companies otherwise excluded by the environmental screens, where the proceeds of such issues can be confirmed as having a positive environmental impact.

Engagement with external company management teams is a part of abrdn's investment process and ongoing stewardship programme. This process evaluates the ownership structures, governance and management quality of those companies, in order to inform portfolio construction. As part of this, where the engagement process identifies companies in high carbon emitting sectors with ambitious and credible targets to decarbonise their operations, up to 5% of assets may be invested in these companies in order to support their transition to ultimately comply with the environmental screens.

Further detail of this overall process is captured within the US Dollar Credit Sustainable Investment Approach, which is published at [www.abrdn.com](http://www.abrdn.com) under "Fund Centre".

Investment in financial derivative instruments, money market instruments and cash may not adhere to this approach.

The Fund may utilise financial derivative instruments routinely for hedging and/or investment purposes, or to manage foreign exchange risks, subject to the conditions and within the limits laid down by applicable laws and regulations.

Without limiting the generality of the foregoing, the Investment Manager may alter the currency exposure of the Fund, solely through the use of derivative contracts (without buying or selling underlying Transferable Securities or currencies). Furthermore, the Fund's portfolio may be fully or partially hedged back to the Base Currency if, in the opinion of the Investment Manager, this is believed to be appropriate.

Where Share Classes are denominated in a currency other than the Base Currency of the Fund, a currency specific benchmark will typically be used for performance comparison purposes. This will either be the benchmark of the Fund expressed in another currency or a different currency specific benchmark with similar characteristics. Benchmarks applicable to such Share Classes are disclosed in the relevant PRIIPS KID.

**Base Currency:** US Dollars.

**Investment Manager:** abrdn Inc.

**Investment Process:** Fixed Income

**Investor Profile:** The Fund provides exposure predominantly to Investment Grade US Dollar-denominated non-government bonds and other Debt-Related Securities which comply with the Fund's Sustainable Investment process. The Fund may be suitable for investors seeking income or capital growth opportunities through Debt and Debt-Related Securities as part of a diversified portfolio (given the single country nature of the strategy).

The Fund is intended to be held by investors willing to accept a moderate level of risk. While the Fund aims to generate income, prospective investors should be aware that the withdrawal of income will have the effect of reducing the level of any capital growth which the Fund might achieve. The Fund is aimed at investors with a medium term investment horizon. This Fund may also be suitable for investors seeking a sustainability-related outcome.

#### **Risk warnings specific to abrdn SICAV I – US Dollar Credit Sustainable Bond Fund**

In addition to the general risk factors set out under "General Risk Factors" potential investors should be aware of certain Fund specific risks:

- The Fund will have significant exposure to one currency, increasing its potential volatility.
- The Fund may utilise financial derivative instruments for investment purposes in pursuing its investment objective (in addition to use for hedging purposes). Use of derivatives other than for hedging may result in leverage and may increase volatility in the Net Asset Value of the Fund.
- The Fund's underlying investments are subject to interest rate risk and credit risk. Interest rate fluctuations affect the capital value of investments. Where long-term interest rates rise, the capital value of bonds is likely to fall and vice versa. Credit risk reflects the ability of a bond issuer to meet its obligations. Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
- The Fund may be invested in contingent convertible bonds. If the financial strength of a bond's issuer falls by a predetermined threshold, the bond may suffer substantial or total losses of capital. (investors should refer to the risk factor "Contingent Securities" in the section "General Risk Factors" for information on other risks associated with contingent convertible bonds).
- Applying ESG and sustainability criteria in the investment process may result in the exclusion of securities in which the Fund might otherwise invest. Such securities could be part of the benchmark against which the Fund is managed, or be within the universe of potential investments. This may have a positive or negative impact on performance and may mean that the Fund's performance profile differs to that of funds which are managed against the same benchmark or invest in a similar universe of potential investments but without applying ESG or sustainability criteria. Furthermore, the lack of common or harmonised definitions and labels regarding ESG and sustainability criteria may result in different approaches by managers when integrating ESG and sustainability criteria into investment decisions. This means that it may be difficult to compare funds with ostensibly similar objectives and that these funds will employ different security selection and exclusion criteria. Consequently, the performance profile of otherwise similar funds may deviate more substantially than might otherwise be expected. Additionally, in the absence of common or harmonised definitions and labels, a degree of subjectivity is required and this will mean that a fund may invest in a security that another manager or an investor would not.
- convertible bonds).

## ABRDN SICAV I – GLOBAL SUSTAINABLE EQUITY FUND

This Fund is subject to Article 8 of the SFDR. Further information can be found under section "EU's Sustainable Finance Disclosure Regulation – Sustainability Risk Integration".

### Investment Objective and Policy

The Fund's investment objective is long-term total return to be achieved by investing at least 90% of the Fund's assets in equities and equity-related securities of companies listed on global stock exchanges including Emerging Markets.

The Fund may invest up to 10% of its net assets in Mainland China equity and equity-related securities including through the Shanghai-Hong Kong and Shenzhen- Hong Kong Stock Connect programme or by any other available means.

The Fund is actively managed.

The Fund aims to outperform the MSCI AC World Index (USD) benchmark before charges. The benchmark is also used as a reference point for portfolio construction and as a basis for setting risk constraints but does not incorporate any sustainable criteria.

In order to achieve its objective, the Fund will take positions whose weightings diverge from the benchmark or invest in securities which are not included in the benchmark. The investments of the Fund may deviate significantly from the components of and their respective weightings in the benchmark. Due to the active and sustainable nature of the management process, the Fund's performance profile may deviate significantly from that of the benchmark.

The Fund promotes environmental and social characteristics but does not have a sustainable investment objective.

Investment in all equity and equity-related securities will follow abrdn's "Global Sustainable Equity Investment Approach".

Through the application of this approach the Fund has an expected minimum of 20% in Sustainable Investments. Furthermore, the Fund targets an ESG rating that is equal to or better, and a meaningfully lower carbon intensity, than the benchmark.

This approach utilises abrdn's equity investment process, which enables portfolio managers to qualitatively identify and focus investment in sustainable leaders and improvers. Sustainable leaders are viewed as companies with the best in class ESG credentials or products and services which address global environmental and societal challenges, whilst improvers are typically companies with average governance, ESG management practices and disclosure with potential for improvement.

To complement this research, the abrdn ESG House Score is used to quantitatively identify and exclude those companies exposed to the highest ESG risks. Additionally, abrdn apply a set of company exclusions which are related to the UN Global Compact, Norges Bank Investment Management (NBIM), State Owned Enterprises (SOE), Weapons, Tobacco, Gambling, Thermal Coal, Oil & Gas and Electricity Generation. More detail on this overall process is captured within the abrdn Global Sustainable Equity Investment Approach, which is published at [www.abrdn.com](http://www.abrdn.com) under "Fund Centre".

Engagement with external company management teams is used to evaluate the ownership structures, governance and management quality of those companies in order to inform portfolio construction.

The abrdn Global Sustainable Equity Investment Approach reduces the benchmark investable universe by a minimum of 20%.

Financial derivative instruments, money-market instruments and cash may not adhere to this approach

The Fund may utilise financial derivative instruments for hedging and/or investment purposes, or to manage foreign exchange risks, subject to the conditions and within the limits laid down by applicable laws and regulations. The use of derivatives for hedging and/or investment purposes is expected to be very limited, mainly in those cases where there are significant inflows into the Fund so that cash can be invested while the Fund's investments in equity and equity related securities is maintained.

Where Share Classes are denominated in a currency other than the Base Currency of the Fund, a currency specific benchmark will typically be used for performance comparison purposes. This will either be the benchmark of the Fund expressed in another currency or a different currency specific benchmark with similar characteristics. Benchmarks applicable to such Share Classes are disclosed in the relevant PRIIPS KID.

**Base Currency:** US Dollars.

**Investment Manager:** abrdn Investments Limited

**Sub-Investment Manager:** abrdn Inc.

**Investment Process:** Active Equities – Values Led Investing

**Investor Profile:** This Fund provides a broad exposure to international stock markets through investments which comply with the Fund's Sustainable Investment process. Through diversification across a range of markets, the Fund may be used as a global core equity investment or a standalone equity investment. Due to the traditionally volatile nature of share prices, the investor should have a

long-term investment horizon. This Fund may also be suitable for investors seeking a sustainability-related outcome.

#### **Risk warnings specific to abrdn SICAV I – Global Sustainable Equity Fund**

In addition to the general risk factors set out under "General Risk Factors" potential investors should be aware of certain Fund specific risks:

- The Fund invests in equity and equity-related securities throughout the World that provide exposure to Emerging Markets which tend to be more volatile than mature markets and its value could move sharply up or down. In some circumstances, the underlying investments may become less liquid which may constrain the Investment Manager's ability to realise some or all of the portfolio. The registration and settlement arrangements in Emerging Markets may be less developed than in more mature markets so the operational risks of investing are higher. Political risks and adverse economic circumstances are more likely to arise.
- The Fund may invest in Mainland China - potential investors should note the "Investing in Mainland China" section of the "General Risk Factors" and the "Taxation of Chinese Equity and Bonds" section under "Taxation".
- The Fund may invest in companies with VIE structures in order to gain exposure to industries with foreign ownership restrictions. There is a risk that investments in these structures may be adversely affected by changes in the applicable legal and regulatory framework.
- The Fund may utilise financial derivative instruments for investment purposes in pursuing its investment objective (in addition to use for hedging purposes). Use of derivatives other than for hedging may result in leverage and may increase volatility in the Net Asset Value of the Fund.
- Applying ESG and sustainability criteria in the investment process may result in the exclusion of securities in which the Fund might otherwise invest. Such securities could be part of the benchmark against which the Fund is managed, or be within the universe of potential investments. This may have a positive or negative impact on performance and may mean that the Fund's performance profile differs to that of funds which are managed against the same benchmark or invest in a similar universe of potential investments but without applying ESG or sustainability criteria. Furthermore, the lack of common or harmonised definitions and labels regarding ESG and sustainability criteria may result in different approaches by managers when integrating ESG and sustainability criteria into investment decisions. This means that it may be difficult to compare funds with ostensibly similar objectives and that these funds will employ different security selection and exclusion criteria. Consequently, the performance profile of otherwise similar funds may deviate more substantially than might otherwise be expected. Additionally, in the absence of common or harmonised definitions and labels, a degree of subjectivity is required and this will mean that a fund may invest in a security that another manager or an investor would not.

#### **ABRDN SICAV I – WORLD RESOURCES EQUITY FUND**

This Fund is subject to Article 6 of the SFDR. Further information can be found under section "EU's Sustainable Finance Disclosure Regulation – Sustainability Risk Integration".

#### **Investment Objective and Policy**

The Fund's investment objective is long term total return to be achieved by investing at least two-thirds of the Fund's assets in worldwide companies active in the extraction, production, processing and trading of the following products: chemicals, building materials, metals and other raw materials, timber and paper products, containers and packaging as well as companies in the energy resources sector. Furthermore, the Fund may invest in companies which obtain the majority of their revenues by financing the above activities.

The Fund is actively managed.

The Fund aims to outperform the S&P Global Natural Resources Index (USD) benchmark before charges. The benchmark is also used as a reference point for portfolio construction and as a basis for setting risk constraints.

In order to achieve its objective, the Fund will take positions whose weightings diverge from the benchmark or invest in securities which are not included in the benchmark. The investments of the Fund may deviate significantly from the components of and their respective weightings in the benchmark. Due to the active nature of the management process, the Fund's performance profile may deviate significantly from that of the benchmark over the longer term.

Where Share Classes are denominated in a currency other than the Base Currency of the Fund, a currency specific benchmark will typically be used for performance comparison purposes. This will either be the benchmark of the Fund expressed in another currency or a different currency specific benchmark with similar characteristics. Benchmarks applicable to such Share Classes are disclosed in the relevant PRIIPS KID.

<b>Base Currency:</b>	US Dollars.
<b>Investment Manager:</b>	abrdn Investments Limited
<b>Sub-Investment Manager:</b>	abrdn Inc.
<b>Investment Process:</b>	Active Equities - Long Term Quality

**Investor Profile:** This Fund provides an international exposure to stocks in companies operating in the resource sector and may be suitable for investors who are prepared to experience higher levels of volatility in pursuit of higher returns. The investor may use this equity fund as a complement to a diversified portfolio and is likely to have a long term investment horizon.

**Risk warnings specific to abrdn SICAV I – World Resources Equity Fund**

In addition to the general risk factors set out under "General Risk Factors" potential investors should be aware of certain Fund specific risks:

- The Fund invests in a specialist market sector and as such is likely to be more volatile than a more widely invested fund.
- The Fund invests in equity and equity-related securities throughout the World that provide exposure to Emerging Markets which tend to be more volatile than mature markets and its value could move sharply up or down. In some circumstances, the underlying investments may become less liquid which may constrain the Investment Manager's ability to realise some or all of the portfolio. The registration and settlement arrangements in Emerging Markets may be less developed than in more mature markets so the operational risks of investing are higher. Political risks and adverse economic circumstances are more likely to arise.
- The Fund may invest in Mainland China - potential investors should note the "Investing in Mainland China" section of the "General Risk Factors" and the "Taxation of Chinese Equity and Bonds" section under "Taxation".

**ABRDN SICAV I – WORLD SMALLER COMPANIES FUND**

This Fund is subject to Article 6 of the SFDR. Further information can be found under section "EU's Sustainable Finance Disclosure Regulation – Sustainability Risk Integration".

**Investment Objective and Policy**

The Fund's investment objective is long term total return to be achieved by investing at least two-thirds of the Fund's assets in equities and equity-related securities of worldwide Smaller Companies and/or of worldwide holding companies that have the preponderance of their assets in Smaller Companies.

For the purpose of this Fund, Smaller Companies are defined as companies with a market capitalisation in the Base Currency of the Fund, as at the date of investment, of under US\$5 billion.

The Fund is a global fund insofar as its investments are not confined to or concentrated in any particular geographic region or market.

The Fund is actively managed.

The Fund aims to outperform the MSCI AC World Small Cap Index (USD) benchmark before charges. The benchmark is also used as a reference point for portfolio construction and as a basis for setting risk constraints.

In order to achieve its objective, the Fund will take positions whose weightings diverge from the benchmark or invest in securities which are not included in the benchmark. The investments of the Fund may deviate significantly from the components of and their respective weightings in the benchmark. Due to the active nature of the management process, the Fund's performance profile may deviate significantly from that of the benchmark over the longer term.

Where Share Classes are denominated in a currency other than the Base Currency of the Fund, a currency specific benchmark will typically be used for performance comparison purposes. This will either be the benchmark of the Fund expressed in another currency or a different currency specific benchmark with similar characteristics. Benchmarks applicable to such Share Classes are disclosed in the relevant PRIIPS KID.

**Base Currency:** US Dollars.

**Investment Manager:** abrdn Investments Limited

**Sub-Investment Manager:** abrdn Inc.  
abrdn Asia Limited (Asian assets only)

**Investment Process:** Active Equities - Long Term Quality

**Investor Profile:** This Fund gives access to stocks of worldwide Smaller Companies and may be suitable for investors seeking capital appreciation opportunities through equity investments. Although small capitalisation companies have often been associated with high returns, they also carry higher risks than blue-chip companies. Due to this additional volatility, the investor is likely to hold this portfolio as a complement to an existing core portfolio and is likely to have a long-term investment horizon.

**Risk warnings specific to abrdn SICAV I – World Smaller Companies Fund**

In addition to the general risk factors set out under "General Risk Factors" potential investors should be aware of certain Fund specific risks:

- The Fund invests in the shares of smaller companies which may be less liquid and more volatile than those of larger companies.
- The Fund may invest in Mainland China - potential investors should note the "Investing in Mainland China" section of the "General Risk Factors" and the "Taxation of Chinese Equity and Bonds" section under "Taxation".

## GENERAL RISK FACTORS

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### General

Investors should remember that the price of Shares of any of the Funds and any income from them may fall as well as rise and that investors may not get back the full amount invested. Past performance is not a guide to future performance and the Fund(s) should be regarded as medium to long term investment(s).

The Fund's investment portfolio may fall in value due to any of the key risk factors and therefore your investment in the Fund may suffer losses. There is no guarantee of the repayment of principal.

A number of the risk warnings below have been included because the Funds may invest in other collective investment schemes to which these apply. The following statements are intended to summarise some of the risks, but are not exhaustive, nor do they offer advice on the suitability of investments.

### Investment Objective

There is no guarantee or assurance that the investment objectives of any of the Funds will be achieved. Investors should also be aware that the investment objectives of a Fund may state that it may invest on a limited basis into areas not naturally associated with the name of the Fund. These other markets may act with more or less volatility than the core investment area and performance will be in part dependent on these investments. Investors should ensure (prior to any investment being made) that they are satisfied with the risk profile of the overall objectives disclosed.

### Capital Erosion Risk

Dividends of Gross Income Shares will include all income generated by the relevant Shares, with any costs taken directly from the capital of such Share. Therefore, Gross Income Shares carry the risk of capital erosion where costs are higher than capital growth.

Fixed Distribution Shares will declare and distribute a fixed amount per annum. Where the costs taken are greater than the income generated by the Fund, these costs will be taken from the capital of such Share. Therefore, Fixed Distribution Shares carry the risk of capital erosion where costs are higher than income and capital growth combined.

### Currency Risk

Where the currency of the relevant Fund varies from the currency invested, or where the currency of the relevant Fund varies from the currencies of the markets in which the Fund invests, there is the prospect of additional loss (or the prospect of additional gain) to the investor greater than the usual risks of investment.

A Fund may invest in securities denominated in a number of different currencies other than the Base Currency in which the Fund is denominated. Changes in foreign currency exchange rates may adversely affect the value of a Fund's investments and the income thereon.

### Regulatory Risk

The Funds are domiciled in Luxembourg and investors should note that all the regulatory protections provided by local regulatory authorities may not apply. Investors should consult their financial advisors for further information in this area.

### Regulatory Risk In Non-EU Jurisdictions

A Fund may be registered in jurisdictions outside of the EU. As a result of such registrations, such Fund may be subject, without any notice to the shareholders in the Fund concerned, to more restrictive regulatory regimes. In such cases such Fund will abide by these more restrictive requirements. This may prevent such Fund from making the fullest possible use of the investment limits.

### Operational Risk

Operational risk, which is defined as the risk of loss that can arise from inadequate or failed internal processes, people and systems, or from external events such as fraud, can occur and have a negative effect on abrdn SICAV I's operations. It can manifest itself in various ways, including business interruption, poor performance, information systems malfunctions or failures, regulatory or contractual breaches, human error, negligent execution, employee misconduct, fraud or other criminal acts. In the event of a bankruptcy or insolvency of a service provider, investors could experience delays (for example, delays in the processing of subscriptions, conversions and redemption of shares) or other disruptions.

### Liquidity Risk

A Fund may invest in certain securities that subsequently become difficult to sell because of reduced liquidity which may have an adverse impact on their market price and consequently the Net Asset Value of the Fund. Reduced liquidity for such securities may be driven by unusual or extraordinary economic or market events, such as the deterioration in the creditworthiness of an issuer or the lack of efficiency of a given market. In such circumstances, or in case of unusually high volumes of redemption requests, where the Fund is not able to sell securities readily and does not hold sufficient cash or other liquid assets to meet redemption requests, the Fund may, in accordance with the Articles of Incorporation and the Prospectus of abrdn SICAV I and in the best interests of Shareholders, be subject to deferral or suspension of redemption requests or have an extended settlement timeframe, amongst other measures which may be available to it at the time.

### Counterparty Risk

Each Fund may enter into Repurchase Transactions and other contracts that entail a credit exposure to certain counterparties. To the extent that a counterparty defaults on its obligation and the Fund is delayed or prevented from exercising its rights with respect to the investments in its portfolio, it may experience a decline in the value of its position, a loss of income and possible additional costs associated with asserting its rights.



### **Depository Risk**

The assets of abrdn SICAV I and its Funds shall be held in custody by the Depository and its sub-custodian(s) and/or any other custodians, prime broker and/or broker-dealers appointed by abrdn SICAV I. Investors are hereby informed that cash and fiduciary deposits may not be treated as segregated assets and might therefore not be segregated from the relevant depository, sub-custodian(s), other custodian / third party bank, prime broker and/or broker dealer's own assets in the event of the insolvency or the opening of bankruptcy, moratorium, liquidation or reorganization proceedings of the depository, sub-custodian(s), other custodian / third party bank, prime broker or the broker dealer as the case may be. Subject to specific depositor's preferential rights in bankruptcy proceedings set forth by regulation in the jurisdiction of the relevant depository, sub-custodian(s), other custodian / third party bank, prime broker or the broker dealer, abrdn SICAV I's claim might not be privileged and may only rank pari passu with all other unsecured creditors' claims. abrdn SICAV I and/or its Funds might not be able to recover all of their assets in full.

### **Specific Risks Related To OTC Derivative Transactions**

In general, there is less governmental regulation and supervision of transactions in the OTC markets (in which currencies, forwards and certain options on currencies are generally traded) than of transactions entered into on organised exchanges. In addition, many of the protections afforded to participants on some organised exchanges, such as the performance guarantee of an exchange clearinghouse, may not be available in connection with OTC transactions. Therefore, any Fund entering into OTC transactions will be subject to the risk that its direct counterparty will not perform its obligations under the transactions and that the Fund will incur losses. A Fund will only enter into transactions with counterparties which it believes to be creditworthy, and may reduce the exposure incurred in connection with such transactions through the receipt of letters of credit or collateral from certain counterparties. Regardless of the measures the Fund may seek to implement to reduce counterparty credit risk, however, there can be no assurance that a counterparty will not default or that the Fund will not sustain losses as a result.

### **Inflation/Deflation Risk**

Inflation risk refers to the possibility of a reduction in the value of the income or assets as inflation decreases the value of money. The real value of a Fund's portfolio could decline as a result of increasing inflation. Deflation risk refers to the possibility of a decline in the prices throughout the economy over time. Deflation may have an adverse effect on the creditworthiness of issuers and may make issuer default more likely, which may result in a decline in the value of a Fund's portfolio.

### **Increased Volatility**

The value of some Funds may be susceptible to increased volatility as a consequence of the composition of the portfolio or the investment techniques used (e.g. where a Fund has more concentrated portfolio or where a Fund makes more extensive use of Financial Derivative Instruments for investment purposes).

### **Leverage Risk**

Due to the low margin deposits normally required in trading derivative instruments, an extremely high degree of leverage is typical for trading in derivatives instruments. As a result, a relatively small price movement in a derivative contract may result in substantial losses to the investor. Investment in derivative transactions may result in losses in excess of the amount invested.

### **Suspension of Share Class Dealing**

Investors are reminded that in certain circumstances their right to redeem from or switch Funds may be suspended (See Appendix C, section 10. "Suspension").

### **Warrants**

When a Fund invests in warrants, the Price per share of the Fund may fluctuate more than if the Fund was invested in the underlying securit(y/ies) because of the greater volatility of the warrant price.

### **Share Class Hedging**

Certain Classes of Shares may be made available in currencies other than the Base Currency of the relevant Fund. The Investment Manager may hedge the Shares of such Classes in relation to the Base Currency of the relevant Fund. Where such hedging is undertaken it may substantially protect investors against a decrease in the value of the Base Currency of the Fund relative to the hedged currency but may also preclude investors from benefiting from an increase in the value of the Base Currency of the Fund.

With hedged Share Classes, the risk of an overall depreciation of a Fund's Base Currency against the alternate currency of the Share Class is reduced significantly by hedging the Net Asset Value of the respective Class - calculated in the Fund's Base Currency - against the respective alternate currency by means of the financial derivative instruments mentioned under the sections "Currency Hedged Share Classes" and "General Information regarding hedged Share Classes". Consequently, it is the currency of the hedged Share Classes that is hedged against the Base Currency rather than the investment currencies of the Fund's portfolio. This may result in the hedged Share Class being over or under-hedged at any one time against the investment currencies of the Fund's portfolio. Costs incurred in the Share Class hedging process are borne solely by the hedged Share Class concerned.

Investors should be aware that certain market events or circumstances could result in the Investment Manager no longer being able to perform hedging transactions for a hedged Share Class or that such hedging may no longer be economically viable.

In addition, Hedged BRL Share Classes are designed to offer a currency hedging solution for investment directed through the appropriate Brazil-domiciled fund, as further described under the section "Currency Hedging Share Classes". Investment into a Hedged BRL Share Class that is not directed through a Brazilian fund with a suitable agreement in place may not deliver a BRL hedged return for investors.

Hedged BRL Shares Classes are denominated in the Fund's Base Currency and the Net Asset Value will fluctuate in line with the exchange rate between the Brazilian Real and the Fund's Base Currency and as a result performance may vary significantly from other Share Classes within the Fund.

### **Holding Securities Overseas**

Securities held with a local correspondent or clearing / settlement system or securities correspondent ("Securities System") may not be as well protected as those held within Luxembourg. In particular, losses may be incurred as a consequence of the insolvency of the local correspondent or Securities System. In some markets, the segregation or separate identification of a beneficial owner's securities may not be possible or the practices of segregation or separate identification may differ from practices in more developed markets.

### **Restricted Securities**

abrdn SICAV I may invest in securities which may only be offered to qualified institutional investors (such as but not limited to QIBS as defined in the US Securities Act of 1933) or other securities that contain restrictions of their negotiability and/or issue. Such investments may be less liquid, making it difficult to acquire or to dispose of such investments which may lead to the Funds experiencing adverse price movements upon any such disposal. Such restricted securities may be but are not limited to securities known as "Rule 144A Securities".

Rule 144A securities are privately offered securities that can be resold only to certain qualified institutional buyers. As such securities are traded among a limited number of investors, certain Rule 144A securities may be illiquid and involve the risk that a Fund may not be able to dispose of these securities quickly or in adverse market conditions.

### **VIE Structures**

Certain Funds may invest in companies with Variable Interest Entity ("VIE") structures in order to gain exposure to industries with foreign ownership restrictions. A VIE is a corporate structure which issues shares to investors. Those shares then behave in a similar way to ordinary shares issued by the company in that they represent a share of that company's profits. However, they do not represent legal ownership of the company's assets, unlike ordinary shares, because the VIE is legally separate or independent from the company. Because VIEs are created to allow foreign investors to access companies with foreign ownership restrictions (typically Chinese or other Emerging Market companies) there is a risk that the authorities in the country where the company is incorporated could take action which would have an adverse impact on the value of one or more VIEs, up to and including declaring that such structures are illegal and thus worthless.

### **Smaller Companies**

If an investment in a Smaller Company (as defined for a Fund) falls below or exceeds the capitalisation thresholds determined by abrdn SICAV I, the relevant asset will not be sold unless in the opinion of the Investment Manager, it is in the interest of Shareholders to do so.

### **Potential Conflicts of Interest**

The Management Company and the Investment Manager and other companies in the abrdn Group may effect transactions in which they have, directly or indirectly, an interest which may involve a potential conflict with the Management Company's duty to the Fund. More specifically, subject to applicable laws and regulations, any of these companies may undertake sale and purchase transactions between (i) a Fund and (ii) (a) the Investment Manager, (b) abrdn Group company or (c) other funds or portfolios managed by the Investment Manager or any abrdn Group company; provided such transactions are carried out on an arm's length basis at current market value, and consistent with best execution standards, in the best interests of such Fund and are effected on terms which are not less favourable to the Fund than if the potential conflict had not existed. Such potential conflicting interests or duties may arise because the Investment Manager or other members in the abrdn Group may have invested directly or indirectly in the Funds. The Investment Manager, under the rules of conduct applicable to it, must try to avoid conflicts of interests and, where they cannot be avoided, ensure that its clients (including the Fund) are fairly treated.

Neither the Management Company nor the Investment Manager nor other companies in the abrdn Group shall be liable to account to the Fund for any profit, commission or remuneration made or received from or by reason of such transactions or any connected transactions nor will the Investment Manager's fees, unless otherwise provided, be abated.

The Management Company and the Investment Manager or any of their respective connected persons may deal with a Fund as principal provided that such transactions (i) are carried out on an arm's length basis and consistent with the best interests of such Fund and (ii) have been made with the prior written consent of the Depositary. All such transactions will be disclosed in the abrdn SICAV I annual report.

The Management Company will adopt and implement policies for the prevention of conflict of interests as foreseen by applicable rules and regulations in Luxembourg.

### **Specific Risks Linked To Securities Lending Transactions**

Whilst value of the collateral of Securities Lending Agreements will be maintained to at least equal to the value of the securities transferred, in the event of a sudden market movement there is a risk that the value of such collateral may fall below the value of the securities transferred. abrdn SICAV I will seek to mitigate this risk by requiring any securities lending agent to indemnify the relevant Funds against such a fall in the value of collateral (save where such collateral has been re-invested at the instructions of the Fund).

Securities lending involves counterparty risk, including the risk that the loaned securities may not be returned or returned in a timely manner and/or at a loss of rights in the collateral if the borrower or the lending agent defaults or fails financially. This risk is increased when a Fund's loans are concentrated with a single or limited number of borrowers. Investors must notably be aware that (A) if the borrower of securities lent by a Fund fail to return these, there is a risk that the collateral received may realise less than the value of the securities lent out, whether due to inaccurate pricing, adverse market movements, a deterioration in the credit rating of issuers of the collateral, or the illiquidity of the market in which the collateral is traded; that (B) in case of reinvestment of cash collateral such reinvestment may (i) create leverage with corresponding risks and risk of losses and volatility, (ii) introduce market exposures inconsistent with the objectives of the Fund, or (iii) yield a sum less than the amount of collateral

to be returned; and that (C) delays in the return of securities on loans may restrict the ability of a Fund to meet delivery obligations under security sales.

Securities lending also entails operational risks such as the non-settlement or delay in settlement of instructions for subscriptions, conversions or redemptions of Shares, and legal risks related to the documentation used in respect of such transactions (the documentation may be difficult to enforce and may be subject to interpretation).

Securities lending also entails liquidity risks. In the event investments in which a Fund has reinvested the received cash collateral become illiquid or difficult to buy or sell, it may not be possible for a Fund to recover its securities and to liquidate them at the best price or to meet redemptions or other payment obligations. Securities lending triggers custody risks as a Fund's assets are safe-kept by the Depositary. In that case, a Fund risks the loss of assets held by the Depositary in the event of its insolvency, bankruptcy, negligence or fraudulent trading.

#### **Asset-Backed Securities and Mortgage Backed Securities**

Some Funds may invest their assets in Asset-Backed Securities (ABS) including Mortgage Backed Securities (MBS), which are debt securities based on a pool of assets or collateralised by the cash flows from a specific pool of underlying assets. ABS and MBS assets may be highly illiquid and therefore prone to substantial price volatility.

#### **Exchange Rates**

The Funds may invest in securities denominated in a number of different currencies other than the Base Currency in which the Funds are denominated. Changes in foreign currency exchange rates may adversely affect the value of a Fund's investments and the income thereon.

#### **Brexit**

On 23 June 2016, the United Kingdom (the "UK") held a referendum on its membership of the European Union (the "EU") and the UK formally left the EU on 31 January 2020.

Transitional arrangements applied until the end of 2020 and a bilateral trade agreement (the "EU-UK Trade and Cooperation Agreement" or "TCA") is now in force.

Despite the TCA, the relationship between the UK and the EU has fundamentally changed and there is still uncertainty about the impact of the new arrangements. Given the size and importance of the UK's economy, uncertainty or unpredictability about its legal, political and economic relationship with the EU, will be a source of instability, may create significant currency fluctuations, and otherwise adversely affect international markets, trading or other arrangements (whether economic, tax, fiscal, legal, regulatory or otherwise) for the foreseeable future. Any business that depends on the free movement of goods or the provision of cross-border services between the UK and the European Economic Area (as currently constituted) could be adversely affected. The inability to provide cross-border services, restrictions on movements of employees, non-tariff barriers on goods, potential tariffs being imposed either due to "rules of origin" or non-compliance with the aspects of the TCA, increased transit times, and other factors, have the potential to materially impair the profitability of a business. Consequences for some businesses could involve re-establishing the business in an EU member state, moving personnel and, if applicable, seeking authorization from local regulator(s) – all of which are costly and disruptive. All these factors could adversely affect abrdn SICAV I, the performance of its investments and its ability to fulfil its investment objectives. Any decision of another member state to withdraw from the EU could exacerbate such uncertainty and instability and may present similar and/or additional potential risks.

#### **Contingent securities**

abrdn SICAV I may invest in contingent securities structured as Contingent Convertible Securities also known as CoCos. A contingent convertible security is a hybrid debt security either convertible into equity at a predetermined share price, written down or written off in value based on the specific terms of the individual security if a pre-specified trigger event occurs. Contingent convertible securities are subject to the risks associated with bonds and equities, and to the risks specific to convertible securities in general. Contingent convertible securities are also subject to additional risks specific to their structure including:

##### Conversion risk

In some cases, the issuer may cause a convertible security to convert to common stock. If a convertible security converts to common stock, a Fund may hold such common stock in its portfolio even if it does not ordinarily invest in common stock.

##### Trigger level risk

Trigger levels differ and determine exposure to conversion risk depending on the distance of the capital ratio to the trigger level. It might be difficult for the Investment Manager of the relevant Fund to anticipate the triggering events that would require the debt to convert into equity.

##### Capital structure inversion risk

Contingent convertible securities are typically structurally subordinated to traditional convertible bonds in the issuer's capital structure. In certain scenarios, investors in contingent convertible securities may suffer a loss of capital ahead of equity holders or when equity holders do not.

##### Written down risk

In some cases, the issuer may cause a convertible security to be written down in value based on the specific terms of the individual security if a pre-specified trigger event occurs. There is no guarantee that a Fund will receive return of principal on contingent convertible securities.

##### Yield / Valuation risk

The valuation of contingent convertible securities is influenced by many unpredictable factors such as:

- (i) the creditworthiness of the issuer and the fluctuations in the issuer's capital ratios;
- (ii) the supply and demand for contingent convertible securities;
- (iii) the general market conditions and available liquidity; and
- (iv) the economic, financial and political events that affect the issuer, the market it is operating in or the financial markets in general.

#### Liquidity risk

Convertible securities are subject to liquidity risk.

#### Coupon cancellation risk

In addition, coupon payments on contingent convertible securities are discretionary and may be cancelled by the issuer at any point, for any reason, and for any length of time. The discretionary cancellation of payments is not an event of default and there are no possibilities to require re-instatement of coupon payments or payment of any passed missed payments. Coupon payments may also be subject to approval by the issuer's regulator and may be suspended in the event there are insufficient distributable reserves. As a result of uncertainty surrounding coupon payments, contingent convertible securities may be volatile and their price may decline rapidly in the event that coupon payments are suspended.

#### Call extension risk

Contingent convertible securities are subject to extension risk. Contingent convertible securities are perpetual instruments and may only be callable at predetermined dates upon approval of the applicable regulatory authority. There is no guarantee that a Fund will receive return of principal on contingent convertible securities.

#### Unknown risk

Convertible contingent securities are a newer form of instrument and the market and regulatory environment for these instruments is still evolving. As a result it is uncertain how the overall market for contingent convertible securities would react to a trigger event or coupon suspension applicable to one issuer.

#### **Taxation**

Investors should note in particular that the proceeds from the sale of securities in some markets or the receipt of any dividends or other income may be or may become subject to tax, levies, duties or other fees or charges imposed by the authorities in that market, including taxation levied by withholding at source. Tax law and practice in certain countries into which a Fund invests or may invest in the future (in particular Russia and other Emerging Markets) is not clearly established. Tax law and practice may equally be subject to change in developed countries, where governments implement fiscal reforms. It is possible therefore that the current interpretation of the law or understanding of practice might change, or that the law might be changed with retrospective effect. It is therefore possible that abrdn SICAV I could become subject to additional taxation in such countries that is not anticipated either at the date of the Prospectus or when investments are made, valued or disposed of.

In relation to Brazil, investors should be aware that the Brazilian Presidential Decree no. 6.306/10, as amended from time to time, details the current IOF tax rate (Tax on Financial Operations), that applies to foreign exchange inflows and outflows. Funds investing in Brazil, where IOF tax is not offset by a dilution adjustment may see the Net Asset Value per Share reduced as a consequence.

#### **Financial Derivative Instruments**

A Fund may invest in financial derivative instruments as part of its strategy.

As detailed under section "Investment Techniques and Instruments and Use of Financial Derivative Instruments" abrdn SICAV I may use, under certain conditions, options on indices and interest rates, bond futures and futures on indices and interest rates for investment purposes. Also, the Funds may hedge market and currency risks using futures, options and forward exchange contracts within the limits described in the section "Investment Techniques and Instruments and Use of Financial Derivative Instruments".

Different financial derivative instruments involve different levels of exposure to risk and can entail a high degree of leverage. In particular, investors should be aware of the following:

##### **a) Futures**

Transactions in futures involve the obligation to make, or to take, delivery of the underlying asset of the contract at a future date, or in some cases to settle the Fund's position with cash. They carry a high degree of risk. The "gearing" or "leverage" often obtainable in futures trading means that a small deposit or down payment can lead to large losses as well as gains. It also means that a relatively small market movement can lead to a proportionately much larger movement in the value of the Fund's investment, and this can work against the Fund as well as for the Fund. Futures transactions have a contingent liability, and investors should be aware of the implications of this, in particular the margining requirements.

##### **b) Swaps**

The Fund may enter into swap agreements. Swap agreements can be individually negotiated and structured to include exposure to a variety of different types of investments or market factors. Depending on their structure, swap agreements may increase or decrease the Fund's exposure to strategies, equity securities, long-term or short term interest rates, foreign currency values, corporate borrowing rates or other factors. Swap agreements can take many different forms and are known by a variety of names. Depending on how they are used, swap agreements may increase or decrease the overall volatility of the Fund. The most significant factor in the performance of swap agreements is the change in the individual equity values, the Fund's net asset value, specific interest rate, currency or other factors that determine the amounts of payments due to and from the counterparties. If a swap agreement calls for payments by the Fund, the Fund must be prepared to make such payments when due. In addition, if a

counterparty's creditworthiness declines, the value of swap agreements with such counterparty can be expected to decline, potentially resulting in losses to the Fund.

### **c) Options**

There are many different types of options with different characteristics subject to different conditions:

#### **(i) Buying Options**

Buying options involves less risk than selling options because, if the price of the underlying asset moves against the Fund, the Fund can simply allow the option to lapse. The maximum loss is limited to the premium, plus any commission or other transaction charges. However, if the Fund buys a call option on a futures contract and the Fund later exercises the option, the Fund will acquire the future. This will expose the Fund to the risks described under "Futures" and "Contingent Liability Transactions".

#### **(ii) Writing Options**

If the Fund writes an option, the risk involved is considerably greater than buying options. The Fund may be liable for margin to maintain its position and a loss may be sustained well in excess of any premium received. By writing an option, the Fund accepts a legal obligation to purchase or sell the underlying asset if the option is exercised against the Fund, however far the market price has moved away from the exercise price. If the Fund already owns the underlying asset which the Fund has contracted to sell (known as "covered call options") the risk is reduced. If the Fund does not own the underlying asset (known as "uncovered call options") the risk can be unlimited. Subject to the overall limit on leverage which may be utilised by the Fund, there is no restriction on the Fund's ability to write options. Certain options markets operate on a margined basis under which buyers do not pay the full premium on their option at the time they purchase it. In this situation the Fund may subsequently be called upon to pay margin on the option up to the level of its premium. If the Fund fails to do so as required, the Fund's position may be closed or liquidated in the same way as a futures position.

#### **(iii) Contracts for Differences**

Futures and options contracts can also be referred to, as well as include, contracts for differences. These can be options and futures on any index, as well as currency and interest rate swaps. However, unlike other futures and options, these contracts can only be settled in cash. Investing in a contract for differences carries the same risks as investing in a future or option. Transactions in contracts for differences may also have a contingent liability and an investor should be aware of the implications of this as set out below.

#### **(iv) Off-Exchange Transactions**

While some off-exchange markets are highly liquid, transactions in off-exchange, or non-transferable, derivatives may involve greater risk than investing in on-exchange derivatives instruments because there is no exchange market on which to close out an open position. It may be impossible to liquidate an existing position, to assess the value of the position arising from an off-exchange transaction or to assess the exposure to risk. Bid and offer prices need not be quoted, and even where they are, they will be established by dealers in these instruments and, consequently, it may be difficult to establish what a fair price is.

#### **(v) Contingent Liability Transactions**

Contingent liability transactions which are margined require the Fund to make a series of payments against the purchase price, instead of paying the whole purchase price immediately. If the Fund trades in futures, contracts for differences or sells options, the Fund may sustain a total loss of the margin it deposits with the broker to establish or maintain a position. If the market moves against the Fund, the Fund may be called upon to pay substantial additional margin at short notice to maintain the position. If the Fund fails to do so within the time required, its position may be liquidated at a loss and the Fund will be liable for any resulting deficit. Even if a transaction is not margined, it may still carry an obligation to make further payments in certain circumstances over and above any amount paid when the contract was entered into. Contingent liability transactions which are not traded on or under the rules of a recognised or designated investment exchange may expose you to substantially greater risks.

#### **(vi) Suspensions of Trading**

Under certain trading conditions it may be difficult or impossible to liquidate a position. This may occur, for example, at times of rapid price movement if the price rises or falls in one trading session to such an extent that under the rules of the relevant exchange trading is suspended or restricted. Placing a stop-loss order will not necessarily limit losses to the intended amounts, because market conditions may make it impossible to execute such an order at the stipulated price.

#### **(vii) Clearing House Protections**

On many exchanges, the performance of a transaction by a broker (or the third party with whom he is dealing on the Fund's behalf) is "guaranteed" by the exchange or its clearing house. However, this guarantee is unlikely in most circumstances to cover the Fund as the customer and may not protect the Fund if the broker or another party defaults on its obligations to the Fund. There is no clearing house for traditional options, nor normally for off-exchange instruments which are not traded under the rules of a recognised or designated investment exchange.

#### **(viii) Insolvency**

A derivative broker's insolvency or default, or that of any other brokers involved with the Fund's transactions, may lead to positions being liquidated or closed out without the Fund's consent. In certain circumstances, the Fund may not get back the actual assets which it lodged as collateral and the Fund may have to accept any available payment in cash.

## **RISKS RELATING TO INVESTMENT IN OTHER FUNDS**

### **Investing in other collective investment schemes**

A Fund incurs costs of its own management and administration comprising the fees paid to the Management Company and other service providers. It should be noted that, in addition, such a Fund incurs similar costs in its capacity as an investor in UCITS or Other UCI's (together referred to as "Investment Funds") which in turn pay similar fees to their manager and other service

providers. Furthermore, the investment strategies and techniques employed by certain Investment Funds may involve frequent changes in positions and a consequent portfolio turnover. This may result in brokerage commission expenses which exceed significantly those of other Investment Funds of comparable size. Investment Funds may be required to pay performance fees to their manager. Under these arrangements the managers will benefit from the appreciation, including unrealised appreciation of the investments of such Investment Funds, but they may not be similarly penalised for realised or unrealised losses. As a consequence, the direct and indirect costs borne by a Fund investing in Investment Funds are likely to represent a higher percentage of the Net Asset Value than would typically be the case for a Fund which invests directly in the relevant underlying investments (and not through other Investment Funds).

As a shareholder of another collective investment scheme, a Fund would bear, along with other shareholders, its pro rata portion of the expenses of the other collective investment scheme, including management and/or other fees (excluding subscription or redemption charges). These fees would be in addition to the Management Fee and other expenses which a Fund bears directly in connection with its own operations.

#### **Reliance on third party fund management**

A Fund investing in other collective investment schemes will not have an active role in the day-to-day management of the collective investment schemes in which a Fund invests. Moreover, a Fund will generally not have the opportunity to evaluate the specific investments made by any underlying collective investment schemes before they are made. Accordingly, the returns of a Fund will primarily depend on the performance of these unrelated underlying fund managers and could be substantially adversely affected by the unfavourable performance of such underlying fund managers.

#### **Investing in Real Estate**

Investing in the securities of companies principally engaged in the real estate industry will entail risks normally associated with owning real estate directly. These risks include, but are not limited to: the cyclical nature of real estate values; risks related to general and local economic conditions; overbuilding; low tenancy occupation rates and increased competition; the level of property taxes and operating expenses, demographic trends; changes in zoning laws; casualty or condemnation losses; environmental risks; related party risks; increases in interest rates. An increase in interest rates will generally lead to an increase in the costs of financing, which could directly and indirectly reduce the value of a fund's investments.

#### **Convertible bond arbitrage**

Underlying fund managers may engage in convertible bond arbitrage. Positions intended to offset against each other may not move as expected. In addition to risks associated with fixed income investments, this strategy also has risks which are associated with equity investments. They include: (i) risks in takeovers or merger transactions, during which a convertible bond's conversion premium may decrease or be eliminated; (ii) short equity buy-in risk, since the strategy is typically long convertibles and short equities and is subject to possible short squeezes; and (iii) liquidity and trading spread risks. Although underlying fund managers are, generally, expected to hedge all equity exposure, there can be no assurance that an Underlying Fund Manager will not, from time to time, have such exposures or that such hedges will be effective.

### **RISKS RELATED TO INVESTMENT IN EMERGING MARKETS**

#### **Investing in Russia and CIS**

Investments in Russia and CIS either through the Russian Trading System (RTS) and Moscow Interbank Currency Exchange (MICEX) or on other non-Regulated Markets are subject to increased risk with regard to ownership and custody of securities.

There are significant risks inherent in investing in Russia and the CIS including: (a) delays in settling transactions and the risk of loss arising out of the systems of securities registration and custody; (b) the lack of corporate governance provisions or general rules or regulations relating to investor protection; (c) pervasiveness of corruption, insider trading, and crime in the Russian and CIS economic systems; (d) difficulties associated in obtaining accurate market valuations of many Russian and CIS securities, based partly on the limited amount of publicly available information; (e) tax regulations are ambiguous and unclear and there is a risk of imposition of arbitrary or onerous taxes; (f) the general financial condition of Russian and CIS companies, which may involve particularly large amounts of inter-company debt; (g) banks and other financial systems are not well developed or regulated and as a result tend to be untested and have low credit ratings and (h) the risk that the governments of Russia and CIS member states or other executive or legislative bodies may decide not to continue to support the economic reform programmes implemented since the dissolution of the Soviet Union.

The concept of fiduciary duty on the part of a company's management is generally non-existent. Local laws and regulations may not prohibit or restrict a company's management from materially changing the company's structure without shareholder consent. Foreign investors cannot be guaranteed redress in a court of law for breach of local laws, regulations or contracts. Regulations governing securities investment may not exist or may be applied in an arbitrary and inconsistent manner.

Evidence of legal title in many cases will be maintained in "book-entry" form and a Fund could lose its registration and ownership of securities through fraud, negligence or even oversight. Securities in Russia and in the CIS are issued only in book entry form and ownership records are maintained by registrars who are under contract with the issuers. The registrars are neither agents of, nor responsible to, abrdn SICAV I, the Depositary or their local agents in Russia or in the CIS. Transferees of securities have no proprietary rights in respect of securities until their name appears in the register of holders of the securities of the issuer. The law and practice relating to registration of holders of securities are not well developed in Russia and in the CIS and registration delays and failures to register securities can occur. Although Russian and CIS sub-custodians will maintain copies of the registrar's records ("Records") on its premises, such Records may not, however, be legally sufficient to establish ownership of securities. Further a quantity of forged or otherwise fraudulent securities, Records or other documents are in circulation in the Russian and CIS markets and there is therefore a risk that a Fund's purchases may be settled with such forged or fraudulent securities. In common with other Emerging Markets, Russia and the CIS have no central source for the issuance or publication of corporate

actions information. The Depository therefore cannot guarantee the completeness or timeliness of the distribution of corporate actions notifications.

Although exposure to these equity markets is substantially hedged through the use of ADRs and GDRs, Funds may, in accordance with their investment policy, invest in securities which require the use of local depository or custodial services.

#### **Investing in Mainland China**

Some Funds may invest directly or indirectly in Chinese domestic securities market via various channels including the QFI status held by abrdn Asia Limited or any other appointed Investment Manager or Sub-Investment Manager. Other than risks involved in investments on an international basis and in Emerging Markets, as well as other risks of investments generally as described within this section which are applicable to investments in China, investors should also note the additional specific risks below.

Under Mainland China laws, there is a limit to how many shares a single foreign investor (including a Fund) is permitted to hold in a single company which is listed on a Mainland China stock exchange (a "Mainland China Listco") or admitted on the National Equities Exchange and Quotations (NEEQ) (a "NEEQ-admitted company"), and also a limit to the maximum combined holdings of all foreign investors in a single Mainland China Listco or a single NEEQ-admitted company. Such foreign ownership limits may be applied on an aggregate basis (i.e. across both domestically and overseas issued shares of the same listed company, whether the relevant holdings are through Stock Connect (as defined below), the QFI regime or other investment channels). The single foreign investor limit is currently set at 10% of the shares of a Mainland China Listco or a single NEEQ-admitted company and the aggregate foreign investor limit is currently set at 30% of the shares of a Mainland China Listco or a single NEEQ-admitted company. Such limits are subject to change from time to time. Foreign investors who make strategic investment in a Mainland China Listco pursuant to relevant laws and regulations, are not bound by the foregoing percentage limits in terms of their holdings of shares under strategic investment. Strategic investment by foreign investors shall mean obtaining China A-Shares through transfer under an agreement or a directed issue of new shares by the Mainland China Listco. Any China A-Shares obtained by strategic investment shall not be transferred within three years. Stricter limits on shareholding by QFIs and other foreign investors separately imposed by applicable laws, administrative regulations, or industrial policies in PRC, if any, shall prevail.

#### **QFI regulatory risks**

Foreign investors can invest in Chinese domestic securities market through institutions that have obtained QFI status as approved under and subject to applicable Chinese regulatory requirements.

Actions of the relevant manager or issuer which violate QFI regulations could result in the revocation of, or other regulatory action against, the relevant QFI licence as a whole, and may impact the Fund's exposure to Chinese securities. In addition, a Fund may also be impacted by the rules and restrictions (including rules on investment restrictions, minimum investment holding periods, and repatriation of principal and profits), which may consequently have an adverse impact on the liquidity and/or investment performance of the Fund. The QFI Regulations which regulate investments in China may be subject to further revisions in the future. Their application may depend on the interpretation given by the relevant Mainland Chinese authorities. Any changes to the relevant rules may have an adverse impact on investors' investment in the Fund. There is no assurance whether future revisions to the QFI Regulations or their application may or may not adversely affect a Fund's investments in China.

The Fund's ability to make the relevant investments or to fully implement or pursue its investment objective and strategy is subject to the applicable laws, rules and regulations (including restrictions on investments and rules on repatriation of principal and profits) in China, which are subject to change and such change may have potential retrospective effect.

Should the relevant Investment Manager or Sub-Investment Manager lose its QFI status, a Fund may not be able to invest in QFI Eligible Securities which would likely have a material adverse effect on such Fund. Likewise, limits on investment in China A-Shares are applied in relation to the QFI status held by the relevant Investment Manager or Sub-Investment Manager as a whole. Hence the ability of a Fund to make investments and/or repatriate monies through the Sub-Investment Manager's QFI status may be affected adversely by the investments, performance and/or repatriation of monies invested by other investors who also utilise the QFI status held by the relevant Investment Manager or Sub-Investment Manager in the future.

#### **QFI Custody risks and PRC Broker risks**

The Depository and the relevant Investment Manager or Sub-Investment Manager (in its capacity as a QFI) have appointed the PRC Custodian as the custodian in respect of the QFI Eligible Securities, pursuant to relevant laws and regulations.

Securities including RMB denominated fixed income instruments, China A-Shares or other permissible investments will be maintained by the PRC Custodian pursuant to PRC regulations through securities accounts with CSDCC, China Central Depository & Clearing Co. Ltd, Shanghai Clearing House Co., Ltd. or such other relevant depositories in such name as may be permitted or required in accordance with PRC law.

According to the QFI Regulations and market practice, the securities and cash accounts for a fund in the PRC are to be maintained in the name of "the full name of the QFI – the name of the Fund".

Moreover, although pursuant to the QFI Regulations, ownership of the securities in such accounts will belong to the Fund and shall be segregated from the assets of the QFI and the PRC Custodian, this has not been tested in court, and such QFI Eligible Securities of a Fund may be vulnerable to a claim by a liquidator of the relevant Investment Manager or Sub-Investment Manager and may not be as well protected as if they were registered solely in the name of a Fund concerned. In particular, there is a risk that creditors of the relevant Investment Manager or Sub-Investment Manager may incorrectly assume that a Fund's assets belong to the Sub-Investment Manager and such creditors may seek to gain control of a Fund's assets to meet the relevant Investment Manager's or Sub-Investment Manager liabilities owed to such creditors.

Investors should note that cash deposited in the cash account of a Fund concerned with the PRC Custodian will not be segregated but will be a debt owing from the PRC Custodian to a Fund as a depositor. Such cash will be co-mingled with cash belonging to other clients of the PRC Custodian. In the event of bankruptcy or liquidation of the PRC Custodian, a Fund concerned will not have any proprietary rights to the cash deposited in such cash account, and a Fund will become an unsecured creditor, ranking *pari passu* with all other unsecured creditors, of the PRC Custodian. The Fund concerned may face difficulty and/or encounter delays in recovering such debt, or may not be able to recover it in full or at all, in which case the Fund will suffer losses.

The relevant Investment Manager or Sub-Investment Manager also selects the PRC Broker to execute transactions for a Fund in the PRC markets. Should, for any reason, a Fund's ability to use the relevant PRC Broker be affected, this could disrupt the operations of a Fund. A Fund may also incur losses due to the acts or omissions of either the relevant PRC Broker(s) or the PRC Custodian in the execution or settlement of any transaction or in the transfer of any funds or securities. Subject to the applicable laws and regulations in the PRC, the Depository will make arrangements to ensure that the PRC Custodian has appropriate procedures to properly safe-keep a Fund's assets.

In the event of any default of either the relevant PRC Broker or the PRC Custodian (directly or through its delegate) in the execution or settlement of any transaction or in the transfer of any funds or securities in the PRC, a Fund may encounter delays in recovering their assets which may in turn adversely impact the net asset value of such Fund.

Please also refer to "Taxation of Chinese Equity and Bonds" section under "Taxation".

#### **China Interbank Bond Market**

The China bond market is made up of the interbank bond market and the exchange listed bond market. The China interbank bond market (the "CIBM") is an OTC market established in 1997. Currently, more than 90% of CNY bond trading activity takes place in the CIBM, and the main products traded in this market include government bonds, central bank papers, policy bank bonds and corporate bonds.

The CIBM is still in a stage of development and the market capitalisation and trading volume may be lower than those of the more developed markets. Market volatility and potential lack of liquidity due to low trading volume may result in prices of debt securities traded on such market fluctuating significantly. The relevant Funds investing in such market are therefore subject to liquidity and volatility risks and may suffer losses in trading PRC bonds. The bid and offer spreads of the prices of the PRC bonds may be large, and the relevant Funds may therefore incur significant trading and realisation costs and may even suffer losses when selling such investments.

To the extent that a Fund transacts in the China interbank bond market in the PRC, the Fund may also be exposed to risks associated with settlement procedures and default of counterparties. The counterparty which has entered into a transaction with the Fund may default in its obligation to settle the transaction by delivery of the relevant security or by payment for value.

The CIBM is also subject to regulatory risks. Due to irregularities in the CIBM trading activities, the China Government Securities Depository Trust & Clearing Co., Ltd (the central clearing entity) may suspend new account opening on the CIBM for specific types of products. If accounts are suspended, or cannot be opened, the relevant Funds' ability to invest in the CIBM will be limited and they may suffer substantial losses as a result.

#### **Investment in CIBM via Northbound Trading Link under Bond Connect**

Bond Connect is an initiative launched in July 2017 for mutual bond market access between Hong Kong and China ("Bond Connect") established by China Foreign Exchange Trade System & National Interbank Funding Centre ("CFETS"), China Central Depository & Clearing Co., Ltd, Shanghai Clearing House, and Hong Kong Exchanges and Clearing Limited and Central Moneymarkets Unit.

Bond Connect is governed by rules and regulations as promulgated by the Chinese authorities. Such rules and regulations may be amended from time to time and include (but are not limited to):

- (i) the "Interim Measures for the Administration of Mutual Bond Market Access between China and Hong Kong (Decree No.1 [2017])" (內地與香港債券市場互聯互通合作管理暫行辦法(中國人民銀行令[2017]第1號)) issued by the People's Bank of China ("PBOC") on 21 June 2017;
- (ii) the "Guide on Registration of Overseas Investors for Northbound Trading in Bond Connect" (中國人民銀行上海總部"債券通"北向通境外投資者准入備案業務指引) issued by the Shanghai Head Office of PBOC on 22 June 2017; and
- (iii) any other applicable regulations promulgated by the relevant authorities.

Under the prevailing regulations in China, eligible foreign investors will be allowed to invest in the bonds circulated in the CIBM through the northbound trading of Bond Connect ("Northbound Trading Link"). There will be no investment quota for Northbound Trading Link.

Under the Northbound Trading Link, eligible foreign investors are required to appoint the CFETS or other institutions recognised by the PBOC as registration agents to apply for registration with the PBOC.

Pursuant to the prevailing regulations in China, an offshore custody agent recognised by the Hong Kong Monetary Authority (currently, the Central Moneymarkets Unit) shall open omnibus nominee accounts with the onshore custody agent recognised by the PBOC (currently, the China Securities Depository & Clearing Co., Ltd and Interbank Clearing Company Limited). All bonds traded by eligible foreign investors will be registered in the name of Central Moneymarkets Unit, which will hold such bonds as a nominee owner.



Market volatility and potential lack of liquidity due to low trading volume of certain debt securities in the CIBM may result in prices of certain debt securities traded on such market fluctuating significantly. The Fund investing in such market is therefore subject to liquidity and volatility risks. The bid and offer spreads of the prices of such securities may be large, and the Fund may therefore incur significant trading and realisation costs and may even suffer losses when selling such investments.

To the extent that the Fund transacts in the CIBM, the Fund may also be exposed to risks associated with settlement procedures and default of counterparties. The counterparty which has entered into a transaction with the Fund may default in its obligation to settle the transaction by delivery of the relevant security or by payment for value.

For investments via the Bond Connect, the relevant filings, registration with PBOC and account opening have to be carried out via an onshore settlement agent, offshore custody agent, registration agent or other third parties (as the case may be). As such, the Fund is subject to the risks of default or errors on the part of such third parties.

Investing in the CIBM via Bond Connect is also subject to regulatory risks. The relevant rules and regulations on these regimes are subject to change which may have potential retrospective effect. In the event that the relevant Chinese authorities suspend account opening or trading on the CIBM, the Fund's ability to invest in the CIBM will be adversely affected. In such event, the Fund's ability to achieve its investment objective will be negatively affected.

#### **Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect**

Certain Funds may invest and have direct access to certain eligible China A-Shares via the Shanghai-Hong Kong Stock Connect and/or Shenzhen-Hong Kong Stock Connect (together referred to as "Stock Connect"), and as such may be subject to additional risks. In particular, Shareholders should note that these programmes are novel in nature and the relevant regulations are untested and subject to change. There is no certainty as to how they will be applied.

Shanghai-Hong Kong Stock Connect is a securities trading and clearing links programme developed by Hong Kong Exchanges and Clearing Limited ("HKEx"), Shanghai Stock Exchange ("SSE") and China Securities Depository and Clearing Corporation Limited ("ChinaClear"). Shenzhen-Hong Kong Stock Connect is a securities trading and clearing links programme developed by HKEx, Shenzhen Stock Exchange ("SZSE") and ChinaClear. The aim of Stock Connect is to achieve mutual stock market access between Mainland China and Hong Kong.

Stock Connect comprises two Northbound Trading Links, one between SSE and SEHK, and the other between SZSE and SEHK. Stock Connect will allow foreign investors to place orders to trade eligible China A-Shares listed on the SSE ("SSE Securities") or on the SZSE ("SZSE Securities") (the SSE Securities and SZSE Securities collectively referred to as the "Stock Connect Securities") through their Hong Kong based brokers.

The SSE Securities include all the constituent stocks from time to time of the SSE 180 Index and SSE 380 Index, and all the SSE-listed China A-Shares that are not included as constituent stocks of the relevant indices but which have corresponding H-Shares listed on SEHK, except (i) those SSE-listed shares which are not traded in Renminbi (RMB) and (ii) those SSE-listed shares which are included in the "risk alert board". The list of eligible securities may be changed subject to the review of and approval by the relevant PRC regulators from time to time.

The SZSE Securities include all the constituent stocks from time to time of the SZSE Component Index and the SZSE Small/Mid Cap Innovation Index which has a market capitalization of at least RMB 6 billion, and all the SZSE-listed China A-Shares that are not included as constituent stocks of the relevant indices but which have corresponding H-Shares listed on SEHK, except those SZSE-listed shares (i) which are not quoted and traded in Renminbi (RMB), (ii) which are included in the "risk alert board"; (iii) which have been suspended from listing by the SZSE; and (iv) which are in the pre-delisting period. The list of eligible securities may be changed subject to the review and approval by the relevant PRC regulators from time to time.

Further information about Stock Connect is available online at the website:

[http://www.hkex.com.hk/eng/market/sec\\_tradinfra/chinaconnect/chinaconnect.htm](http://www.hkex.com.hk/eng/market/sec_tradinfra/chinaconnect/chinaconnect.htm)

#### **Additional risks associated with Stock Connect:**

- *Home Market Rules*  
A fundamental principle of trading securities through Stock Connect is that the laws, rules and regulations of the home market of the applicable securities shall apply to investors in such securities. Therefore, in respect of Stock Connect Securities, Mainland China is the home market and a Fund should observe Mainland China laws, rules and regulations in respect of Stock Connect Securities trading (excluding those related to custodial arrangements entered into between the Funds and the SEHK subsidiary in Shanghai and/or Shenzhen to trade Stock Connect Securities). If such laws, rules or regulations are breached, the SSE and the SZSE, respectively have the power to carry out an investigation, and may require HKEx exchange participants to provide information about a Fund and to assist in investigations.

Nevertheless, certain Hong Kong legal and regulatory requirements will also continue to apply to the trading of Stock Connect Securities.

- *Quota limitations*  
The programmes are subject to a daily quota limitation which may restrict a Fund's ability to invest in Stock Connect Securities through the programmes on a timely basis. In particular, once the Northbound daily quota is reduced to zero or the Northbound daily quota is exceeded during the opening call session, new buy orders will be rejected (although investors will be allowed to sell their cross-boundary securities regardless of the quota balance).

- Restriction on trading days*

Stock Connect only operates on days when both the Mainland China and Hong Kong markets are open for trading and when banks in both markets are open on the corresponding settlement day. Due to the difference in trading days between the Mainland China and the Hong Kong markets, there may be occasions when it is a normal trading day for the Mainland China market but not in Hong Kong and, accordingly, the Funds cannot carry out any Stock Connect Securities trading. The Funds may therefore be subject to a risk of price fluctuations in China A-Shares during periods when Stock Connect is not operational.
- Suspension risk*

Each of the SEHK, SSE and SZSE reserves the right to suspend trading if necessary for ensuring an orderly and fair market and that risks are managed prudently. In case of a suspension, the Funds' ability to access the Mainland China market will be adversely affected.
- Beneficial ownership / Nominee arrangements*

The Stock Connect Securities purchased by a Fund will be held by the relevant sub-custodian in accounts in the Hong Kong Central Clearing and Settlement System ("CCASS") maintained by the Hong Kong Securities Clearing Company Limited ("HKSCC"), as central securities depository in Hong Kong. The HKSCC will be the "nominee holder" of the Funds' Stock Connect Securities traded through Stock Connect. The Stock Connect regulations as promulgated by the China Securities Regulatory Commission ("CSRC") expressly provide that HKSCC acts as nominee holder and that the Hong Kong and overseas investors (such as the Funds) enjoy the rights and interests with respect to the Stock Connect Securities acquired through Stock Connect in accordance with applicable laws. While the distinct concepts of nominee holder and beneficial owner are referred to under such regulations, as well as other laws and regulations in Mainland China, the application of such rules is untested, and there is no assurance that PRC courts will recognise such concepts, for instance in the liquidation proceedings of PRC companies.

Therefore, although the Funds' ownership may be ultimately recognised, it may suffer difficulties or delays in enforcing its rights over its Stock Connect Securities. To the extent that HKSCC is deemed to be performing safekeeping functions with respect to assets held through it, it should be noted that the Depository and the Funds will have no legal relationship with HKSCC and no direct legal recourse against HKSCC in the event that the Funds suffer losses resulting from the performance or insolvency of HKSCC.
- Investor compensation*

Investments of a Fund through Northbound trading under Stock Connect will not benefit from any local investor compensation schemes nor will they be covered by Hong Kong's Investor Compensation Fund.

On the other hand, since the Funds investing via Stock Connect are carrying out Northbound trading through securities brokers in Hong Kong but not PRC brokers, they are not protected by the China Securities Investor Protection Fund in the PRC.
- Risk of China Clear default / Clearing and Settlement Risks*

HKSCC and ChinaClear establish the clearing links and each is a participant of each other to facilitate clearing and settlement of cross-boundary trades. As the national central counterparty of the PRC's securities market, ChinaClear operates a comprehensive network of clearing, settlement and stock holding infrastructure. ChinaClear has established a risk management framework and measures that are approved and supervised by the CSRC. The chances of a ChinaClear default are considered to be remote.

In the event of a default by ChinaClear, HKSCC's liabilities under its market contracts with clearing participants will be limited to assisting clearing participants with claims. HKSCC has stated that it will act in good faith to seek recovery of the outstanding stocks and monies from ChinaClear through available legal channels or the liquidation of ChinaClear. As ChinaClear does not contribute to the HKSCC guarantee fund, HKSCC will not use the HKSCC guarantee fund to cover any residual loss as a result of closing out any of ChinaClear's positions. HKSCC will in turn distribute the Stock Connect Securities and/or monies recovered to clearing participants on a pro-rata basis. The relevant broker through whom a Fund trades shall in turn distribute Stock Connect Securities and/or monies to the extent recovered directly or indirectly from HKSCC. As such, a Fund may not fully recover their losses or their Stock Connect Securities and/or the process of recovery could be delayed.
- Segregation*

The securities account opened with ChinaClear in the name of HKSCC is an omnibus account, in which the Stock Connect Securities for more than one beneficial owner are commingled. The Stock Connect Securities will be segregated only in the accounts opened with HKSCC by clearing participants, and in the accounts opened with the relevant sub-custodians by their clients (including the Funds).
- Information technology risk*

The programmes require the development of new information technology systems on the part of the stock exchanges and exchange participants and may be subject to operational risk. If the relevant systems fail to function properly, trading through the programmes could be disrupted and the Funds' ability to access the China A-Share market may be adversely affected.
- The recalling of eligible stocks*

PRC regulations impose restrictions on selling and buying certain Stock Connect Securities from time to time. In addition, a Stock Connect Security may be recalled from the scope of eligible securities for trading via the

programme, which may affect the portfolio of the Funds where they hold such securities. If such recalled Stock Connect Securities are still listed on the SSE and/or SZSE, they are allowed to be sold, but not to be bought, via the programmes.

- **SSE Price Limits**  
SSE Securities are subject to a general price limit of a  $\pm 10\%$  based on the previous trading day's closing price. In addition, Stock Connect Securities which are on the risk alert board are subject to a  $\pm 5\%$  price limit based on the previous trading day's closing price. The price limit may be changed from time to time. All orders in respect of Stock Connect Securities must be within the price limit.
- **Taxation risk**  
PRC tax applicable to the programmes is currently pending formalisation and as a result the Funds are therefore subject to uncertainties in its PRC tax liabilities (see the "Taxation of Chinese Equity and Bonds" section under "Taxation").
- **Participation in corporate actions and shareholder meetings**  
Hong Kong and overseas investors (including the Fund) are holding Stock Connect Securities traded via the Stock Connect through their brokers or custodians, and they need to comply with the arrangement and deadline specified by their respective brokers or custodians (i.e. CCASS participants). The time for them to take actions for some types of corporate actions of Stock Connect Securities may be as short as one business day only. Therefore, the Fund may not be able to participate in some corporate actions in a timely manner.

According to existing mainland practice, multiple proxies are not available. Therefore, the Fund may not be able to appoint proxies to attend or participate in shareholders' meetings in respect of the Stock Connect Securities.

- **Currency Risk**  
If a Fund is not denominated in RMB (i.e. the currency in which Stock Connect Securities are traded and settled), the performance of the Fund may be affected by movements in the exchange rate between RMB and the currency of denomination of the Fund. The Fund may, but is not obliged to, seek to hedge foreign currency risks. However, even if undertaken, such hedging may be ineffective. On the other hand, failure to hedge foreign currency risks may result in the Fund suffering from exchange rate fluctuations.

#### **Risks associated with the Small and Medium Enterprise board and/or ChiNext market**

A Fund may invest in the Small and Medium Enterprise ("SME") board and/or the ChiNext market of the SZSE via the Shenzhen-Hong Kong Stock Connect. Investments in the SME board and/or ChiNext market may result in significant losses for a Fund and its investors. The following additional risks apply:

##### *Higher fluctuation on stock prices*

Listed companies on the SME board and/or ChiNext market are usually of emerging nature with smaller operating scale. Hence, they are subject to higher fluctuation in stock prices and liquidity and have higher risks and turnover ratios than companies listed on the main board of the SZSE.

##### *Over-valuation risk*

Stocks listed on the SME board and/or ChiNext may be overvalued and such exceptionally high valuation may not be sustainable. Stock prices may be more susceptible to manipulation due to fewer circulating shares.

##### *Differences in regulations*

The rules and regulations regarding companies listed on ChiNext market are less stringent in terms of profitability and share capital than those in the main board and SME board.

##### *Delisting risk*

It may be more common and faster for companies listed on the SME board and/or ChiNext to delist. This may have an adverse impact on a Fund if the companies that it invests in are delisted.

#### **Investing in Emerging Markets and Frontier Markets**

In Emerging Markets and Frontier Markets, in which some of the Funds will invest, the legal, judicial and regulatory infrastructure is still developing and there is much legal uncertainty both for local market participants and their overseas counterparts. Frontier Markets are differentiated from Emerging Markets in that Frontier Markets are considered to be somewhat less economically developed than Emerging Markets. Some markets carry significant risks for investors who should therefore ensure that, before investing, they understand the relevant risks and are satisfied that an investment is suitable.

The following statements are intended to summarise some of the risks in Emerging Markets and Frontier Markets countries, but are not exhaustive, nor do they offer advice on the suitability of investments.

##### **Political and Economic Risks**

- Economic and/or political instability could lead to legal, fiscal and regulatory changes or the reversal of legal/fiscal/regulatory/market reforms. Assets could be compulsorily acquired without adequate compensation.
- A country's external debt position could lead to the sudden imposition of taxes or exchange controls.

- High inflation can mean that businesses have difficulty obtaining working capital.
- Local management are often inexperienced in operating companies in free market conditions.
- A country may be heavily dependent on its commodity and actual resource exports and therefore be vulnerable to weaknesses in world prices for these products.

#### **Legal Environment**

- The interpretation and application of decrees and legislative acts can be often contradictory and uncertain particularly in respect of matters relating to taxation.
- Legislation could be imposed retrospectively or may be issued in the form of internal regulations which the public may not be made aware of.
- Judicial independence and political neutrality cannot be guaranteed.
- State bodies and judges may not adhere to the requirements of the law and the relevant contract.
- There is no certainty that investors will be compensated in full or in part for any damage incurred or loss suffered as a result of legislation imposed or decisions of state bodies or judges.

#### **Accounting Practices**

- The accounting and audit systems may not accord with international standards.
- Even when reports have been brought into line with international standards, they may not always contain correct information.
- Obligations of companies to publish financial information may also be limited.

#### **Shareholder Risk**

- Existing legislation may not yet be adequately developed to protect the rights of minority shareholders.
- There is generally no concept of fiduciary duty to shareholders on the part of management.
- There may be limited recourse for violation of such shareholders' rights as pertain.

#### **Market and Settlement Risks**

- The securities markets of some countries lack the liquidity, efficiency, regulatory and supervisory controls of more developed markets.
- Lack of liquidity may adversely affect the value or ease of disposal of assets.
- The share register may not be properly maintained and the ownership interests may not be, or remain, fully protected.
- Registration of securities may be subject to delay and during the period of delay it may be difficult to prove beneficial ownership of the securities.
- The provision for custody of assets may be less developed than in other more mature markets and thus provides an additional level of risk for the Funds.

#### **Price Movement and Performance**

- Factors affecting the value of securities in some markets cannot easily be determined.
- Investment in securities in some markets carries a high degree of risk and the value of such investments may decline or be reduced to zero.

#### **Currency Risk**

- Conversion into foreign currency or transfer from some markets of proceeds received from the sale of securities cannot be guaranteed.
- The value of the currency in some markets, in relation to other currencies, may decline such that the value of the investment is adversely affected.
- Exchange rate fluctuations may also occur between the trade date for a transaction and the date on which the currency is acquired to meet settlement obligations.

#### **Execution and Counterparty Risk**

- In some markets there may be no secure method of delivery against payment which would avoid exposure to counterparty risk. It may be necessary to make payment on a purchase or delivery on a sale before receipt of the securities or, as the case may be, sale proceeds.

#### **Taxation**

Investors should note in particular that the proceeds from the sale of securities in some markets or the receipt of any dividends or other income may be or may become subject to tax, levies, duties or other fees or charges imposed by the authorities in that market, including taxation levied by withholding at source. Tax law and practice in certain countries into which a Fund invests or may invest in the future (in particular Russia and other Emerging Markets) is not clearly established. Tax law and practice may equally be subject to change in developed countries, where governments implement fiscal reforms. It is possible therefore that the current interpretation of the law or understanding of practice might change, or that the law might be changed with retrospective effect. It is therefore possible that abrdn SICAV I could become subject to additional taxation in such countries that is not anticipated either at the date of the Prospectus or when investments are made, valued or disposed of.

#### **RISKS RELATING TO DEBT**

##### **Credit Risk**

Credit risk, a fundamental risk relating to all debt or debt related securities as well as Money Market Instruments, is the chance that an issuer will fail to make principal and interest payments when due.

Issuers with higher credit risk typically offer higher yields for this added risk. Conversely, issuers with lower credit risk typically offer lower yields. Generally, government securities are considered to be the safest in terms of credit risk, while corporate debt, especially those with poorer credit ratings, have the highest credit risk. Changes in the financial condition of an issuer, changes in economic and political conditions in general, or changes in economic and political conditions specific to an issuer, are all factors that may have an adverse impact on an issuer's credit quality and security values.

#### **Interest Rate Risk**

Funds that invest in debt securities or Money Market Instruments are subject to interest rate risk. The value of a debt or debt related security will generally increase when interest rates fall and decrease in value when interest rates rise. Interest rate risk is the chance that such movements in interest rates will negatively affect the value of a security or, in a Fund's case, its Net Asset Value. Securities with greater interest rate sensitivity and longer maturities tend to produce higher yields, but are subject to greater fluctuations in value. As a result, securities with a longer maturity tend to offer higher yields for this added risk. While changes in interest rates may affect a Fund's interest income, such changes may positively or negatively affect the Net Asset Value of a Fund's Shares on a daily basis.

#### **Pre-Payment Risk**

Certain debt or debt related securities, such as mortgage-backed and asset-backed securities, give an issuer the right to call its securities before their maturity date. The possibility of such prepayment risk may force the Fund to reinvest the proceeds of such investments in securities offering lower yields.

#### **Downgrading / Upgrading Risk**

The value of a bond will fall in the event of the default or reduced credit rating of the issuer, similarly an increase in credit rating can lead to capital appreciation. Generally the higher the rate of interest on any bond, the higher the perceived credit risk of the issuer.

Investment Grade bonds may be subject to the risk of being downgraded to Sub-Investment Grade bonds. Inversely, a Sub-Investment Grade Bond may be upgraded to Investment Grade Status. If an Investment Grade bond is downgraded to Sub-Investment Grade, or if a Sub-Investment Grade Bond is upgraded to Investment Grade, the relevant asset will not be sold unless, in the opinion of the Investment Manager, it is in the interest of Shareholders to do so.

Bonds which are rated below Investment Grade, have a lower credit rating or are unrated are generally considered to have a higher credit risk and a greater possibility of default than more highly rated bonds. If the issuer defaults, or such bonds or their underlying assets cannot be realised, or performed badly, investor may suffer substantial losses. In addition, the market for bonds which are rated below Investment Grade, have a lower credit rating or are unrated generally has lower liquidity and is less active than that for higher rated bonds and a Fund's ability to liquidate its holdings in response to changes in the economy or the financial markets may be further limited by such factors as adverse publicity and investor perceptions.

#### **Sub-Investment Grade**

Some Funds are permitted to invest in Sub-Investment Grade securities. Investment in such securities involves greater price volatility and risk of loss of principal and income than investment in securities of a higher investment grade quality.

#### **Unrated Securities**

Some Funds are permitted to invest in unrated securities which involve higher risks and are more sensitive to adverse changes in general economic conditions and in the industries in which the issuers are engaged and to changes in the financial conditions of the issuers of such securities. Investment in unrated securities means that the relevant Fund must rely on the Investment Manager's credit assessment of such securities and is in particular subject to a high credit risk and a high risk of default.

#### **Sovereign Debt Risk**

Certain developed and developing countries are especially large debtors to commercial banks and foreign governments. Investment in debt obligations ("Sovereign Debt") issued or guaranteed by such governments or their agencies and instrumentalities ("governmental entities") involves a higher degree of risk. The governmental entity that controls the repayment of Sovereign Debt may not be able or willing to repay the principal and/or interest when due in accordance with the terms of such debt. A governmental entity's willingness or ability to repay principal and interest due in a timely manner may be affected by, among other factors, its cash flow situation, the extent of its foreign reserves, the availability of sufficient foreign exchange on the date a payment is due, the relative size of the debt service burden to the economy as a whole, the governmental entity's policy towards the International Monetary Fund and the political constraints to which a governmental entity may be subject. Governmental entities may also be dependent on expected disbursements from foreign governments, multilateral agencies and others abroad to reduce principal and interest arrearage on their debt.

The commitment on the part of these governments, agencies and others to make such disbursements may be conditioned on a governmental entity's implementation of economic or fiscal reforms and/or economic performance and the timely service of such debtor's obligations. Failure to implement such reforms, achieve such levels of economic performance or repay principal or interest when due may result in the cancellation of such third parties' commitments to lend funds to the governmental entity, which may further impair such debtor's ability or willingness to service its debt on a timely basis. Consequently, governmental entities may default on their Sovereign Debt. Holders of Sovereign Debt, including a Fund, may be requested to participate in the rescheduling of such debt and to extend further loans to governmental entities. There is no bankruptcy proceeding by which Sovereign Debt on which a governmental entity has defaulted may be collected in whole or in part.

In light of the fiscal conditions and concerns on sovereign debt of certain European countries, a Fund with exposure to Europe may be subject to an increased amount of volatility, liquidity, price and currency risk associated with investments in Europe. The performance of the relevant Fund could deteriorate should there be any adverse credit events in the European region (e.g. downgrade of the sovereign credit rating of a European country).

Where a Fund may have investment exposure to Europe in the context of the investment objective and strategy that it is pursuing, in light of the fiscal conditions and concerns on sovereign debt of certain European countries, such Fund may be subject to a number of risks arising from a potential crisis in Europe. The risks are present both in respect of direct investment exposure (for example if the Fund holds a security issued by a sovereign issuer and that issuer suffers a downgrade or defaults) and indirect investment exposure, such as the Fund facing an increased amount of volatility, liquidity, price and currency risk associated with investments in Europe.

In a case when any country should cease using the Euro as their local currency or should a collapse of the Eurozone monetary union occur, such countries may revert back to their former (or another) currency, which may lead to additional performance, legal and operational risks to the Fund and may ultimately negatively impact the value of the Fund. The performance and value of the Fund may potentially be adversely affected by any or all of the above factors, or there may be unintended consequences in addition to the above arising from the potential European crisis that adversely affect the performance and value of the Fund.

### **ESG Investment Risk**

Applying ESG and sustainability criteria in the investment process may result in the exclusion of securities in which the Fund might otherwise invest. Such securities could be part of the benchmark against which the Fund is managed, or be within the universe of potential investments. This may have a positive or negative impact on performance and may mean that the Fund's performance profile differs to that of funds which are managed against the same benchmark or invest in a similar universe of potential investments but without applying ESG or sustainability criteria.

Furthermore, the lack of common or harmonised definitions and labels regarding ESG and sustainability criteria may result in different approaches by managers when integrating ESG and sustainability criteria into investment decisions. This means that it may be difficult to compare funds with ostensibly similar objectives and that these funds will employ different security selection and exclusion criteria. Consequently, the performance profile of otherwise similar funds may deviate more substantially than might otherwise be expected. Additionally, in the absence of common or harmonised definitions and labels, a degree of subjectivity is required and this will mean that a fund may invest in a security that another manager or an investor would not.

**abrdn SICAV I, the Management Company or the Investment Manager do not make any representation or warranty, express or implied, with respect to the fairness, correctness, accuracy, reasonableness or completeness of any ESG assessment of the underlying investments.**

## **DEALING IN SHARES OF abrdn SICAV I**

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### **MARKET TIMING AND LATE TRADING**

The Management Company applies a number of policies and procedures designed to protect the Funds from being adversely impacted by the trading strategies of investors including application of a dilution adjustment. Further information about the application of any dilution adjustment can be found in the "Swing Pricing" section below.

Where the Management Company allows a reduced front-end charge on institutional or other similar trades, the trading strategies of the registered holders are closely monitored to ensure that in the event of short-term trading policies becoming apparent, the terms of business are reviewed.

The Management Company believes that these policies provide significant protection to the Funds from short term trading.

Late trading is illegal as it violates the provisions of this Prospectus. The Board of Directors will use its reasonable endeavours to ensure that late trading cannot take place. The effectiveness of these procedures is closely monitored.

### **SUSPENSION OF DEALINGS**

The Board of Directors of abrdn SICAV I may suspend dealing in the event that a reliable price cannot be established as at the valuation point. Investors are reminded that, in certain circumstances, the issue, redemption and switching of Shares may be suspended (See Appendix C, section 10, "Suspension").

A Fund may without prior notice to Shareholders be closed to new subscriptions or switches into that Fund (but not to redemptions) if, in the opinion of the Board of Directors, this is necessary to protect the interests of the Fund and its existing Shareholders. One such circumstance would be where the Fund has reached a size such that the capacity of the market and/or the capacity of the relevant Investment Manager has been reached, and where to permit further inflows would be detrimental to the performance of the Fund.

### **SWING PRICING**

The Board of Directors current policy is to impose a swing pricing adjustment to the Net Asset Value of each Class of Shares in a given Fund in the following circumstances:

- if the net redemptions on a particular Dealing Day exceed 5% of the Net Asset Value of the Fund or any lower thresholds (i.e. from 0% up to 5%) (the "Swing Threshold") applicable to specific Funds as determined by the Board of Directors, the Net Asset Value for issues and redemptions will be adjusted downwards by the applicable swing factor (the "Swing Factor");

- if net subscriptions on a particular Dealing Day, exceed 5% of the Net Asset Value of the Fund or any lower Swing Threshold applicable to specific Funds as determined by the Board of Directors, the Net Asset Value for issues and redemptions will be adjusted upwards by the applicable Swing Factor; or
- in respect of abrdn SICAV I – Emerging Markets Bond Fixed Maturity 2023 Fund and abrdn SICAV I – Global Bond Fixed Maturity 2023 Fund, where redemptions of Shares are made before each Fund's Maturity Date as described in the respective Investment Objective and Policy the Net Asset will be adjusted downwards by the applicable Swing Factor.

If charged the swing pricing adjustment will be paid into the relevant Fund and become part of the assets of the relevant Fund.

As a result of a swing pricing adjustment, the Share price for subscription or redemption of Shares will be higher or lower than the Share price for subscription or redemption of Shares which would otherwise have been applied in the absence of a swing pricing adjustment.

The costs associated with dealing in Shares as a result of Shareholder subscriptions and redemptions may adversely impact the value of a Fund's assets. In order to (i) prevent this adverse effect, called "dilution", on existing or remaining Shareholders and therefore protect their interests, (ii) more equitably allocate the costs associated with investor trading activity to those investors transacting on the relevant trade date; (iii) reduce the impact on the Funds' performance of transactions costs and (iv) deter frequent trading activity, the Funds may apply swing pricing as part of their valuation policy.

The decision to swing the Net Asset Value is based on the overall net-flows in a Fund, and is not applied per share class. It does therefore not address the specific circumstances of each individual investor transaction.

As dilution is related to the inflows and outflows of money from the Fund it is not possible to accurately predict whether dilution will occur at any future point in time. Consequently it is also not possible to accurately predict how frequently abrdn SICAV I will need to make such dilution adjustments.

The Management Company retain the right to suspend the application of the swing pricing mechanism on a specific Dealing Day when they consider that its application is not the most appropriate approach when taking into consideration the circumstances surrounding particular investor trading activity.

The swing pricing allows for the Net Asset Value to be adjusted upwards or downwards by a Swing Factor which is not expected to be higher than 3% of the Net Asset Value of the Fund, if, on any Dealing Day, the net subscriptions or net redemptions in a Fund exceed a Swing Threshold, as set by the Board of Directors from time to time upon proposal by the Management Company and determined on the basis of elements as disclosed in the abrdn Group's swing pricing policy (e.g. the size of the relevant Fund, the type and liquidity of positions in which the Fund invests, etc.). The maximum Swing Factors noted are expected and the actual Swing Factor will reflect the costs noted below which may adversely impact the value of a Fund's assets. The Management Company may decide to increase the maximum Swing Factor beyond the maximum percentages stated above, where such increase is justified by exceptional market conditions such as volatile markets and taking into account the best interest of Shareholders. Such decisions will be communicated to Shareholders via a publication at [www.abrdn.com](http://www.abrdn.com) and notified to the CSSF.

The Swing Factor is determined on the basis of expected costs associated with the Fund's portfolio trading activity. Such costs can include, but are not limited to bid/offer spreads, broker fees, transaction charges, tax and duty charges, entry or exit fees, share class specific costs and, registration costs where appropriate, in line with the abrdn Group's swing pricing policy.

The Management Company has implemented a swing pricing policy, which has been approved by the Board of Directors as well as specific operational procedures governing the day-to-day application of the swing pricing.

The above applies to all Funds.

## PREVENTION OF MONEY LAUNDERING AND FINANCING OF TERRORISM

Pursuant to international rules and Luxembourg laws and regulations comprising, but not limited to, the law of 12 November 2004 on the fight against money laundering and financing of terrorism, as amended, the Grand Ducal Regulation dated 1 February 2010, CSSF Regulation 12-02 of 14 December 2012 and CSSF Circular 13/556 concerning the fight against money laundering and terrorist financing, and any respective amendments or replacements, obligations have been imposed on all professionals of the financial sector to prevent the use of undertakings for collective investment for money laundering and financing of terrorism purposes. As a result of such provisions, the registrar agent of a Luxembourg undertaking for collective investment must ascertain the identity of the subscriber in accordance with Luxembourg laws and regulations. The Registrar and Transfer Agent may require subscribers to provide any document it deems necessary to effect such identification. In case of appointment of distributors, the Management Company must enter into a distribution agreement with the distributor delegating the material execution of the Management Company's obligations (including but not limited to the performance of AML obligations in compliance with regulations deemed equivalent to the Luxembourg laws and regulations defined above).

In case of delay or failure by an applicant to provide the documents required or enter into the relevant contractual distribution agreement, the application for subscription will not be accepted and in case of redemption, payment of redemption proceeds delayed. Neither abrdn SICAV I nor the Registrar and Transfer Agent have any liability for delays or failure to process deals as a result of the applicant providing no or only incomplete documentation.

Shareholders may be requested to provide additional or updated identification documents from time to time pursuant to ongoing client due diligence requirements under relevant laws and regulations.

The right is reserved by abrdn SICAV I to reject any application for subscription of Shares in whole or in part. If an application is rejected, the application monies or balance thereof will be returned, once sufficient evidence of identification has been produced, at the risk of the applicant and without interest as soon as reasonably practicable, at the cost of the applicant, by bank transfer.

## DEALING TIMES

Applications for subscription and instructions for redemptions or switches must be made to the Transfer Agent and delivered to the Transfer Agent's office between 09:00 and 17:00 hours (Luxembourg time) on any Dealing Day for the Fund or Funds concerned.

With respect to any Fund, a Dealing Day is any Business Day other than, days during a period of suspension of dealing in Shares in that Fund or, days (as determined by the Board in its discretion) on which any exchange or market on which a substantial portion of the relevant Fund's portfolio is traded, is closed. The Business Days which are not Dealing Days will be available at the registered office of abrdn SICAV I and at [www.abrdn.com](http://www.abrdn.com).

A Business Day is a day on which banks in Luxembourg are open for business (24 December is not a Business Day).

## SUBSCRIPTION FOR SHARES

### Application for Shares

The Funds are valued at 13:00 hours Luxembourg time on each Dealing Day, with the exception of abrdn SICAV I –Emerging Markets Infrastructure Equity Fund and abrdn SICAV I – Latin American Equity Fund which are valued at 23:59 hours Luxembourg time on each Dealing Day.

Investors may apply for either a specific number of Shares or Shares of a specified value (other than in relation to an application for Shares in abrdn SICAV I – Short Dated Enhanced Income Fund, where investors must apply for Shares of a specified value only) on any Dealing Day. Applications received by the Transfer Agent up to 13:00 hours Luxembourg time on any Dealing Day will be executed at the relevant Share Price(s) calculated on that Dealing Day for the Fund or Funds concerned. If received after 13:00 hours Luxembourg time, the application will be treated as having been received on the next following Dealing Day and will be executed at the Share Price(s) calculated on such following Dealing Day.

The following information is for your guidance in submitting applications and remitting payment for Shares. If you are in any doubt about what to do, please contact the Transfer Agent at the following address:

**abrdn Investments Luxembourg S.A.**  
**c/o International Financial Data Services (Luxembourg) S.A. 47, avenue John F. Kennedy**  
**L-1855 Luxembourg, Grand Duchy of Luxembourg**  
**Tel: (352) 46 40 10 820**  
**Fax: (352) 24 52 90 56**

Applications to subscribe for Shares should be made either directly to the Transfer Agent in Luxembourg or through one of abrdn SICAV I's paying agents to be forwarded to abrdn SICAV I.

Subscriptions should be made by using abrdn SICAV I's Application Form or, in the case of subsequent subscriptions, at the discretion of abrdn SICAV I, by letter, fax or such other means as agreed, containing all the information detailed below. Failure to include all requisite information will cause delay in acceptance and allotment of Shares.

Completed applications should be sent to the Transfer Agent together with the relevant documents required to verify the identity of the investor.

Applications for subsequent subscriptions which are not made on the Application Form or "Top-up" application form MUST include the following:

1. The full name(s), address of the applicant(s) and email address (for those Shareholders having accepted notifications by email as form of notice), the address for correspondence (if different) and details of the agent/authorised financial intermediary (if any). Please note that initials are not acceptable as confirmation of applicants' names;
2. Full registration details of all applicants including family name, forename(s), date of birth, address, nationality, occupation and telephone number, country of tax residence and tax identification number for no more than four joint applicants;
3. The full name of the Fund and the Class of Shares being applied for;
4. The currency amount to be invested or the number of Shares applied for\*;
5. How and, in which currency and, for what value date payment will be made;
6. Acknowledgement of receipt of this Prospectus and that the application is made on the basis of the information contained in this Prospectus and the Articles of Incorporation of abrdn SICAV I and agreement to abide by the terms and conditions therein;
7. Declaration that the Shares are not being acquired either directly or indirectly by or on behalf of any U.S. Person (as defined in this Prospectus) or by any other person restricted by the law of any relevant jurisdiction from acquiring the Shares and



that the applicant will not sell, transfer or otherwise dispose of any such Shares, directly or indirectly, to or for the account of any U.S. Person or in the United States;

8. In the case of Institutional Investors, a signed declaration that they qualify as such;
9. If the applicant does not wish for dividends to be reinvested, that fact and bank details and currency requirements if the applicant wishes for dividend payments to be made, at the expense of the applicant, by electronic transfer and/or in a currency other than the Base Currency of the relevant Fund;
10. The applicant must provide the Transfer Agent with all necessary information which the Transfer Agent may reasonably require to verify the identity of the applicant. Failure to do so may result in abrdn SICAV I refusing to accept the subscription for Shares in the Fund. Applicants must indicate whether they invest on their own account or on behalf of a third party. Except for companies who are regulated professionals of the financial sector, bound in their country by rules on the prevention of money laundering and terrorism financing enforcing equivalent obligations to those applicable in Luxembourg, any applicant applying is obliged to submit to the Transfer Agent in Luxembourg all necessary information required under the applicable money-laundering regulations which the Transfer Agent may reasonably require to verify the identity of the applicant and in the case of it acting on behalf a third party, of the beneficial owner(s). Furthermore any such applicant hereby undertakes that it will notify the Transfer Agent prior to the occurrence of any change in the identity of any such beneficial owner;
11. For those applicants who are resident in an EU/EEA State or Switzerland, a declaration that they have received and read the current relevant PRIIPS KID for each Share Class in which they are investing.

abrdn SICAV I reserves the right to direct the Transfer Agent to reject any application for subscription of Shares in whole or in part, for any reason. If an application is rejected, the Transfer Agent will, at the applicant's risk, once sufficient evidence of identification has been produced, normally return the Gross Investment Amount or the balance thereof within five Business Days of rejection by bank transfer at cost to the applicant.

\* Applications for Shares in abrdn SICAV I – Short Dated Enhanced Income Fund should state the currency amount to be invested, as applications for a specific number of Shares are not permitted in this Fund.

## **CONFIDENTIALITY AND DATA PROTECTION**

abrdn SICAV I and the Management Company, collect, store on computer systems and process, by electronic or other means, information in relation to the Investors and their representative(s) (such as legal representatives and authorised signatories), employees, directors, officers trustees, settlors, their shareholders/unitholders, nominees and/or beneficial owner(s) (as applicable) (i.e. the "Data Subjects") which may qualify as personal data as defined by applicable data protection law (the "Personal Data") in connection with an application to subscribe for Shares, or in the course of their investment in abrdn SICAV I. Personal Data including in particular details of the Investors' shareholding, will be stored in digital form and processed in compliance with applicable laws and regulations.

Personal Data provided or collected in connection with an investment in abrdn SICAV I may be processed by abrdn SICAV I and the Management Company, as joint data controllers (i.e. the "Controllers") and disclosed to, and processed by, the Investment Managers, the Sub-Investment Managers or any other company within the abrdn Group, SS&C Financial Services Europe Limited, SS&C Financial Services International Limited, the Depositary, the Administrator, any distributor or sub-distributor, the Paying Agent, the Auditor, legal and financial advisers and other service providers of abrdn SICAV I (including its administrative support and information technology providers) and, any of the foregoing respective agents, delegates, affiliates, subcontractors and/or their successors and assigns (i.e. the "Processors"). The Processors may act as data processors on behalf of the Controllers or, in certain circumstances, as data controllers, in particular for compliance with their legal obligations in accordance with applicable laws and regulations (such as anti-money laundering identification) and/or order of competent jurisdiction, government, supervisory or regulatory body, including tax authority.

Controllers and Processors shall process Personal Data in accordance with the Regulation (EU) 2016/679 of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (the "General Data Protection Regulation" or "GDPR"), as well as any applicable law or regulation relating to the protection of personal data (together the "Data Protection Law").

Further (updated) information relating to the processing of Personal Data of Data Subjects may be provided or made available, on an ongoing basis, through various channels, including electronic communication means, such as email, websites, portals or platforms, as deemed appropriate to allow the Controllers and/or Processors to comply with their obligations of information according to Data Protection Law.

Personal Data may include, without limitation, the name, address, telephone number, business contact information, employment and job history, financial and credit history information, current and historic investments, investment preferences and invested amount of Data Subjects and any other information that is necessary to the Controllers and Processors for the purposes described below. Personal Data is collected directly from Data Subjects or may be collected through publicly accessible sources, subscription services, or other third party data sources.

Personal Data will be processed by the Controllers and the Processors for the following purposes: (i) to offer investment in Shares and to perform the related services as contemplated in this Prospectus and the Application Form such as but not limited to the opening of Shareholder accounts, the management and administration of Shares, including the processing of subscriptions and

redemptions or transfer of Shares, maintaining a customer relationship data base, payments to Shareholders, updating and maintaining records and fee calculation, maintaining the register of Shareholders, Shareholder communications, (ii) to offer other related services resulting from any agreement entered into between Controllers and a service provider that is communicated or made available to the Investors (together referred to as the "Investment Services").

As part of the Investment Services, Personal Data may also be processed for the purpose of direct marketing activities (by electronic communications means such as email, SMS or internet, or otherwise, including post), notably to provide Data Subjects with general or personalised information about investment opportunities, products and services proposed by or on behalf of abrdn SICAV I, its service providers, delegates and business partners. The legal basis for the processing of Personal Data in the context of such marketing activities will be either the legitimate interest of abrdn SICAV I or, if required by law, consent of the Data Subjects.

Personal Data will also be processed by the Controllers and Processors to pursue their own legitimate business interests or to comply with applicable legal and regulatory obligations or to carry out any other form of cooperation with, or reporting to, public authorities. This includes, but is not limited to, legal obligations under applicable fund and company law (such as maintaining the register of shareholders and recording orders), prevention of terrorism law, anti-money laundering law and counter terrorist financing (AML-CTF) (such as carrying out customer due diligence including notably screening against official sanctions lists), prevention and detection of crime, and tax law (such as reporting under the FATCA Law and the CRS Law (as defined in the section "Taxation"). It also includes any other tax identification legislation to prevent tax evasion and fraud as applicable, and to prevent fraud, bribery, corruption and the provision of financial and other services to persons subject to economic or trade sanctions on an on-going basis in accordance with the AML-CTF procedures of the Controllers and Processors, as well as to retain AML-CTF and other records of the Data Subjects for the purpose of screening by the Controllers and Processors (the "Compliance Obligations").

Controllers and Processors will collect, use, store, retain, transfer and/or otherwise process Personal Data: (i) as a result of the subscription of Shareholders to the Application Form where necessary to perform the Investment Services or to take steps at the request of Shareholders prior to such subscription, including as a result of the holding of Shares in general and/or; (ii) where necessary to comply with a legal or regulatory obligation of Controllers or Processors and/or; (iii) where necessary for the performance of a task carried out in the public interest and/or (iv) in the event the Application Form is not entered into directly by the concerned Data Subject, Personal Data may be processed for the purposes of the legitimate interests pursued by Controllers or by Processors, which mainly consist in the performance of the Investment Services, or direct or indirect marketing activities, or compliance with the Compliance Obligations regulations and/or any order of a foreign court, government, supervisory, regulatory or tax authority, including when providing such Investment Services to any beneficial owner and any person holding Shares directly or indirectly in abrdn SICAV I and/or (v) where applicable under certain specific circumstances, on the basis of Shareholders' consent (which may be withdrawn at any time without affecting the lawfulness of processing based on such consent before its withdrawal).

Personal Data may be disclosed to and/or transferred to and otherwise accessed or processed by Processors and/or target entities and/or other funds or related entities (including without limitation their respective general partner or management company/investment manager and service providers) in or through which abrdn SICAV I intends to invest, as well as any court, governmental or regulatory bodies including tax authorities in Luxembourg or in various jurisdictions, in particular those jurisdictions where (i) abrdn SICAV I is or is seeking to be registered for public or limited offering of its Shares, (ii) Shareholders are resident, domiciled or citizens or (iii) abrdn SICAV I is, or is seeking to, be registered, licensed or authorised to invest for carrying out the Investment Services and to comply with the Compliance Obligations (the "Authorised Recipients").

Controllers undertake not to transfer Personal Data to any third parties other than the Authorised Recipients, except as disclosed to Shareholders from time to time or if required or permitted by applicable laws and regulations, including Data Protection Law, or by any order from a court, governmental, supervisory or regulatory body, including tax authorities.

By subscribing or purchasing Shares of abrdn SICAV I, investors acknowledge and accept that Personal Data will be processed for the purpose of the Investment Services and Compliance Obligations described above and in particular, that the disclosure and the transfer of their Personal Data may take place to the Authorised Recipients, including the Processors, which are located in countries outside of the European Union (including but not limited to the United States, Hong Kong and India), which are not subject to an adequacy decision of the European Commission and whose legislation does not ensure an adequate level of protection as regards the processing of personal data.

Controllers will transfer Personal Data to the Authorised Recipients (i) on the basis of an adequacy decision of the European Commission with respect to the protection of personal data or, (ii) on the basis of appropriate safeguards according to Data Protection Law, such as standard contractual clauses, binding corporate rules, an approved code of conduct, or an approved certification mechanism or, (iii) in the event it is required by any judgment of a court or tribunal or any decision of an administrative authority, on the basis of an international agreement entered into between the European Union or a concerned Member State and other jurisdictions worldwide or, (iv) where applicable under certain specific circumstances, on the basis of the Shareholder's explicit consent or, (v) where necessary for the performance of the Investment Services or for the implementation of pre-contractual measures taken at the Shareholders' request or, (vi) where necessary for the Processors to perform their services rendered in connection with the Investment Services which are in the interest of the Data Subjects or, (vii) where necessary for important reasons of public interest or, (viii) where necessary for the establishment, exercise or defence of legal claims or, (ix) where the transfer is made from a register, which is legally intended to provide information to the public or, (x) where necessary for the purposes of compelling legitimate interests pursued by the Controllers or the Processors, to the extent permitted by Data Protection Law.

In the event the processing of Personal Data or transfer of Personal Data outside of the European Union take place on the basis of the consent of the Shareholders, Data Subjects are entitled to withdraw their consent at any time without prejudice to the

lawfulness of the processing and/or data transfers carried out before the withdrawal of such consent. In case of withdrawal of consent, Controllers will accordingly cease such processing or transfers. Any change to, or withdrawal of, Data Subjects' consent can be communicated in writing to the Management Company at its registered office to the attention of the Data Protection Officer at the addresses indicated below.

Insofar as Personal Data is not provided by the Data Subjects themselves (including where Personal Data provided includes Personal Data concerning other Data Subjects), investors represent that they have authority to provide Personal Data of other Data Subjects and will remain responsible if they do so. If Shareholders are not natural persons, they confirm that they have undertaken to (i) inform any Data Subject about the processing of their Personal Data and their related rights (as well as how to exercise them) as described in this Prospectus, in accordance with the information requirements under the Data Protection Law and (ii) where necessary and appropriate, obtained in advance any consent that may be required for the processing of Personal Data as described in this Prospectus in accordance with the requirement of Data Protection Law. Any such consent will be documented in writing.

Measures are taken to ensure confidentiality and security of the Personal Data. In particular, where the same level of confidentiality and data protection in relation to personal data as is currently in force in Luxembourg may not be guaranteed as the Personal Data is transferred electronically and made available or kept outside of Luxembourg, abrdn SICAV I and/or the Management Company, so far as is possible, seek to ensure that the agents, delegates and sub-delegates, who may or not be part of the abrdn Group, maintain appropriate data protection and confidentiality standards. Applicants acknowledge and agree that the abrdn Group companies limit their liability to the maximum extent permitted under applicable law in respect of Personal Data being obtained by unauthorised third parties.

It is mandatory to answer questions and requests with respect to Data Subjects' identification and Shares held in abrdn SICAV I and, as applicable, FATCA and/or CRS. Investors acknowledge and accept that failure to provide relevant personal data requested by the Management Company and/or the Administrator in the course of their relationship with abrdn SICAV I may result in incorrect or double reporting; may prevent investors from maintaining their Shares in abrdn SICAV I; and may be reported to the relevant Luxembourg authorities.

Investors acknowledge that abrdn SICAV I, the Management Company and/or the Administrator may be obliged to collect and report any relevant information in relation to investors and their investments in abrdn SICAV I (including but not limited to name and address, date of birth and U.S. tax identification number (TIN), account number, balance on account) to the Luxembourg tax authorities (*Administration des contributions directes*) which will exchange this information on an automatic basis with the competent authorities in the United States or other permitted jurisdictions (including the U.S. Internal Revenue Service (IRS) or other US competent authority and foreign tax authorities located outside the European Economic Area) only for the purposes provided for in the FATCA, and CRS, at OECD and EU levels or equivalent Luxembourg legislation.

Data Subjects may request, in the manner and subject to the limitations prescribed in accordance with Data Protection Law, (i) access to and rectification or deletion of, any incorrect Personal Data concerning themselves, (ii) a restriction or objection of processing of Personal Data concerning themselves and, (iii) to receive Personal Data concerning themselves in a structured, commonly used and machine readable format or to transmit those Personal Data to another controller and, (iv) to obtain a copy of, or access to, the appropriate or suitable safeguards, such as standard contractual clauses, binding corporate rules, an approved code of conduct, or an approved certification mechanism, which have been implemented for transferring the Personal Data outside of the European Union. In particular, Data Subjects may at any time object, on request, to the processing of Personal Data concerning themselves for marketing purposes or for any other processing carried out on the basis of the legitimate interests of Controllers or Processors. Each Data Subject should address such requests to the Management Company to the attention of the Data Protection Officer. For any additional information related to the processing of their Personal Data, Data Subjects can contact the Data Protection Officer of Controllers via post mail at 35a, avenue John F. Kennedy, L-1855 Luxembourg or via email at [ASI.DP.office@abrdn.com](mailto:ASI.DP.office@abrdn.com).

Investors are entitled to address any claim relating to the processing of their Personal Data carried out by Controllers in relation with the Investment Services or compliance with the Compliance Obligations by lodging a complaint with the relevant data protection supervisory authority (i.e. in Luxembourg, the *Commission Nationale pour la Protection des Données* – [www.cnpd.lu](http://www.cnpd.lu)).

Personal Data of Data Subjects will be retained by the Controllers until Shareholders cease to have Shares in abrdn SICAV I and a subsequent period of 10 years thereafter where necessary to comply with applicable laws and regulations or to establish, exercise or defend actual or potential legal claims, subject to the applicable statutes of limitation, unless a longer or shorter period is required by applicable laws and regulations. In any case, Personal Data shall not be held for longer than necessary with regard to the purpose of the data processing (Investment Services and Compliance Obligations), subject always to applicable legal minimum retention periods.

#### **Minimum Gross Investment Amounts**

For Class A, Class BA, Class BB, Class C, Class F, Class S, Class W and Class X Shares, the minimum Gross Investment Amount for any initial or subsequent investment in a Fund is US\$1,000 or currency equivalent.

For Class E Shares, the minimum Gross Investment Amount for any initial investment in a Fund is US\$500,000 or currency equivalent and the subsequent investment is US\$10,000 or currency equivalent.

For Class G, Class I Shares, Class N and Class Z Shares, the minimum Gross Investment Amount for any initial investment in a Fund is US\$1,000,000 or currency equivalent and the subsequent investment is US\$10,000 or currency equivalent.

For Class J and Class K Shares, the minimum Gross Investment Amount for any initial investment in a Fund is US\$500,000,000 or currency equivalent and the subsequent investment is US\$10,000 or currency equivalent.

For Class L Shares, the minimum Gross Investment Amount for any initial investment in a Fund is US\$50,000,000 or currency equivalent and the subsequent investment is US\$10,000 or currency equivalent.

The minimum holding for Class A, Class BA, Class BB, Class B, Class C, Class F, Class S, Class W and Class X Shares is US\$500 or currency equivalent.

The minimum holding for Class E Shares is US\$500,000 or currency equivalent.

The minimum holding for Class G, Class I, Class N and Class Z Shares is US\$500,000 or currency equivalent.

The minimum holding for Class J Shares is US\$250,000,000 or currency equivalent.

The minimum holding for Class K Shares is US\$500,000,000 or currency equivalent.

The minimum holding for Class L Shares is US\$25,000,000 or currency equivalent.

These minima may be waived at the discretion of the Management Company.

#### **Allotment/Settlement Period**

Shares are provisionally allotted at the Share Price calculated on the date an application is accepted. Cleared monies should be received by the Transfer Agent no later than three Business Days (excluding any non-Dealing Days) after the application is accepted and Shares are allotted, except as noted below.

In respect of the abrdn SICAV I – China A Share Sustainable Equity Fund and abrdn SICAV I – China Next Generation Fund, the relevant period is two Business Days.

In respect of the abrdn SICAV I – Short Dated Enhanced Income Fund, the relevant period is one Business Day.

In respect of certain Class Z Shares which may be launched after the date of this Prospectus, the relevant period is two or four Business Days and they will be denoted by adding “2” or “4”, respectively, next to the Class (e.g. Z2 Acc Hedged USD).

The relevant Shares will be issued upon receipt of cleared monies.

#### **Non-receipt of Cleared Monies**

If monies are not received as described above, then abrdn SICAV I reserves the right to cancel any allotment of the relevant Shares without prejudice to the right of abrdn SICAV I to obtain compensation for any loss directly or indirectly resulting from the failure of an applicant to effect settlement, including in respect of overdraft charges and interest incurred.

If an allotment is cancelled and cleared monies are subsequently received, abrdn SICAV I may issue Shares on the date cleared monies are received, at that day's Share Price but subject to any applicable charges.

#### **Methods of Payment**

Payment of the total amount due should be made in the currency of denomination of the relevant Share Class (this being the relevant Fund's Base Currency (and not BRL) in case of Hedged BRL Share Classes). Other than in relation to a subscription for Shares in abrdn SICAV I – Short Dated Enhanced Income Fund, payment for Shares can be made in Australian Dollars, Euro, Czech Koruna, Hungarian Forint, Hong Kong Dollars, Japanese Yen, Sterling, Swiss Franc, US Dollars, Singapore Dollars or in any other currency as agreed with the Transfer Agent from time to time. However, if the currency of investment is different to the currency denomination of the relevant Share Class the necessary foreign exchange transaction will be arranged on behalf of, and at the expense of, the applicant. Normal banking charges will be included in the foreign exchange rate given and will be charged to the investor. Applicants must state on their Application Form if they wish to make payment in a currency other than the currency of denomination of the relevant Share Class. Payment for Shares in abrdn SICAV I – Short Dated Enhanced Income Fund must be made in the currency of denomination of the relevant Share Class. Certain intermediaries may offer their own foreign exchange services. In these cases, the services will be described in the application forms used by those intermediaries.

Investors are reminded that if they make payment to anyone other than abrdn SICAV I, they should satisfy themselves that such persons are authorised to receive such payments. Certain intermediaries may have specific arrangements with abrdn SICAV I for the payment of investment monies. In these cases the arrangements will be described in the Application Forms used by those intermediaries. In the absence of such arrangements, no payments should be made to the intermediary. Any queries should be addressed to the Transfer Agent. The Transfer Agent and abrdn SICAV I cannot accept liability for any payments made to unauthorised persons. In the absence of such arrangements no investment monies should be paid to an intermediary.

Payment should be made by bank transfer net of all bank charges (i.e. at the investors' expense) from a bank account in the name(s) of the investor(s). A copy of the bank transfer form (stamped by the bank) should be attached to the Application Form in order to avoid delays. Cash, cheques or traveller's cheques will not be accepted.

All such remittances should be made payable to abrdn SICAV I.

Shares are not available to be redeemed or switched until the Business Day after the relevant settlement period or the actual settlement date of the subscription or switch, whichever is later.

### **Shares held in Euroclear or Clearstream**

Any transaction in Shares held by an investor in an account with Euroclear or Clearstream must be notified immediately to the Registrar and Transfer Agent. The Transfer Agent has the right to refuse any such transaction where the investor does not hold sufficient Shares in their account with Clearstream or Euroclear.

### **REDEMPTION OF SHARES**

Investors may redeem either a specific number of Shares or Shares of a specified value on any Dealing Day. Any redemption requests received by the Transfer Agent before 13:00 hours Luxembourg time on a Dealing Day will be redeemed at the Share Price for the relevant Fund calculated on that Dealing Day, subject to any applicable charges. Any redemption requests received at or after 13:00 hours Luxembourg time will be redeemed on the next Dealing Day for that Fund.

If a redemption request would result in a Shareholder's investment in any one Fund or Class being less than the required minimum holding, abrdn SICAV I reserves the right to redeem the full Shareholding in that Fund (or Class) and pay the proceeds to the Shareholder. Shares are cancelled when redeemed.

The price at which Shares are redeemed may be higher or lower than the price at which Shares were purchased, depending on the value of the underlying assets.

Redemption requests may only be withdrawn during a period for which redemption rights have been suspended or deferred by abrdn SICAV I.

Redemption requests can be made by letter, fax or such other means as agreed. Redemption requests must state the full name(s) and address of the Shareholders, the name of the Fund, the Class, the number or value of Shares in each Fund to be redeemed and full settlement instructions. Such requests must be signed by all Shareholders. The Transfer Agent reserves the right to require the Shareholder's signature on a redemption request to be verified in a manner acceptable to the Transfer Agent. Confirmation of the redemption will be sent to the Shareholder on completion of the transaction.

The Transfer Agent may from time to time make arrangements to allow Shares to be redeemed electronically or through other communication media. Certain Institutional Investors may communicate electronically as agreed with the Transfer Agent. For further details and conditions Shareholders should contact the Transfer Agent.

Shares are not available to be redeemed or switched until the Business Day after the relevant settlement period or the actual settlement date of the subscription or switch, whichever is later.

### **Redemption Proceeds**

Except as otherwise stated, payments to Shareholders are normally made to the bank account in the name of the Shareholders in Australian Dollars, Euro, Czech Koruna, Hungarian Forint, Hong Kong Dollars, Japanese Yen, Sterling, Swiss Francs, US Dollars, Singapore Dollars or in any other currency as agreed with the Transfer Agent from time to time (as indicated at the time of the original application) or, if no indication was given, in the currency of denomination of the relevant Share Class of the Fund(s) concerned (this being the relevant Fund's Base Currency (and not BRL) in case of Hedged BRL Share Classes) at the expense and risk of the Shareholder. Payments to Shareholders in respect of a redemption of Shares in abrdn SICAV I – Short Dated Enhanced Income Fund shall be made to the bank account in the name of the relevant Shareholder in the currency of denomination of the relevant Share Class of abrdn SICAV I – Short Dated Enhanced Income Fund at the expense and risk of the Shareholder. No third party payments can be made. Redemption proceeds, less any applicable charges, which may include normal banking charges included in any foreign exchange rate given, will be paid in accordance with the Shareholder's instructions given on application for the relevant Shares unless otherwise amended or requested in writing.

Proceeds of redemption will normally be paid at Shareholders' expense by bank transfer into the Shareholders' nominated bank account on the third Business Day following the date on which the applicable Share Price was determined, except as noted below.

In respect of the abrdn SICAV I – Short Dated Enhanced Income Fund, the relevant period is one Business Day.

In respect of certain Class Z Shares which may be launched after the date of this Prospectus, the relevant period is two or four Business Days and they will be denoted by adding "2" or "4", respectively, next to the Class (e.g. Z2 Acc Hedged USD).

If, in exceptional circumstances, the liquidity of the relevant Fund is insufficient to enable redemption proceeds to be paid within these periods, or if there are other reasons, such as exchange controls or other regulations which delay payment, payment will be made as soon as reasonably practicable thereafter, but without interest. Payments by telegraphic transfer will normally be made at the expense of the Shareholder. All payments are made at the Shareholder's risk.

### **EXCHANGE (OR SWITCHING) OF SHARES**

**The below general information should be read together with the specific requirements or restrictions applicable to certain Funds or Classes of Shares which are outlined further down in this section. Exchange requests received that are not in accordance with the provisions contained herein will be returned to the investor.**

- Shares in one Fund may be exchanged into Shares of a different Class in the same Fund or of the same or a different Class in another Fund on any Dealing Day with respect to the two Funds involved in the transaction and subject to the qualifications to access a specific Class of Share or Fund being met. Investors are invited to refer to the Share Class Definitions and the Minimum Gross Investment Amounts contained in this Prospectus.
- Investors may exchange between accumulation and income Shares within the same or another Class.

- Investors may exchange either a specific number of Shares or Shares of a specified value.
- Any request for an exchange that is received by the Transfer Agent before 13:00 hours Luxembourg time on a Dealing Day will be redeemed at the Share Price for the relevant Fund calculated on that Dealing Day, subject to any applicable charges. Any request for an exchange received after this time will be redeemed on the next Dealing Day. Requests received on a non-Dealing Day for either Fund will be processed on the next Dealing Day when both Funds are open.
- If a request to exchange Shares would result in a Shareholder owning less than the minimum holding in any one Class of Shares, abrdn SICAV I reserves the right to exchange the full shareholding in that Class. Exchanging or switching constitutes a redemption of Shares in one Fund and the issuance of new Shares in another Fund in their place, based upon the formula described in Section 4 of Appendix B and subject to any charges applicable to redemption and subscription of Shares.
- Instructions to exchange may be given by fax, letter or such other means as agreed. Exchange instructions should include full details of registration, the number or value and Class of Shares in each Fund to be exchanged.
- For those applicants who are resident in an EU/EEA State or Switzerland, exchange instructions must include a declaration that they have received and read the current relevant PRIIPS KID for each Share Class to which they are switching.
- Shares are not available to be redeemed or switched until the Business Day after the relevant settlement period or the actual settlement date of subscription or switch, whichever is later.
- Confirmation of the exchange will be sent to the Shareholder on completion of the transaction.

**Exchange requests applicable to certain Classes of Shares are subject to the below restrictions:**

- Holders of Class BA and Class BB Shares may only exchange their Shares for Class BA and Class BB Shares, respectively, in another Fund or into Class A and Class X Shares in the same or another Fund.
- Shareholders of Class B of all Funds (except the abrdn SICAV I – Frontier Markets Bond Fund) may only exchange into Class B Shares in another Fund. Shareholders of other Class of Shares may not exchange into Class B Shares of the same or another Fund given that Class B Shares are closed to new business. **Shareholders of Class B in abrdn SICAV I – Frontier Markets Bond Fund may not exchange their Shares for any Class of Share within the same or another Fund.**
- Shareholders of Class C and Class W may only exchange into Class C and Class W Shares, respectively, in another Fund or into Class W or Class A Shares in the same or another Fund.
- Shareholders of Z2 and Z4 Classes of Shares may only exchange their Shares for the same Class of Share in the same or another Fund.
- **abrdn SICAV I may limit the total number of Shares of any Hedged Share Class which may be switched on any Dealing Day to a value representing 10% of the net assets of that Share Class. abrdn SICAV I reserves the right to pro-rata all such switch requests to the stated level (i.e. 10% of the Share Classes' value) and defer the remainder until the next Dealing Day. abrdn SICAV I will ensure that all deals relating to an earlier Dealing Day are completed before those relating to a later Dealing Day are considered.**

**Exchange requests applicable to abrdn SICAV I – Emerging Markets Infrastructure Equity Fund and abrdn SICAV I – Latin American Equity Fund are subject to the below restrictions:**

- Investors may not exchange their Shares for Shares of the same or another Class in any Fund other than these two Funds.
- Similarly, Shareholders of any other Fund may not exchange their Shares for any Class of Share in these two Funds.

**No exchange (or switch) is permitted within, into or out of abrdn SICAV I - Emerging Markets Bond Fixed Maturity 2023 Fund, abrdn SICAV I – Global Bond Fixed Maturity 2023 Fund, abrdn SICAV I – China A Share Sustainable Equity Fund abrdn SICAV I – China Next Generation Fund, and abrdn SICAV I – Short Dated Enhanced Income Fund.**

## CHARGES AND EXPENSES

### SALES CHARGES

Type of Charge	Classes A, S, E	Classes BA, I, J, K, L, N, W, X	Class BB	Class F	Classes G, Z	Class C
Initial Sales Charge (Max.) % Gross Investment Amount	5	0	2	5	0	0
Capacity Management Charge* (Max.) % Gross Investment Amount	5	5	5	0	0	5
Contingent Deferred Sales Charge % NAV	-	-	-	-	-	1

\* If applicable, it will be applied prior to any Initial Sales Charge. In all cases, the Initial Sales Charge and the Capacity Management Charge are not cumulative such that, when combined, they will never exceed the highest amount of either charge.

#### Initial Sales Charge

It shall be collected by the Management Company or by the relevant agent/authorised financial intermediary when investors choose not to invest in the Funds directly.

The Management Company may apply or lift a waiver (whether partial or total) or rebate it (whether totally or partially) by way of a commission or discount to certain individuals or institutions, both in accordance with applicable laws and regulations.

#### Capacity Management Charge

This mandatory charge is levied by the Board of Directors and shall be collected for the benefit of the relevant Fund and is not payable to the Management Company or rebated to any persons by way of a commission or discount.

#### Contingent Deferred Sales Charge

Class C Shares will be subject to a Contingent Deferred Sales Charge of 1.00% of the Share Price of the Shares being redeemed, if the Shareholder redeems his Shares within one year of purchase.

The Contingent Deferred Sales Charge will be calculated as a percentage of the lesser of the relevant Share Price of the Shares on the date of redemption or the date of issue, exclusive of reinvestments.

In determining whether a Contingent Deferred Sales Charge is applicable to the proceeds of a redemption, the calculation will be made in the manner which results in the lowest possible charge. Thus, it will be assumed that the Class C Shares first being redeemed are those Shares held by the Shareholder which are not subject to a Contingent Deferred Sales Charge then, after that, those which have been held by the Shareholder for the longest period of time.

Investors should refer to [www.abrdn.com](http://www.abrdn.com) for up to date information on the actual sales charges applicable at any time.

### REDEMPTION CHARGES

As at the date of this Prospectus, there are no redemption charges applicable to any Class of Shares.

### ANNUAL CHARGES

#### Investment Management Fees

The Investment Managers receive fees for the provision and co-ordination of investment services to abrdn SICAV I (the "**Investment Management Fee**"), which shall not exceed 3% of the Net Asset Value of each Fund. The fees are calculated as a percentage of the Net Asset Value of each Fund as set out in the table below as a percentage.

For the purpose of the calculation, the value of each Fund (and the value attributable to each Share Class) is taken as at the Net Asset Value per Share on the previous Dealing Day, taking into account any subscriptions and/or redemptions on that day.

These fees are accrued daily and are paid monthly in arrears to the Investment Managers. abrdn Investments Limited pays the fees of the Sub-Investment Managers. For certain Classes of Shares, the Investment Managers reserve the right, at their discretion, to reallocate any Investment Management Fee they receive to certain recognised financial intermediaries or institutions in compliance with applicable laws and regulations.

At least three (3) months' prior notice, or such lesser period as permitted or provided under applicable laws and regulatory requirements, will be given to all Shareholders in respect of any increase of the maximum amount of the Investment Management Fee.

The maximum Investment Management Fee for each Share Class is set out in the table below:



Fund Name	Class A, Class B, Class C, Class F, and Class W Shares	Class BA and Class BB	Class E	Class G, Class I <sup>1</sup> and Class N <sup>1</sup> Shares	Class J	Class K	Class L	Class X Shares	Class S Shares	Class Z Shares
abrdn SICAV I – abrdn - CCBI Belt & Road Bond Fund	1.20	-	-	0.60	-	0.30	-	0.60	-	0.00
abrdn SICAV I – Asia Pacific Sustainable Equity Fund	1.75	-	-	1.00	-	-	-	1.00	1.92	0.00
abrdn SICAV I – Asia Pacific Multi Asset Fund	1.30	-	-	0.65	-	-	-	0.65	-	0.00
abrdn SICAV I – Asian Bond Fund	1.10	-	-	0.55	-	-	-	0.55	-	0.00
abrdn SICAV I – Asian Credit Sustainable Bond Fund	1.20	-	-	0.60	-	0.25	-	0.60	-	0.00
abrdn SICAV I – Asian High Yield Sustainable Bond Fund	1.10	-	-	0.55	0.25	0.25	-	0.55	-	-
abrdn SICAV I – Asian Smaller Companies Fund	1.75	-	-	1.00	-	-	0.55	1.15	-	0.00
abrdn SICAV I – Asian SDG Equity Fund	1.30	-	-	0.75	-	0.375	-	0.75	-	0.00
abrdn SICAV I – China A Share Sustainable Equity Fund	1.75	-	-	1.00	-	-	-	1.00	-	0.00
abrdn SICAV I – China Next Generation Fund	1,75	-	-	1.00	0.50	0.50	-	1.00	-	000
abrdn SICAV I – China Onshore Bond Fund	0.70	-	-	0.35	-	0.175	-	0.35	-	0.00
abrdn SICAV I – All China Sustainable Equity Fund	1.75	-	-	1.00	-	-	-	1.00	1.92	0.00
abrdn SICAV I – Climate Transition	0.80	-	-	0.40	-	0.25	-	0.40	-	0.00

Fund Name	Class A, Class B, Class C, Class F, and Class W Shares	Class BA and Class BB	Class E	Class G, Class I <sup>1</sup> and Class N <sup>1</sup> Shares	Class J	Class K	Class L	Class X Shares	Class S Shares	Class Z Shares
Bond Fund										
abrdn SICAV I – Diversified Growth Fund	1.20	1.60	-	0.60	-	-	-	0.60	-	0.00
abrdn SICAV I – Diversified Income Fund	1.20	1.60	-	0.60	-	-	-	0.60	-	0.00
abrdn SICAV I – Emerging Markets Bond Fixed Maturity 2023 Fund	0.50	-	-	0.25	-	-	-	0.25	-	0.00
abrdn SICAV I – Emerging Markets Corporate Bond Fund	1.50	-	-	0.75	-	0.50	-	0.75	-	0.00
abrdn SICAV I – Emerging Markets Equity Fund	1.75	-	-	1.00	-	-	-	1.00	1.92	0.00
abrdn SICAV I – Emerging Markets Sustainable Equity Fund	1.75	-	-	1.00	-	-	-	0.75	-	0.00
abrdn SICAV I – Emerging Markets SDG Corporate Bond Fund	1.00	-	-	0.50	-	0.25	-	0.50	-	0.00
abrdn SICAV I – Emerging Markets Infrastructure Equity Fund	1.75	-	-	1.00	-	-	-	1.00	1.92	0.00
abrdn SICAV I – Emerging Markets Smaller Companies Fund	1.75	-	-	1.00	-	-	-	1.15	-	0.00
abrdn SICAV I – Emerging Markets SDG Equity Fund	1.30	-	-	0.75	-	0.375	-	0.75	-	0.00
abrdn SICAV I – Emerging Markets Total Return Bond	1.15	-	-	0.60	-	-	-	0.60	-	0.00

Fund Name	Class A, Class B, Class C, Class F, and Class W Shares	Class BA and Class BB	Class E	Class G, Class I <sup>1</sup> and Class N <sup>1</sup> Shares	Class J	Class K	Class L	Class X Shares	Class S Shares	Class Z Shares
Fund										
abrđn SICAV I – Euro Government Bond Fund	0.60	-	-	0.25	-	0.15		0.25	-	0.00
abrđn SICAV I – Europe ex UK Sustainable Equity Fund	1.50	-	-	0.75	0.35	0.35	-	0.75	-	0.00
abrđn SICAV I – European Sustainable Equity Fund	1.50	-	-	0.75	0.35	0.35	-	0.75	1.92	0.00
abrđn SICAV I – Frontier Markets Bond Fund	1.50	-	-	1.00	-	-	-	1.00	-	0.00
abrđn SICAV I – GDP Weighted Global Government Bond Fund	0.80	-	-	0.35	-	-0.17	-	0.35	-	0.00
abrđn SICAV I – Global Bond Fixed Maturity 2023 Fund	0.25	-	-	-	-	-	-	0.25	-	0.00
abrđn SICAV I – Global Bond Fund	0.90	-	-	0.45	-	-	-	0.45	-	0.00
abrđn SICAV I – Global Climate and Environment Equity Fund	1.30	-	-	0.75	-	0.375	-	0.75	-	0.00
abrđn SICAV I – Global Corporate Sustainable Bond Fund	1.00	-	-	0.50	-	0.20	0.30	0.50	-	0.00
abrđn SICAV I – Global Dynamic Dividend Fund	1.50	-	-	1.00	-	-	1.50	1.00	-	0.00
abrđn SICAV I – Global Government Bond Fund	0.60	-	-	0.30	-	0.15	-	0.30	-	0.00

Fund Name	Class A, Class B, Class C, Class F, and Class W Shares	Class BA and Class BB	Class E	Class G, Class I <sup>1</sup> and Class N <sup>1</sup> Shares	Class J	Class K	Class L	Class X Shares	Class S Shares	Class Z Shares
abrtn SICAV I – Global Mid-Cap Equity Fund	1.50	-	-	0.75	0.375	0.375	-	0.75	-	0.00
abrtn SICAV I – Global Sustainable Equity Fund	1.50	-	-	0.75	-	0.375	-	0.75	-	0.00
abrtn SICAV I – Indian Bond Fund	1.00	-	-	0.50	-	0.25	0.275	0.50	-	0.00
abrtn SICAV I – Indian Equity Fund	1.75	-	-	1.00	-	-	-	1.00	-	0.00
abrtn SICAV I – Japanese Sustainable Equity Fund	1.50	-	-	0.75	-	-	0.40	0.75	1.92	0.00
abrtn SICAV I – Japanese Smaller Companies Sustainable Equity Fund	1.50	-	-	0.75	-	-	-	0.75	1.92	0.00
abrtn SICAV I – Latin American Equity Fund	1.75	-	-	1.00	-	-	-	1.00	1.92	0.00
abrtn SICAV I – Listed Private Capital Fund	1.00	-	-	0.50	-	0.25	-	0.50	-	0.00
abrtn SICAV I – North American Smaller Companies Fund	1.50	-	-	0.75	-	-	0.45	0.75	-	0.00
abrtn SICAV I – Select Emerging Markets Bond Fund	1.50	-	-	0.75	-	-	-	0.75	-	0.00
abrtn SICAV I – Select Emerging Markets Investment Grade Bond Fund	1.50	-	-	0.75	-	-	-	0.75	-	0.00
abrtn SICAV I – Select Euro High Yield Bond Fund	1.25	-	-	0.70	-	0.35	-	0.70	-	0.00

Fund Name	Class A, Class B, Class C, Class F, and Class W Shares	Class BA and Class BB	Class E	Class G, Class I <sup>1</sup> and Class N <sup>1</sup> Shares	Class J	Class K	Class L	Class X Shares	Class S Shares	Class Z Shares
abrdn SICAV I – Global Innovation Equity Fund	1.75	-	-	0.75	-	-	-	0.75	1.92	0.00
abrdn SICAV I – Short Dated Enhanced Income Fund	0.50	-	-	0.25	-	-	0.20	0.25	-	0.00
abrdn SICAV I – US Dollar Credit Sustainable Bond Fund	0.80	-	-	0.40	-	-	-	0.40	-	0.00
abrdn SICAV I – World Resources Equity Fund	1.50	-	-	1.00	-	-	-	1.00	1.92	0.00
abrdn SICAV I – World Smaller Companies Fund	1.50	-	-	1.00	-	-	-	1.00	-	0.00

Note:

1. The management charge for Class N Shares of abrdn SICAV I – Emerging Markets Infrastructure Equity Fund is 0.52% instead of 1.00%. All other Class N Shares have the same management charge as Class I Share of the relevant Fund.

#### Management Company Charge

abrdn SICAV I will pay an annual charge to the Management Company (the “**Management Company Charge**”), up to a maximum of 0.05% of the Net Asset Value of each Fund. For the purpose of the calculation, the value of each Fund (and the value attributable to each Share Class) is taken as at the Net Asset Value per Share on the previous Dealing Day, taking into account any subscriptions and/or redemptions on that day. The Management Company Charge shall be accrued daily and payable monthly in arrears. The Management Company Charge shall be used to pay the Management Company for the services it provides as the management company of the Company (in particular the performance of its monitoring role) and shall include reimbursement for any additional regulatory capital costs incurred by the Management Company by reason of its appointment.

**At least three (3) months’ prior notice, or such lesser period as permitted or provided under applicable laws and regulatory requirements, will be given to all Shareholders in respect of any increase of the maximum amount of the Management Company Charge.**

#### Distribution Fees

In the case of Class B Shares, a distribution fee of 1.00 (except for the abrdn SICAV I – Frontier Markets Bond Fund, where it is 0.75%) per annum of the Fund’s average Net Asset Value on each Business Day attributable to the Class B Shares of the Fund is payable by abrdn SICAV I to the Management Company for providing distribution services (i.e. co-ordinating sales and marketing activities). This fee is accrued daily and paid monthly in arrears.

In the case of Class C and Class W Shares, a distribution fee of 1.00% per annum of the Net Asset Value of the relevant Class is payable by abrdn SICAV I to the Management Company for providing distribution services (i.e. co-ordinating sales and marketing activities). This fee is accrued daily and paid monthly in arrears.

The Management Company reserves the right, at its discretion, to reallocate the distribution fees, in whole or in part, to certain recognized financial intermediaries or institutions in compliance with applicable laws and regulations.

#### OTHER CHARGES

##### Switching

A charge payable to the Management Company of up to 1% of the Net Asset Value of the Shares being switched may be levied.

## General

For certain Classes of Shares, the Investment Managers may share the whole or any part of the charges or fees outlined herein with the Transfer Agent or with any sub-distributor or intermediary in compliance with applicable laws and regulations. The Transfer Agent may act as the collecting or processing agent for such charges or fees.

## GENERAL ADMINISTRATION CHARGE

The operating expenses incurred by abrdn SICAV I will generally be paid out of the assets of the relevant Fund. To seek to minimise the variability of these expenses, for a number of these operating expenses, a fixed rate charge of up to a maximum of 0.10% will be charged to each Share Class (the "**General Administration Charge**"). The level of the effective General Administration Charge below this maximum level may vary at the Board of Directors' discretion, as agreed with the Management Company, and different rates may apply across the Funds and Share Classes. The Board of Directors may amend the maximum fixed level of the General Administration Charge applicable to each Share Class at any time at its discretion upon prior notice to the relevant Shareholders.

The General Administration Charge is fixed in the sense that the Management Company, or another abrdn Group company as elected by the Management Company, will bear the excess in actual relevant operating expenses to any such General Administration Charge charged to the Share Classes. Conversely, the Management Company, or another abrdn Group company as elected by the Management Company, will be entitled to retain any amount of the General Administration Charge charged to the Share Classes exceeding the actual relevant operating expenses incurred by the respective Share Classes.

The effective General Administration Charge is calculated in the same way as the Investment Management Fee set out above. The effective General Administration Charge is disclosed as part of the ongoing charges of a Share Class in the relevant PRIIPS KID and in the semi-annual and annual reports of abrdn SICAV I.

The expenses that are included within the General Administration Charge include, but are not limited to:

- a) fees and expenses of the auditors;
- b) directors' fees and expenses and costs incurred in respect of meetings. Any non-executive Director of abrdn SICAV I will be entitled to a fee in remuneration for their services as a Director or in their capacity as a member of any committee of the Board of Directors. In addition, all Directors may be paid reasonable travelling, hotel and other incidental expenses for attending meetings of the Board of Directors (or any committee thereof) or of Shareholders of abrdn SICAV I;
- c) Domiciliary Agent, Registrar and Transfer Agent fees and expenses;
- d) principal and local Paying Agent's fees and expenses;
- e) the Administrator's fees and expenses;
- f) the fees and any proper expenses of any tax, legal or other professional advisers retained by abrdn SICAV I or by the Management Company in relation to abrdn SICAV I;
- g) any costs incurred in respect of any meeting of Shareholders (including meetings of Shareholders in any particular Fund or any particular share class within a Fund);
- h) insurance which abrdn SICAV I may purchase and/or maintain for the benefit of and against any liability incurred by any Directors of abrdn SICAV I in the performance of their duties;
- i) miscellaneous fees – including but not limited to: the cost of publication of the Share prices, rating fees, postage, telephone, facsimile transmission and other electronic means of communication, registration costs and expenses of preparing, printing and distributing the Prospectus and associated notices, translation costs, Key Investor Information Documents or any offering document, financial reports and other documents made available to Shareholders, fees payable to permanent representatives and other agents of abrdn SICAV I and any other costs as required and deemed appropriate relating to the regulatory compliance of abrdn SICAV I;
- j) fees of the CSSF and the corresponding fees of any regulatory authority in a country or territory outside Luxembourg in which shares are or may be marketed; and
- k) any Value-added tax (VAT), Goods and Services Tax (GST) or similar taxes that might apply in any jurisdiction applicable to any of the costs, charges, fees and expenses listed above.

The Management Company will regularly review the effective General Administration Charge charged to each Share Class.

The Management Company may from time to time subsidise costs incurred by any Fund to keep the costs of a Fund or Share Class in line with the published estimated ongoing charges figure or for any other reason as the Management Company may in its sole discretion determine.

## OTHER FEES AND EXPENSES

In addition to the fees and expenses covered by the General Administration Charge, abrdn SICAV I may pay out of assets of each Fund, the following charges and expenses:

- a) Depositary fees and customary transaction fees and charges charged by the Depositary and its agents (including fee payments and receipts and any reasonable out-of-pocket expenses, i.e. stamp taxes, registration costs, scrip fees, special transportation costs, etc.). The depositary fee is calculated at a rate determined by the territory or country in which the Fund assets are held;
- b) dilution levy or adjustment, brokerage charges, asset spreads and margins on the purchase or sale of portfolio assets (including the forward and spot foreign exchange transactions used for the hedging of Hedged Share Classes), non-custody related transactions and any other disbursements which are necessarily incurred in effecting transactions. For the avoidance of doubt, no cost or expense related to investment research will be paid out the assets of a Fund;
- c) costs of examination, asserting and enforcement of any claims for reduction, offsetting or refund of withholding taxes or other taxes or fiscal duties;
- d) Luxembourg annual subscription tax (taxe d'abonnement) - referred to in the "Taxation" section of this Prospectus;
- e) the full amount of any current and future tax, levy, duty or similar charge which may be due on the assets and/or on the income of abrdn SICAV I, the Funds or their assets;
- f) any amount payable by abrdn SICAV I under any indemnity provisions contained in the instrument of incorporation or any agreement binding upon abrdn SICAV I;
- g) all charges and expenses incurred in connection with the collection of income and collateral management services;
- h) correspondent and other banking charges;
- i) extraordinary expenses (i.e. expenses that would not be considered ordinary expenses) including but not limited to: litigation expenses, exceptional measures, particularly legal, business or tax expert appraisals or legal proceedings undertaken to protect Shareholders' interests, any expense linked to non-routine arrangements made by the Domiciliary Agent and the Registrar & Transfer Agent in the interests of the investors and all similar charges and expenses;
- j) in the case of a Fund investing in another UCITS or UCI: any double charging of fees and expenses, in particular the duplication of the fees payable to the depositary(s), transfer agent(s), investment manager(s) and other agents and also subscription and redemption charges, which are generated both at the level of the Fund and of the target funds in which the Fund invests;
- k) interest on and other charges relating to permitted borrowings;
- l) benchmark licence fees and royalty fees incurred for the use of any index names; and
- m) any Value-added tax (VAT), Goods and Services Tax (GST) or similar taxes that might apply in any jurisdiction applicable to any of the costs, charges, fees and expenses listed above.

Expenses not directly attributable to a Fund will be allocated between the Funds. With respect to the provision of hedged Share Classes, the costs relating to the hedging operation(s), if any, will be allocated to the Share Class concerned.

The Management Company may from time to time subsidise the Other Fees and Expenses incurred by any Fund to keep the costs of a Fund or Share Class in line with the published estimated ongoing charges figure or for any other reason as the Management Company may in its sole discretion determine.

The formation expenses of abrdn SICAV I and each of the Funds (including new Funds) have been borne by the abrdn Group.

## DIVIDEND POLICY

*Investors should refer to [www.abrdn.com](http://www.abrdn.com) for current details of which Classes of Shares are in issue.*

Each Class of Shares is sub-divided according to its dividend policy, as further described below.

### Accumulation Shares

They will be denoted by adding "Acc" next to the Class (e.g. A Acc). The Board of Directors does not intend to declare any dividends in respect of these Classes of Shares. Accordingly, the investment income attributable to these Classes of Shares will be accumulated in their respective Net Asset Values.

### Income Shares

- **Monthly Income Shares:** They will be denoted by adding "MInc" next to the Class (e.g. A MInc). Dividends will be declared as at the first Business Day of each month with the appropriate distributions or allocations made within one month of these dates.
- **Quarterly Income Shares:** They will be denoted by adding "QInc" next to the Class (e.g. A QInc). Dividends will be declared as at 1 January, 1 April, 1 July and 1 October with the appropriate distributions or allocations made within two months of these dates.

- **Semi-annual Income Shares:** They will be denoted by adding "SInc" next to the Class (e.g. A SInc). Dividends will be declared as at 1 April and 1 October with the appropriate distributions or allocations made within two months of these dates.
- **Annual Income Shares:** They will be denoted by adding "Alnc" next to the Class (e.g. A Alnc). Dividends will be declared as at 1 October with the appropriate distributions or allocations made within two months of this date.

The following alternative distribution features are also offered for the Income Shares:

#### **Accelerated Income Shares**

Dividends of Income Shares (regardless of their dividend distribution frequency) may be declared on an accelerated basis at the discretion of abrdn SICAV I with the appropriate distributions made in less than one month of the relevant declaration date. These Accelerated Income Shares will be denoted by adding "A" next to the Class (e.g. A MIncA).

#### **Gross Income Shares**

Dividends of Gross Income Shares will include all income generated by the relevant Shares, with any costs taken directly from the capital of such Share. These Gross Income Shares will be denoted by adding "Gross" next to the Class (e.g. A Gross MInc).

Gross Income Shares may carry a risk of capital erosion. Potential investors should carefully read the "Capital Erosion Risk" section under "General Risk Factors".

#### **Fixed Distribution Shares**

Fixed Distribution Shares will declare and distribute a fixed amount per annum (which will be pro-rated accordingly depending on the relevant distribution frequency as indicated above), regardless of the performance of the relevant Fund. These Fixed Distribution Shares will be denoted by adding "Fixed" next to the Class (e.g. A Fixed Alnc).

Fixed Distribution Shares may carry a risk of capital erosion. Potential investors should carefully read the "Capital Erosion Risk" section under "General Risk Factors".

#### **German Tax Exempt Shares**

German Tax Exempt Shares are available only to eligible investors under GITA who can provide certification of their tax privileged status. Such investors are entitled to receive the proceeds of sale of German equities without being subject to withholding tax. These German Tax Exempt Shares will be denoted by adding "GTE" next to the Class (e.g. A GTE MInc).

For Share Classes denominated in a different currency to the Base Currency of the Fund, the dividends payable will be adjusted for currency impacts.

The dividends for unhedged Share Classes will be equivalent to the dividends declared for the equivalent Base Currency Share Class converted into the relevant currency using exchange rates at the time dividends are declared. The dividends are therefore subject to exchange rate variations.

The dividend for hedged Share Classes will be equivalent to the dividends declared for the equivalent Base Currency Share Class converted into the relevant currency with an adjustment to reflect the expected impact of currency hedging in the Share Class. The adjustment will be estimated based upon observed market pricing of currency hedging transactions or the difference in market interest rates, as deemed appropriate by the Investment Manager. For example, if market pricing anticipates an increase in exchange rates and / or interest rates are higher in the Share Class currency compared to the Base Currency of the Fund, dividends will be increased in the relevant currency and vice versa. The dividends will not reflect the actual return on the hedging transactions. Dividends are subject to interest rate variations.

The Board of Directors reserves the right to increase or decrease the frequency of dividend payments, if any, at their discretion. Dividends may be paid out of investment income, capital gains or capital at the discretion of the Board of Directors.

In relation to abrdn SICAV I - Emerging Markets Bond Fixed Maturity 2023 Fund and abrdn SICAV I - Global Bond Fixed Maturity 2023 Fund, the Board of Directors will also exercise its discretion to declare dividends that are appropriate for the characteristics of each Fund and for each Share Class based on the recommendation received from the Investment Manager. The declared dividends may differ from the calculation of net investment income, as described below, and the level of income accrued or received by each Fund. The monetary amount and percentage level of dividends declared may also change over time, except for Fixed Distribution Shares which will be declared and distributed as described above.

The Investment Manager will make a number of assumptions relating to future market conditions and the securities in the portfolio. These assumptions will be taken into account in determining the dividend and will evolve over time. Market conditions and the portfolio may differ from these assumptions in practice. The following examples illustrate how dividends may be impacted:

- Income received or earned by a Fund may be held back to increase the likelihood that the Fund is able to return capital upon a Fund's Maturity Date in order to meet its investment objective. This may occur, for example, if a bond were to default and the Fund would no longer benefit from its future income.
- The declared dividends may be higher than the income received or earned by the Fund if the Fund is expected to have sufficient assets to return capital upon the Maturity Date. The Fund's assets may be sold if necessary in this circumstance.

If a Shareholder redeems or switches all of his Shares, the dividends declared since the last reinvestment or payment date will be paid out in cash or switched to the other respective Share Class, as the case may be, at the next dividend pay date. Holders of registered Shares at the dividend record date will be eligible for dividends notwithstanding a transfer, switch or redemption of those Shares prior to the corresponding dividend payment date. If any date for declaration of a dividend is not a Business Day, then such entitlement will be taken into account for the purposes of the declaration of a dividend on the preceding Business Day.



### UK Reporting Fund Regime

Confirmation of whether a Share Class has "reporting fund" status can be found on the HMRC website (<https://www.abrdn.com/en-gb/individual/log-in/abrdn-uk-funds-oeic-unit-trust/uk-reporting-guidelines>). Once granted reporting fund status, the Share Class may rely on that status going forward subject to continued compliance with the requirements of the reporting funds rules. Additionally, it is intended that the UK Reporting Fund Regime Report in respect of all Share Classes granted reporting fund status will be published on [www.abrdnco.uk](http://www.abrdnco.uk) within six months of the relevant accounting period, and can be requested in writing by contacting abrdn Investments Luxembourg S.A. at the Shareholder Services centre as detailed in the "Management and Administration" section of this Prospectus.

From time to time, a new Share Class may be issued that is identical to an existing Share Class except for its "reporting fund" status. Both existing Share Classes with either "reporting fund" status or "non-reporting fund" status can be replicated in this manner and in such case, they will be denoted by adding "R" or "NR" next to the Class (e.g. A Acc R and A Acc NR, respectively). Except in these exception cases, Share Classes will not contain reference to their "reporting fund" status in their name.

## CALCULATION OF NET INVESTMENT INCOME

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The net investment income in relation to a Fund is determined in accordance with the laws and regulations applicable to abrdn SICAV I. Broadly, it comprises all sums deemed by the Board of Directors of abrdn SICAV I, to be in the nature of income received or receivable for the account of abrdn SICAV I and attributable to each Fund in respect of the accounting period concerned, after deducting net charges and expenses of the individual Classes and payable out of such income (except for the Gross Income Shares, where such charges and expenses are payable out of the relevant Share Class capital and Fixed Distribution Shares, where such charges may be payable out of the relevant Share Class capital where it exceeds Share Class income) and after making such adjustments as the Administrator considers appropriate, following consultation with the Auditors in accordance with the laws and regulations applicable to abrdn SICAV I in relation to taxation and other matters.

Each allocation of net investment income made in respect of any Fund at a time when more than one Class of Shares is in issue in respect of that Fund shall be effected by reference to the relevant investor's proportionate interest in the property of the Fund in question. This will be ascertained for each Share Class as follows:

- A notional account will be maintained for each Class of Share. Each account will be referred to as an Entitlement Account.
- There will be credited to this Entitlement Account:
  - the capital amount of the price paid for the Shares of that Class (i.e., excluding any initial charges or dilution adjustment);
  - that Class' proportion of the capital appreciation attributable to the Fund;
  - that Class' proportion of the Fund's income received and receivable;
  - in the case of accumulation Shares, income previously allocated and so accumulated to Shares in respect of previous accounting periods.
- There will be debited to the Entitlement Account:
  - any redemption payment made for the cancellation of Shares of the relevant Class;
  - that Class' proportion of any capital depreciation attributable to the Fund;
  - all distributions of income (including equalisation) made to Shareholders of that Class;
  - all costs, charges and expenses incurred by and allocated to that Class.
- In each case, the Administrator will make such adjustments for taxation matters as the Administrator considers appropriate after consultation with the Auditors so that no particular Class of Share suffers material prejudice as opposed to another Class of Share.
- Where a Class of Shares is denominated in a currency which is not the Base Currency of the relevant Fund, the balance on the Entitlement Account shall be converted into the Base Currency of the Fund in order to ascertain the proportion of all Classes of Share. Conversions between currencies shall be at a rate of exchange decided by the administrator as being a rate that is not likely to result in any material prejudice to the interests of investors or potential investors.

Please see the sections "General Administration Charge" and "Other Fees and Expenses" within "Charges and Expense" for further details on the charging of these expenses to the Funds and Share Classes.

## PAYMENT OF DIVIDENDS

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### Dividends for Reinvestment

Dividends in respect of the Income Shares will automatically be reinvested in additional Shares of the same Class (except for Class B Shares) in the relevant Fund unless the Shareholder has specifically elected on the Application Form or otherwise subsequently in writing to receive such dividends in cash. The new Shares are issued fourteen days prior to the relevant dividend payment date at the Share Price on that date and are free of any sales charge. Where such day is not a Dealing Day, the new Shares will be issued on another day at abrdn SICAV I's discretion. Dividends declared in respect of Class B Shares will be received in cash. Reinvested dividends are likely to be treated as income received by the Shareholder for tax purposes in most jurisdictions.

### **Dividends for Payment by Bank Transfer**

Dividends are declared in the currency in which the relevant Share Class is denominated (this being the relevant Fund's Base Currency (and not BRL) in case of Hedged BRL Share Classes). They can, upon request, be paid, at the expense and risk of the Shareholder, in the preferred currency of the Shareholder, provided that currency is on the list of currencies offered, which list is available at the registered office of abrdn SICAV I, (usually the currency of original investment), by bank transfer. Shareholders should bear in mind that bank clearing or collection charges may seriously erode the value of small dividend amounts. Dividend amounts of less than US\$25 (or its equivalent in another currency) will, at the discretion of the Board of Directors of abrdn SICAV I, not be paid out in cash but will be automatically reinvested in order to avoid disproportionate costs, notwithstanding a Shareholders request to pay out dividends.

### **Unclaimed Dividends**

To the extent any monies remain unclaimed they shall be held by the Transfer Agent on behalf of the relevant Shareholder, without any liability to account for interest thereon. Any dividend unclaimed after 5 years from the date when it first became payable shall be forfeited automatically and made use of for the benefit of the relevant Fund without the necessity for any declaration or other action by the Fund.

## **TAXATION**

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### **TAXATION OF ABRDN SICAV I**

abrdn SICAV I is not liable to any tax in Luxembourg on its profits or income and is not subject to Luxembourg's net wealth tax.

abrdn SICAV I is however liable in Luxembourg to an annual subscription tax (*taxe d'abonnement*) at a rate of 0.05% per annum of the Net Asset Value of each Class (0.01% for Class G, Class I, Class K, Class L, Class N and Class Z Shares, being Shares that can only be held by Institutional Investors), such tax being payable quarterly on the basis of the value of the net assets of abrdn SICAV I at the end of the relevant calendar quarter.

No stamp duty or other tax is payable in Luxembourg on the issue or redemption of Shares.

A subscription tax exemption applies to:

- The portion of any Fund's assets (prorata) invested in a Luxembourg investment fund or any of its sub-fund to the extent it is subject to the subscription tax;
- Any Fund (i) whose securities are only held by Institutional Investor(s), and (ii) whose sole object is the collective investment in money market instruments and the placing of deposits with credit institutions, and (iii) whose weighted residual portfolio maturity does not exceed 90 days, and (iv) that have obtained the highest possible rating from a recognised rating agency. If several Classes of Shares are in issue in the relevant Fund meeting (ii) to (iv) above, only those Classes of Shares meeting (i) above will benefit from this exemption;
- Any Fund, whose main objective is the investment in microfinance institutions; and
- Any Fund, (i) whose securities are listed or traded on a stock exchange and (ii) whose exclusive object is to replicate the performance of one or more indices. If several Classes of Shares are in issue in the relevant Fund meeting (ii) above, only those Classes of Shares meeting (i) above will benefit from this exemption.

No Luxembourg tax is payable on the realised capital gains or unrealised capital appreciation of the assets of abrdn SICAV I.

Investment income received and capital gains realised by abrdn SICAV I on its investments may be subject to irrecoverable withholding taxes at source. abrdn SICAV I may benefit in certain circumstances from double taxation treaties, which Luxembourg has concluded with other countries.

Distributions made by abrdn SICAV I as well as liquidation proceeds and capital gains derived therefrom are not subject to withholding tax in Luxembourg.

abrdn SICAV I is registered for Value Added Tax in Luxembourg and is liable to account for Value Added Tax in accordance with applicable laws.

### **TAXATION OF SHAREHOLDERS**

#### **Automatic Exchange of Information**

Following the development by the Organisation for Economic Co-operation and Development ("OECD") of a common reporting standard ("CRS") to achieve a comprehensive and multilateral automatic exchange of information (AEOI) in the future on a global basis, Council Directive 2014/107/EU amending the Council Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation (the "Euro-CRS Directive") was adopted on 9 December 2014 in order to implement the CRS among the member States of the European Union.

The Euro-CRS Directive was implemented into Luxembourg law by the law of 18 December 2015 on the automatic exchange of financial account information in the field of taxation ("CRS Law").

The CRS Law requires Luxembourg financial institutions to identify financial asset holders and establish if they are fiscally resident in countries with which Luxembourg has a tax information sharing agreement.

In addition, Luxembourg tax authorities signed the OECD's multilateral competent authority agreement ("Multilateral Agreement") to automatically exchange information under the CRS. The Multilateral Agreement aims to implement the CRS among non EU member states; it requires agreements on a country by country basis.

abrdn SICAV I and/or the Registrar and Transfer Agent require shareholders to provide information in relation to the identity and tax residence of financial account holders (including certain entities and their controlling persons), account details, reporting entity, account balance/value and income/sale or redemption proceeds to the local tax authorities of the country of tax residency of the foreign investors to the extent that they are tax resident of another EU member State or of a country for which the Multilateral Agreement is in full force and applicable. The personal data obtained will be used for the purpose of the CRS Law or such other purposes indicated by abrdn SICAV I in the data protection section of the Prospectus in compliance with Luxembourg data protection law. Information regarding an investor and his/her/its account will be reported to the Luxembourg tax authorities (*Administration des Contributions Directes*), which will thereafter automatically transfer this information to the competent foreign tax authorities on a yearly basis, if such an account is deemed a CRS reportable account under the CRS Law.

**Shareholders should consult their professional advisors on the possible tax and other consequences with respect to the implementation of the CRS.**

#### **Luxembourg**

Shareholders are not subject to any capital gains, income, withholding, gift, estate, inheritance or other tax in Luxembourg (except for Shareholders domiciled, resident or having a permanent establishment in Luxembourg).

#### **General**

Investors and prospective investors should note that levels and bases of taxation may change and they should ascertain from their professional advisers the potential consequences to them of acquiring, holding, redeeming, transferring, selling or switching any of abrdn SICAV I's Shares or receiving dividends therefrom under the relevant laws of each jurisdiction to which they are subject, including the tax consequences and any foreign exchange control requirements. These consequences will vary with the law and practice of a Shareholder's country of citizenship, residence, domicile or incorporation and personal circumstances.

The foregoing statements on taxation are given on the basis of abrdn SICAV I's understanding of present legislation and practice in force at the date of this document and is subject to change. The summary does not purport to be a comprehensive description of all Luxembourg tax laws and Luxembourg tax considerations that may be relevant to a decision to invest in, own, hold, or dispose of Shares and is not intended as tax advice to any particular Investor or potential Investor.

## **TAXATION OF CHINESE EQUITY AND BONDS**

#### *Chinese Withholding Income Tax*

Under the current China Corporate Income Tax ("CIT") regime, Chinese tax resident enterprises should be subject to CIT on its worldwide income. Non-resident enterprises with establishments or places of business ("PE") in China should be subject to CIT on taxable income derived by such PE in China. To the extent that the Funds are not Chinese tax resident enterprises or non-tax resident enterprises with PE in China for CIT purposes, the Funds should only be subject to Chinese Withholding Income Tax ("WHT") on taxable income sourced from China (e.g. dividends, interest, capital gains, etc.), unless otherwise reduced or exempted pursuant to the applicable tax agreements or arrangements between China and the jurisdictions where the Funds are tax residents, or applicable China tax regulations.

The Management Company reserves the right to provide for Chinese WHT on investment income derived by the Funds investing in Mainland Chinese assets. According to the general principles of the CIT regulations and Guoshuihan [2009] No. 47, QFIs are considered as taxpayers of China-sourced dividends and interest and are subject to WHT at 10% with respect to such China-sourced income, which the WHT rate may be reduced by the relevant double taxation arrangement or agreement. RQFIs should be subject to the same WHT treatment with respect to dividend received from Chinese shares. The Ministry of Finance ("MOF"), the State Taxation Administration ("STA") and the China Securities Regulatory Commission of the People's Republic of China ("CSRC") issued the "Notice on temporary exemption of WHT on capital gains derived from the transfer of Chinese equity investment assets such as Chinese domestic stocks by QFII and RQFII" Caishui 2014 No.79 on 14 November 2014 ("the Notice 79"). The Notice 79 states that Chinese WHT should be imposed on gains obtained by QFII and RQFII from Chinese equity investment assets (including Chinese domestic stocks) realised prior to 17 November 2014. The Notice 79 also states that QFIIs / RQFIIs without PE in China are temporarily exempt from Chinese WHT on gains derived from equity investment assets effective from 17 November 2014 onwards. The provision made by abrdn SICAV I is based on current market practice and abrdn SICAV I's understanding of the tax rules and any changes to market practice or interpretation of China tax rules may impact this provision and may result in this provision being higher or lower than required. It should also be noted that the Notice 79 specified that the exemption on Chinese WHT on gains derived from the trading of equity investment assets is temporary. There is a possibility of the China tax rules, regulations and practice being changed and taxes being applied retrospectively. Consequently, investors may be advantaged or disadvantaged depending upon the final outcome in terms of how the capital gains are taxed in China, the level of provision and when they subscribed for and/or redeemed their Shares in/from the relevant Fund. abrdn SICAV I will closely monitor any further guidance issued by the relevant Chinese tax authorities and adjust the WHT approach of the Funds accordingly.

The MOF, the STA and CSRC jointly issued notices in relation to the taxation rules on Shanghai – Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect under Caishui 2014 No.81 ("Notice No.81") on 31 October 2014 and Caishui 2016 No. 127 ("Notice No. 127") on 5 December 2016, respectively. Under Notice No.81 and Notice No. 127, CIT and individual income tax should be temporarily exempted on gains derived by Hong Kong and overseas investors (including the Funds) on the trading of China A-Shares through Stock Connect. However, Hong Kong and overseas investors are required to pay tax on dividends and/or bonus shares at the rate of 10% which will be withheld and paid to the relevant authority by the listed companies. Where an

investor is a tax resident of another country that has signed a tax treaty with China and in which the stipulated income tax rate on stock dividends is less than 10%, the investor may apply to the competent tax authority of the relevant listed company to enjoy the preferential treatment under the tax treaty, insofar as such a preferential treatment is granted to a Fund.

Under the domestic CIT regime, Chinese government bond and local government bond interest is exempt from WHT. Interest from non-government bonds is subject to 10% WHT prior to the issuance of Caishui 2021 No.34 ("Notice 34"). According to Notice 34, bond interest derived by foreign institutional investors from investment in bonds in China bond market is exempted from WHT and VAT for the period from 6 November 2021 to 31 December 2025.

Specific rules governing WHT treatment on capital gains derived by non-Chinese resident enterprises from the investment in debt securities issued by Chinese tax residents have yet to be announced. In the absence of such specific rules, the Chinese WHT treatment should be governed by the general tax provisions of the China CIT Law and its implementation rules and would be subject to the interpretation of the Chinese tax authorities. Based on the current interpretation and practice of the STA and the local tax authorities, on the basis that debt securities are treated as movable assets, there should be basis to support that gains derived from investment in debt securities should not be treated as PRC sourced income, and thus should not be subject to Chinese WHT.

#### *Chinese Value-Added Tax ("VAT")*

Gains derived by QFII and RQFII from the trading of Chinese securities are exempt from VAT since 1 May 2016. Based on Notice No. 36 and Notice No. 127, gains derived by Hong Kong market investors (including the Funds) from trading of A-Shares through the Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect are exempt from VAT.

Pursuant to Notice No. 36 which has come into effective on 1 May 2016, interest income from Chinese bond should be subject to 6% VAT, plus local surcharges of up to 12% based on the VAT paid. Interest income received from Chinese government bonds and local government bonds are exempted from VAT. On 26 November 2021, Notice No. 34 was issued to stipulate that foreign institutional investors are temporarily exempt from VAT with respect to bond interest income derived in the domestic bond market for the period from 6 November 2021 to 31 December 2025.

#### *Tax provision*

Following the issue of the Notice No. 79, abrdn SICAV I does not currently intend to make any provision in respect of unrealized gains or gains realized from Chinese equity after 17 November 2014. Additionally, abrdn SICAV I does not currently make any provision in respect of unrealized gains or gains realized from Chinese bonds.

In the event that actual tax is collected by the STA to make payments reflecting tax liabilities for which no provision has been made, investors should note that the Net Asset Value of the Funds may be adversely affected, as the Funds will ultimately have to bear the full amount of tax liabilities. In this case, the additional tax liabilities of the Funds will only impact Shares in issue of the Funds at the relevant time, and the then existing Shareholders and subsequent Shareholders of such Funds will be disadvantaged as such Shareholders will bear, through the Funds, a disproportionately higher amount of tax liabilities as compared to that borne at the time of investment in the Funds. On the other hand, if the actual applicable tax rate levied by STA is lower than that provided for by abrdn SICAV I so that there is an excess in the tax provision amount, Shareholders who have redeemed their Shares before STA's ruling, decision or guidance in this respect will be disadvantaged as they would have borne the loss from the overprovision. In this case, the then existing and new Shareholders may benefit if the difference between the tax provision and the actual taxation liability under that lower tax rate can be returned to the account of the Funds as assets thereof. Notwithstanding the above change in tax provisioning approach, persons who have already redeemed their Shares in the Funds before the return of any overprovision to the account of the Funds will not be entitled to or have any right to claim any part of such overprovision.

Shareholders may be advantaged or disadvantaged depending upon the final tax liabilities, the level of provision and when they subscribed and/or redeemed their Shares in the Funds. Shareholders should seek their own tax advice on their tax position with regard to their investment in the Funds.

## **TAXATION OF INDIAN EQUITIES**

Indian General Anti-Avoidance Rules (GAAR) was first introduced into India's tax statute in 2012, and empowered the Revenue with discretion in taxing 'impermissible avoidance arrangements', disregarding entities, re-characterizing income and denying treaty benefits. The Finance Act, 2015 deferred the applicability of Indian GAAR to 1 April 2017.

Where the Indian GAAR is successfully invoked, the treaty provisions could be overridden by Indian domestic law. Where treaty benefits are not being applied to the investments held by the abrdn SICAV I Indian Equity Fund, the GAAR should not apply.

The Governments of India and Singapore amended the Treaty changing the treatment of capital gains. From 1 April 2017 capital gains arising on the disposal of shares acquired by a Singapore company on or after 1 April 2017 will be taxed in India at Indian domestic tax rates. However, investments in shares acquired up to 31 March 2017 should still remain exempted from capital gains tax in India irrespective of the date of disposal.

Therefore, the Subsidiary of the abrdn SICAV I Indian Equity Fund being tax resident in Singapore, pursuant to the provisions of the Treaty, should not be liable to Indian tax on gains on investments made prior to 1 April 2017. Investments made on or after 1 April 2017 should be subject to Indian capital gains tax. As of 1 April 2018, long-term capital gains arising from the sale of equity shares listed on a recognised stock exchange in India should be subject to Indian tax on gains at 10% (plus applicable surcharges and cessations) provided that the applicable securities transaction tax has been paid. Prior to 1 April 2018, the long-term capital gains rate was 0%. As a transitional relief for the change in the long-term capital gains rate, any gains arising before 1 February

2018 are exempt from long-term capital gains tax. The current Indian tax rate on short-term capital gains realized from the sale of such securities held for 12 months or less is 15% (plus applicable surcharges and cessations).

Dividend income earned from investments in equity securities of Indian companies will be subject to tax as per the provisions of Indian domestic tax laws. The Subsidiary will seek to reduce dividend withholding tax pursuant to the provisions of the Treaty, if applicable.

## COMPLIANCE WITH U.S. REPORTING AND WITHHOLDING REQUIREMENTS

The Foreign Account Tax Compliance provisions of the Hiring Incentives to Restore Employment Act ("FATCA") generally impose a U.S. federal reporting and withholding tax regime with respect to certain U.S. source income (including, among other types of income, dividends and interest) and gross proceeds from the sale or other disposal of property. The rules are designed to require certain U.S. persons' direct and indirect ownership of certain non-U.S. accounts and non-U.S. entities to be reported to the U.S. Internal Revenue Service. The 30% withholding tax regime could apply if there is a failure to provide certain required information.

On 28 March 2014, the Grand-Duchy of Luxembourg entered into a Model 1 Intergovernmental Agreement ("IGA") with the United States of America and a memorandum of understanding in respect thereof. abrdn SICAV I would hence have to comply with such Luxembourg IGA, as implemented into Luxembourg law by the law of 24 July 2015 relating to FATCA (the "FATCA Law") in order to comply with the provisions of FATCA rather than directly complying with the US Treasury Regulations implementing FATCA. Under the FATCA Law and the Luxembourg IGA, abrdn SICAV I may be required to collect information aiming to identify its direct and indirect Shareholders that are Specified US Persons for FATCA purposes ("reportable accounts"). Any such information on reportable accounts provided to abrdn SICAV I will be shared with the Luxembourg tax authorities which will exchange that information on an automatic basis with the Government of the United States of America pursuant to Article 28 of the convention between the Government of the United States of America and the Government of the Grand-Duchy of Luxembourg for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes in Income and Capital, entered into in Luxembourg on 3 April 1996. abrdn SICAV I intends to comply with the provisions of the FATCA Law and the Luxembourg IGA to be deemed compliant with FATCA and will thus not be subject to the 30% withholding tax with respect to its share of any such payments attributable to actual and deemed U.S. investments of abrdn SICAV I. abrdn SICAV I will continually assess the extent of the requirements that FATCA and notably the FATCA Law places upon it.

To ensure abrdn SICAV I's compliance with FATCA, the FATCA Law and the Luxembourg IGA in accordance with the foregoing, abrdn SICAV I or the Management Company, in its capacity as the abrdn SICAV I's management company or the Administrator, may:

- a) request information or documentation, including self-certification forms, a Global Intermediary Identification Number, if applicable, or any other valid evidence of a shareholder's FATCA registration with the IRS or a corresponding exemption, in order to ascertain such shareholder's FATCA status;
- b) report information concerning a shareholder and his account holding in abrdn SICAV I to the Luxembourg tax authorities if such account is deemed a US reportable account under the FATCA Law and the Luxembourg IGA;
- c) deduct applicable US withholding taxes from certain payments made to a Shareholder by or on behalf of abrdn SICAV I in accordance with FATCA and the FATCA Law and the Luxembourg IGA; and
- d) divulge any such personal information to any immediate payer of certain U.S. source income as may be required for withholding and reporting to occur with respect to the payment of such income.

Any withholding obligation would be carried out in accordance with applicable laws and regulations and the Management Company will act in good faith and on reasonable grounds in relation thereto. Although abrdn SICAV I will attempt to satisfy any obligations imposed on it to avoid the imposition of FATCA withholding tax, no assurance can be given that abrdn SICAV I will be able to satisfy these obligations. If abrdn SICAV I becomes subject to a withholding tax as a result of the FATCA regime, the value of the Shares held by the Shareholders may suffer material losses.

## PUBLICATION OF SHARE PRICES

The Share Prices of each Class of Shares of each Fund are made public at the registered office of abrdn SICAV I and are available on the internet site [www.abrdn.com](http://www.abrdn.com). Share Prices (but not necessarily for every Class) are also currently published daily in a number of local publications and are generally available from Reuters, Bloomberg, Financial Express, FT Interactive Data, Lipper and Moneymate. abrdn SICAV I and its agents cannot accept responsibility for any errors or delays in the publication or non-publication of prices and reserve the right to discontinue or change publication in any publication without notice. Such prices are published for information only. It is not an invitation to subscribe for, redeem or switch Shares.

## MEETINGS AND REPORTS

The Annual General Meeting of Shareholders of abrdn SICAV I shall be held, in accordance with Luxembourg law, at the registered office of abrdn SICAV I or any other place in the Grand-Duchy of Luxembourg as may be specified in the notice of the meeting at a date and time decided by the Board of Directors being no later than six months after the end of abrdn SICAV I's previous financial year. Notices of General Meetings and other notices (which shall include the place and time of the meetings, conditions of admission, agenda, quorum and voting requirements) are given in accordance with Luxembourg law. The requirements for attendance, quorum and majorities at all General Meetings will be those specified in abrdn SICAV I's Articles of Incorporation.

A Shareholders' meeting may also be called upon the request of Shareholders representing at least one tenth of the share capital of abrdn SICAV I.

abrdn SICAV I's financial year ends on 30 September of each year. Copies of the annual reports giving details of each of the Funds together with the audited combined annual accounts of abrdn SICAV I (in US Dollars) will be available at the registered office of abrdn SICAV I and on [www.abrdn.com](http://www.abrdn.com) within four months of the end of the year which it covers. In addition, an interim report including unaudited combined half-yearly accounts will be available in the same manner within two months of the period which it covers.

## **DOCUMENTS AVAILABLE FOR INSPECTION**

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Copies of the following documents are available for inspection during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) at the registered office of abrdn SICAV I (where a copy of the documents specified in (a) and (c) below may be obtained on request, free of charge):

- (a) the Articles of Incorporation of abrdn SICAV I and of the Subsidiary;
- (b) the latest unaudited interim reports and the latest audited annual reports of abrdn SICAV I;
- (c) the latest Prospectus and the latest PRIIPS KIDs;
- (d) the agreement between abrdn SICAV I and the Management Company;
- (e) the agreements concluded by abrdn SICAV I with the Paying Agent and the Depositary;
- (f) the agreements concluded by abrdn SICAV I and the Management Company with the Administrator and the Investment Managers; and
- (g) the agreements between abrdn Investments Limited with each of the Sub-Investment Managers, as well as the advisory services agreement between abrdn Japan Limited and abrdn Asia Limited.

## **KEY INVESTOR INFORMATION DOCUMENT**

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The Key Investor Information Documents containing information on Classes of Shares launched are available on the internet site [www.abrdn.com](http://www.abrdn.com). abrdn SICAV I draws the attention of the investors to the fact that, before any subscription of Shares, investors should consult the relevant PRIIPS KID for a Class of Share.

## Appendix A - Investment Restrictions, Investment Techniques and Risk Management Process

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### INVESTMENT POWERS AND RESTRICTIONS

**abrdrn SICAV I has the following investment powers and restrictions:**

- I. abrdrn SICAV I may invest in:
    - a) Transferable Securities and Money Market Instruments admitted to or dealt in on a Regulated Market;
    - b) recently issued Transferable Securities and Money Market Instruments, provided that the terms of issue include an undertaking that application will be made for admission to official listing on a Regulated Market and such admission is secured within one year of the issue;
    - c) units of UCITS and/or Other UCIs, whether situated in a Member State or not, provided that:
      - such Other UCIs have been authorised under the laws which provide that they are subject to supervision considered by the CSSF to be equivalent to that laid down in Community law, and that cooperation between authorities is sufficiently ensured;
      - the level of protection for unitholders in such Other UCIs is equivalent to that provided for unitholders in a UCITS, and in particular that the rules on asset segregation, borrowing, lending, and uncovered sales of Transferable Securities and Money Market Instruments are equivalent to the requirements of Directive 2009/65/EC, as amended;
      - the business of such Other UCIs is reported in half-yearly and annual reports to enable an assessment of the assets and liabilities, income and operations over the reporting period;
      - no more than 10% of the assets of the UCITS or of the Other UCIs, whose acquisition is contemplated, can, according to their constitutional documents, in aggregate be invested in units of other UCITS or Other UCIs;
    - d) deposits with credit institutions which are repayable on demand or have the right to be withdrawn, and maturing in no more than 12 months, provided that the credit institution has its registered office in a Member State or if the registered office of the credit institution is situated in a non- Member State provided that it is subject to prudential rules considered by the CSSF as equivalent to those laid down in Community law;
    - e) financial derivative instruments, including equivalent cash-settled instruments, dealt in on a Regulated Market and/or financial derivative instruments dealt in over-the-counter ("OTC derivatives"), provided that:
      - the underlying consists of instruments covered by this paragraph I., financial indices, interest rates, foreign exchange rates or currencies, in which the Fund may invest according to its investment objective;
      - the counterparties to OTC derivative transactions are institutions subject to prudential supervision, and belonging to the categories approved by the Luxembourg supervisory authority;
      - the OTC derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at abrdrn SICAV I's initiative;
- and/or
- f) Money Market Instruments other than those dealt in on a Regulated Market, if the issue or the issuer of such instruments is itself regulated for the purpose of protecting investors and savings, and provided that such instruments are:
    - issued or guaranteed by a central, regional or local authority or by a central bank of a Member State, the European Central Bank, the EU or the European Investment Bank, a non-Member State or, in case of a Federal State, by one of the members making up the federation, or by a public international body to which one or more Member States belong, or
    - issued by an undertaking any securities of which are dealt in on Regulated Markets, or
    - issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined by the Community law, or by an establishment which is subject to and complies with prudential rules considered by the Luxembourg authority to be at least as stringent as those laid down by Community law, or
    - issued by other bodies belonging to the categories approved by the CSSF provided that investments in such instruments are subject to investor protection equivalent to that laid down in the first, the second or the third indent and provided that the issuer is a company whose capital and reserves amount to at least ten million euro (Euro 10,000,000) and which presents and publishes its annual accounts in accordance with the directive 2013/34/EU, is an entity which, within a group of companies which includes one or several listed companies, is

dedicated to the financing of the group or is an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line.

In addition, abrdn SICAV I may invest a maximum of 10% of the net assets of any Fund in Transferable Securities and Money Market Instruments other than those referred to under paragraphs a) through f) above.

- II. abrdn SICAV I may hold ancillary liquid assets.
- III. a) (i) abrdn SICAV I will invest no more than 10% of the net assets of any Fund in Transferable Securities or Money Market Instruments issued by the same issuing body.
- (ii) abrdn SICAV I may not invest more than 20% of the net assets of any Fund in deposits made with the same body. The risk exposure of a Fund to a counterparty in an OTC derivative transaction may not exceed 10% of its net assets when the counterparty is a credit institution referred to in paragraph I. d) above or 5% of its net assets in other cases.
- b) Moreover, where abrdn SICAV I holds on behalf of a Fund investments in Transferable Securities and Money Market Instruments of issuing bodies which individually exceed 5% of the net assets of such Fund, the total of all such investments must not account for more than 40% of the total net assets of such Fund.

This limitation does not apply to deposits and OTC derivative transactions made with financial institutions subject to prudential supervision.

Notwithstanding the individual limits laid down in paragraph a), abrdn SICAV I may not combine for each Fund:

- investments in Transferable Securities or Money Market Instruments issued by a single body;
- deposits made with the same body and/or;
- exposure arising from OTC derivative transactions undertaken with the same body

in excess of 20% of its net assets.

- c) The limit of 10% laid down in sub-paragraph a) (i) above is increased to a maximum of 35% in respect of Transferable Securities or Money Market Instruments which are issued or guaranteed by a Member State, its local authorities, or by another Eligible State or by public international bodies of which one or more Member States are members.
- d) The limit of 10% laid down in sub-paragraph a) (i) is increased to 25% for certain bonds when they are issued by a credit institution which has its registered office in a Member State and is subject by law, to special public supervision designed to protect bondholders. In particular, sums deriving from the issue of these bonds must be invested in conformity with the law in assets which, during the whole period of validity of the bonds, are capable of covering claims attaching to the bonds and which, in case of bankruptcy of the issuer, would be used on a priority basis for the repayment of principal and payment of the accrued interest.

If a Fund invests more than 5% of its net assets in the bonds referred to in this sub-paragraph and issued by one issuer, the total value of such investments may not exceed 80% of the net assets of the Fund.

- e) The Transferable Securities and Money Market Instruments referred to in paragraphs c) and d) shall not be included in the calculation of the limit of 40% in paragraph b).

The limits set out in paragraphs a), b), c) and d) may not be aggregated and, accordingly, investments in Transferable Securities or Money Market Instruments issued by the same issuing body, in deposits or in financial derivative instruments effected with the same issuing body may not, in any event, exceed a total of 35% of any Fund's net assets.

Companies which are part of the same group for the purposes of the establishment of consolidated accounts, as defined in accordance with directive 83/349/EEC or in accordance with recognised international accounting rules, are regarded as a single body for the purpose of calculating the limits contained in this paragraph III).

abrdn SICAV I may cumulatively invest up to 20% of the net assets of a Fund in Transferable Securities and Money Market Instruments within the same group.

- f) Notwithstanding the above provisions, abrdn SICAV I is authorised to invest up to 100% of the net assets of any Fund, in accordance with the principle of risk spreading, in Transferable Securities and Money Market Instruments issued or guaranteed by a Member State, by its local authorities or agencies, by a State accepted by the Luxembourg supervisory authority (being at the date of this Prospectus OECD member states, Singapore and any member state of the G20) or by public international bodies of which one or more member states of the European Union are members, provided that such Fund must hold securities from at least six different issues and securities from one issue do not account for more than 30% of the net assets of such Fund.**

- IV. a) Without prejudice to the limits laid down in paragraph V., the limits provided in paragraph III. are raised to a maximum of 20% for investments in shares and/or bonds issued by the same issuing body if the aim of the investment policy of a Fund is to replicate the composition of a certain stock or bond index which is sufficiently diversified, represents an



adequate benchmark for the market to which it refers, is published in an appropriate manner and disclosed in the relevant Fund's investment policy.

- b) The limit laid down in paragraph a) is raised to 35% where this proves to be justified by exceptional market conditions, in particular on Regulated Markets where certain Transferable Securities or Money Market Instruments are highly dominant. The investment up to this limit is only permitted for a single issuer.
- V.
- a) abrdn SICAV I may not acquire shares carrying voting rights which should enable it to exercise significant influence over the management of an issuing body.
  - b) abrdn SICAV I may acquire no more than:
    - 10% of the non-voting shares of the same issuer;
    - 10% of the debt securities of the same issuer;
    - 10% of the Money Market Instruments of the same issuer.
  - c) These limits under second and third indents may be disregarded at the time of acquisition, if at that time the gross amount of debt securities or of the Money Market Instruments or the net amount of the instruments in issue cannot be calculated.

The provisions of paragraph V. shall not be applicable to Transferable Securities and Money Market Instruments issued or guaranteed by a Member State or its local authorities or by any other Eligible State, or issued by public international bodies of which one or more Member States are members.

These provisions are also waived as regards shares held by abrdn SICAV I in the capital of a company incorporated in a non-Member State which invests its assets mainly in the securities of issuing bodies having their registered office in that State, where under the legislation of that State, such a holding represents the only way in which abrdn SICAV I can invest in the securities of issuing bodies of that State provided that the investment policy of the company from the non-Member State of the EU complies with the limits laid down in paragraphs III., V. and VI. a), b), c) and d).

- VI.
- a) Except if otherwise disclosed in the Prospectus in relation to a given Fund, abrdn SICAV I may acquire units of UCITS and/or Other UCIs referred to in paragraph I. c) (including those managed by the Investment Manager or its affiliates), provided that no more than 10% of a Fund's net assets be invested in the units of UCITS or Other UCIs or in one single such UCITS or Other UCI.  
In case a Fund may invest more than 10% in UCITS or Other UCIs, such Fund may not invest more than 20% of its net assets in units of a single UCITS or Other UCI. For the purpose of the application of this investment limit, each compartment of a UCITS or Other UCI with multiple compartments is to be considered as a separate issuer provided that the principle of segregation of the obligations of the various compartments *vis-à-vis* third parties is ensured.
  - b) Investments made in units of Other UCIs may not, in aggregate, exceed 30% of the net assets of such Fund.
  - c) The underlying investments held by the UCITS or Other UCIs in which abrdn SICAV I invests do not have to be considered for the purpose of the investment restrictions set forth under III. above.
  - d) When abrdn SICAV I invests in the units of UCITS and/or Other UCIs that are managed directly or by delegation by the Management Company or by any other company with which the Management Company is linked by common management or control, or by a substantial direct or indirect holding of more than 10% of the capital or votes, the Management Company or other company cannot charge subscription or redemption fees to abrdn SICAV I on account of its investment in the units of such UCITS and/or Other UCIs.

In respect of a Fund's investments in UCITS and Other UCIs that are managed directly or by delegation by the Management Company or by any other company with which the Management Company is linked by common management or control, or by a direct or indirect holding of more than 10% of the capital or votes, a management fee at the level of the relevant Fund and the UCITS and Other UCIs (excluding any performance fee, if any) of no more than 5% of the Net Asset Value of the relevant Fund may be charged.

abrdn SICAV I will indicate in its annual report the total management fees charged both to the relevant Fund and to the UCITS and Other UCIs in which such Fund has invested during the relevant period.

- e) abrdn SICAV I may acquire no more than 25% of the units of the same UCITS or Other UCI. This limit may be disregarded at the time of acquisition if at that time the gross amount of the units in issue cannot be calculated.
- VII.
- a) Under the conditions and within the limits laid down by the Law, abrdn SICAV I may, to the widest extent permitted by the Luxembourg laws and regulations (i) create any Fund qualifying either as a feeder UCITS (a "Feeder UCITS") or as a master UCITS (a "Master UCITS"), (ii) convert any existing Fund into a Feeder UCITS, or (iii) change the Master UCITS of any of its Feeder UCITS.

- b) A Feeder UCITS shall invest at least 85% of its assets in the units of another Master UCITS.
- A Feeder UCITS may hold up to 15% of its assets in one or more of the following:
- ancillary liquid assets in accordance with paragraph II.;
  - financial derivative instruments, which may be used only for hedging purposes.
- c) For the purposes of compliance with paragraph IX., the Feeder UCITS shall calculate its global exposure related to financial derivative instruments by combining its own direct exposure under the second indent of b) with either:
- the Master UCITS actual exposure to financial derivative instruments in proportion to the Feeder UCITS investment into the Master UCITS; or
  - the Master UCITS potential maximum global exposure to financial derivative instruments provided for in the Master UCITS management regulations or instruments of incorporation in proportion to the Feeder UCITS investment into the Master UCITS.
- d) As of the date of this Prospectus, none of the Funds qualify as a Feeder UCITS.
- VIII. A Fund (the "Investing Fund") may subscribe, acquire and/or hold securities to be issued or issued by one or more Funds (each a "Target Fund") under the condition that:
- the Target Fund does not, in turn, invest in the Investing Fund invested in this Target Fund; and
  - no more than 10% of the assets of the Target Fund whose acquisition is contemplated, may, according to its investment policy, be invested in units of other UCITS or Other UCIs; and
  - voting rights, if any, attaching to the relevant securities are suspended for as long as they are held by the Investing Fund concerned and without prejudice to the appropriate processing in the accounts and the periodic reports; and
  - the Investing Fund may not invest more than 20% of its net assets in shares/units of a single Target Fund; and
  - for as long as these securities are held by the Investing Fund, their value will not be taken into consideration for the calculation of the net assets of abrdn SICAV I for the purposes of verifying the minimum threshold of the net assets imposed by the Law.
- IX. abrdn SICAV I shall ensure for each Fund that the global exposure relating to financial derivative instruments does not exceed the net assets of the relevant Fund.
- The exposure is calculated taking into account the current value of the underlying assets, the counterparty risk, foreseeable market movements and the time available to liquidate the positions. This shall also apply to the following subparagraphs.
- If abrdn SICAV I invests in financial derivative instruments, the exposure to the underlying assets may not exceed in aggregate the investment limits laid down in paragraph III above. When abrdn SICAV I invests in index-based financial derivative instruments, these investments do not have to be combined to the limits laid down in paragraph III.
- When a Transferable Security or Money Market Instrument embeds a derivative, the latter must be taken into account when complying with the requirements of this paragraph IX.
- X. a) abrdn SICAV I may not borrow for the account of any Fund amounts in excess of 10% of the net assets of that Fund, any such borrowings to be from banks and to be effected only on a temporary basis, provided that abrdn SICAV I may acquire foreign currencies by means of back to back loans;
- b) abrdn SICAV I may not grant loans to or act as guarantor on behalf of third parties.
- This restriction shall not prevent abrdn SICAV I from (i) acquiring Transferable Securities, Money Market Instruments or other financial derivative instruments referred to in paragraphs I. c), e) and f) which are not fully paid, and (ii) performing permitted securities lending activities, that shall not be deemed to constitute the making of a loan.
- c) abrdn SICAV I may not carry out uncovered sales of Transferable Securities, Money Market Instruments or other financial derivative instruments.
- d) abrdn SICAV I may not acquire movable or immovable property.
- e) abrdn SICAV I may not acquire either precious metals or certificates representing them.

- XI. a) abrdn SICAV I needs not comply with the limits laid down in this Appendix when exercising subscription rights attaching to Transferable Securities or Money Market Instruments which form part of its assets. While ensuring observance of the principle of risk spreading, recently created Funds may derogate from paragraphs III., IV. and VI. a), b) and c) for a period of six months following the date of their creation.
- b) If the limits referred to in paragraph a) are exceeded for reasons beyond the control of abrdn SICAV I or as a result of the exercise of subscription rights, it must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interest of its Shareholders.
- c) To the extent that an issuer is a legal entity with multiple compartments where the assets of the compartment are exclusively reserved to the investors in such compartment and to those creditors whose claim has arisen in connection with the creation, operation or liquidation of that compartment, each compartment is to be considered as a separate issuer for the purpose of the application of the risk spreading rules set out in paragraphs III., IV. and VI.

abrdn SICAV I will in addition comply with such further restrictions as may be required by the regulatory authorities in any country in which the Shares are marketed.

## **ADDITIONAL COUNTRY SPECIFIC INVESTMENT RESTRICTIONS**

A list of the countries of registration of each of the Funds is available at the registered office of abrdn SICAV I.

### **SOUTH AFRICA**

**If and for so long as a Fund of abrdn SICAV I is authorised by the Financial Sector Conduct Authority in South Africa, the following shall apply in addition to the restrictions set out above:**

- (a) The Fund may borrow up to 10% of its net asset value, but only on a temporary basis for the purpose of meeting redemption requests;
- (b) For Funds investing in equity or equity-related securities, 90% of such equity or equity-related securities of such Fund shall only be invested in stock exchanges having obtained full membership of the World Federation of Exchanges or stock exchanges to which the Management Company has applied (and which have satisfied the requirements of), amongst other things, the due diligence guidelines as determined by the registrar;
- (c) For Funds investing in debt instruments or other eligible instruments, 90% of such instruments held by such Fund must have a credit rating of "investment grade" by Standard & Poor's, Moody's or Fitch Ratings Limited;
- (d) The Fund may hold units of other UCITS or Other UCIs, provided that such UCITS or Other UCIs have a risk profile which is not significantly riskier than the risk profile of other underlying securities which may be held by the Fund;
- (e) Derivative instruments will be used within the limits stated above. No gearing, leveraging and/or margining shall be permitted. However, investment in OTC derivative instruments will only be permitted for forward currencies. No uncovered positions shall be permitted;
- (f) The Fund shall not invest in a fund of funds or a feeder fund;
- (g) No scrip borrowing shall be permitted; and
- (h) Securities lending transactions may not be carried out on more than 50% of the aggregate market value of the securities of each Fund's portfolio.

### **TAIWAN**

**If and for so long as a Fund of abrdn SICAV I is offered and distributed in Taiwan, the Republic of China (R.O.C.), the following additional restrictions shall apply:**

- (a) Unless exempted by the Financial Supervisory Commission (the "FSC"), the total value of such Fund's non offset short position in derivatives for hedging purpose shall not exceed the total market value of the relevant securities held by such Fund and the risk exposure of the non offset position in derivative products held by such Fund for purpose of increase of investment efficiency shall not exceed 40% (or such other percentage stipulated by the FSC from time to time) of the Net Asset Value of such Fund;
- (b) The Funds shall not invest in gold, commodities or real estate;
- (c) Each Fund's investments in securities issued in the Mainland China securities market shall be limited to listed securities and the total amount of such investments shall not exceed 20% (or such other percentage stipulated by the FSC from time to time) of the Net Asset Value of such Fund;
- (d) The investments in each Fund by R.O.C. investors shall not exceed 50% (or such other percentage stipulated by the FSC from time to time) of the Net Asset Value of such Fund; and
- (e) The investment of each Fund in securities issued in the R.O.C. shall not exceed 50% (or such other percentage stipulated by the FSC from time to time) of the Net Asset Value of such Fund.

## FRANCE

**If and for so long as a Fund of abrdn SICAV I requires eligibility for the French *Plan d'Epargne en Actions* (PEA), the following additional restriction shall apply:**

- (a) The Fund shall invest at least 75% of its total assets in equity securities issued by companies which have their head office in the European Union, Norway or Iceland and the UK (for as long as these remain eligible).

## HONG KONG

**If and for so long as a Fund of abrdn SICAV I is authorised under the Securities and Futures Ordinance, in Hong Kong, the following additional restrictions shall apply:**

- (a) The Management Company may not obtain a rebate on any fees or charges levied by underlying UCITS and/or Other UCIs or their management company;
- (b) For abrdn SICAV I – Emerging Markets Corporate Bond Fund, abrdn SICAV I – North American Smaller Companies Fund and abrdn SICAV I – World Smaller Companies Fund, no more than 10% of each of the Fund's Net Asset Value may be invested in securities issued or guaranteed by any single country (including its government, a public or local authority or nationalised industry of that country) with a credit rating below Investment Grade (or, in the case of abrdn SICAV I – World Smaller Companies Fund, are unrated). In this case, credit ratings in general refer to those from an internationally recognised credit agency;

## KOREA

**If and for so long as a Fund of abrdn SICAV I is registered in Korea, the following additional restrictions shall apply:**

- (a) A Fund's securities shall be issued for the unidentified public, and 10% or more of the Shares issued by the Fund shall be sold outside of the Republic of Korea;
- (b) 60% or more of a Fund's net assets shall be invested in non-Korean Won-denominated securities (including foreign collective investment securities) or products in a country other than Korea;
- (c) A policy under which: a Fund's business entity or its affiliated company, any executive or significant shareholder (referring to a shareholder who holds more than 10% of the outstanding stocks in his/her own name or any other person's name) of any of the afore-mentioned companies, or the spouse of such executive or shareholder shall not conduct any transaction with the collective investment property for his/her own interest, except where conflicts of interest are not likely to occur in trading with the foreign collective investment scheme, such as transactions through an open market.

## INVESTMENT TECHNIQUES AND INSTRUMENTS AND USE OF FINANCIAL DERIVATIVE INSTRUMENTS

### Techniques and Instruments

To the maximum extent allowed by, and within the limits set forth in, the Law and any present or future related Luxembourg laws or implementing regulations, circulars and CSSF's positions, in particular the provisions of (i) article 11 of the Grand-Ducal regulation of 8 February 2008 relating to certain definitions of the law of 20 December 2002 on undertakings for collective investments<sup>2</sup>; (ii) CSSF Circular 08/356 relating to the rules applicable to undertakings for collective investments when they use certain techniques and instruments relating to transferable securities and money market instruments ("CSSF Circular 08/356" (as these regulations may be amended or replaced from time to time)); and (iii) CSSF Circular 14/592 relating to ESMA Guidelines on ETFs and other UCITS, each Fund of abrdn SICAV I may for the purpose of generating additional capital or income or for reducing costs or risks engage in securities lending transactions.

### **Lending of Portfolio Securities**

In order to generate additional revenue, *inter alia*, for Funds, abrdn SICAV I intends to participate in securities lending transactions subject to complying with the provisions set forth in the CSSF Circular 08/356 and CSSF Circular 14/592 as the same may be amended or replaced. Under no circumstances shall these operations cause a Fund to diverge from its investment objective as laid down in the Prospectus or result in additional risk higher than its profile as described in the Prospectus. The following types of assets can be subject to securities lending: equity and bonds held in the portfolio of the relevant Fund in accordance of its investment policy when abrdn SICAV I is acting as borrower.

The following types of securities are permissible for securities lending transactions:

- (i) Government Bonds;
- (ii) Mortgage Backed Securities;
- (iii) Corporate Bonds;
- (iv) Agency Bonds;
- (v) Supranational Bonds;
- (vi) Global Equities;
- (vii) Exchange Traded Funds;
- (viii) American Depositary Receipts;
- (ix) Global Depositary Receipts.

In relation to such lending transactions, abrdn SICAV I must in principle receive for the Fund concerned security of a value which at the time of the conclusion of the lending agreement must be at least equal to the value of the global valuation of the securities lent.

<sup>2</sup> The law of 20 December 2002 on undertakings for collective investments has been repealed and replaced by the Law.

abrdn SICAV I may not enter into securities lending transactions unless such lending is fully and continuously secured by the cash placed as collateral and/or shares admitted to or dealt in on a Regulated Market or on a stock exchange of a member state of the OECD, provided that these shares are included in a main index and/or securities issued or guaranteed by an OECD member state or by local authorities of an OECD member state or by supranational institutions or organisations with EU, regional or worldwide scope, or by a guarantee of a highly rated financial institution, and blocked in favour of abrdn SICAV I until the termination of the lending contract.

Securities lending is a widely used industry practise which involves investment portfolios engaging in short term loans of either equities or bonds against an underlying security. These loans are agreed for a fee which enhances the yield of the Fund. Revenues generated from securities lending transactions are used by the Fund to help reduce costs and improve performance. Each Fund engages in securities lending transactions on continuous or on a temporary basis, depending on factors as further described hereafter. Lending transactions may not be entered into in respect of more than 50% of the Net Assets of each Fund. Although the level of security lending transactions on average is expected to be low (i.e. around 10%) in practice as at the date of this Prospectus, it can range from 0 to 50% for each relevant Fund. Each Fund under abrdn SICAV I has the ability, at its discretion, to engage in securities lending transactions. The amount and the extent of lending activity of each Fund will vary on the basis of demand and the number of lending opportunities that present themselves and are considered material enough for the Fund to engage in.

Lending transactions may not extend beyond a period of 7 days, except for lending transactions where the securities may be reclaimed at any time by abrdn SICAV I.

abrdn SICAV I has appointed Securities Finance Trust Company as securities lending agent or may appoint any other entity from time to time (the "Securities Lending Agent"). The Securities Lending Agent(s) is/are entitled to receive a fee out of the property of the relevant Fund (plus VAT thereon) for its/their services in relation to securities lending. The relevant Fund will pay 10% of the gross revenues generated from securities lending activities as costs / fees to the Securities Lending Agent, the Investment Manager will receive 5% of the gross revenues generated from securities lending activities to cover its own administrative and operational costs and the Fund will retain 85% of the gross revenues generated from securities lending activities. Costs / fees of running the programme are paid from the Securities Lending Agent's portion of the gross income (10%). This includes direct and indirect costs / fees generated by the securities lending activities. Details of such amounts, including any additional operational cost, will be disclosed in the interim and annual financial reports of abrdn SICAV I. The proportion of the income that will accrue to a particular Fund from all securities lending transactions cannot be changed without the Board's consent.

All securities lending transactions will be entered into on arms-length commercial terms. The written consent of the Board is required for any such transactions that are entered into with the Investment Managers or Sub-Investment Managers or its Connected Persons.

The Securities Lending Agent is not a related party to the Investment Manager or Sub-Investments Managers.

The counterparties to the transactions described above must be subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by Community law and specialised in this type of transaction. While there are no predetermined legal status or geographical criteria applied in the selection of the counterparties, these elements are typically taken into account in the selection process. The counterparties to such transactions will typically be organisations based in an OECD member state. abrdn SICAV I will seek to appoint counterparties from a list of approved counterparties who have undergone a credit risk analysis by the Investment Managers taking into account CSSF rules on counterparty selection, and whose short-term and long term ratings so rated by Standard & Poor's or Moody's Investor Services or Fitch Ratings must not be lower than BBB+. A counterparty may be a related party to the Investment Manager. In accordance with its collateral policy, abrdn SICAV I will ensure that its counterparty delivers and each day maintains collateral of at least the market value of the securities lent/sold, as described below. Such collateral must be in the form of:

(i) liquid assets (i.e., cash and short term bank certificates, money market instruments as defined in Council Directive 2007/16/EC of 19 March 2007) and their equivalent (including letters of credit and a guarantee at first-demand given by a first class credit institution not affiliated to the counterparty);

(ii) bonds issued or guaranteed by a member state of the OECD or their local authorities or by supranational institutions and undertakings with EU, regional or world-wide scope. Government bonds must have a minimum issuer rating of AA- S&P or Aa3 Moody's (with respect to a government issuer that is rated by both Moody's and S&P, the lower of those two ratings applies). The maturity of these bonds may vary and is not subject to limitations;

(iii) shares or units issued by money market UCIs calculating a net asset value on a daily basis and assigned a rating of AAA or its equivalent;

(iv) shares or units issued by UCITS investing mainly in bonds/shares satisfying the conditions under (v) and (vi) hereafter;

(v) bonds issued or guaranteed by first class issuers offering an adequate liquidity; or

(vi) shares admitted to or dealt in on a Regulated Market or on a stock exchange of a member state of the OECD, provided that these shares are included in a main index.

Collateral will be valued on a daily basis, using available market prices and taking into account appropriate discounts determined for each asset class based on the haircut policy. The collateral will be marked to market daily and may be subject to daily variation margin requirements. Haircuts can be internally reviewed and modified as per a risk based approach.

abrdn SICAV I will require a minimum over-collateralisation of 102% of the value of the underlying securities. The haircut for all eligible collateral will vary between 0 and 2% so that the minimum over-collateralisation of the value of the underlying securities will never fall below 100%.

As the case may be, cash collateral received by each Fund in relation to any of these transactions may be reinvested in a manner consistent with the investment objectives of such Fund in (a) shares or units issued by short-term money market undertakings for collective investment calculating a daily net asset value and being assigned a rating of AAA or its equivalent, (b) short-term bank deposits, and (c) short-term bonds issued or guaranteed by an EU member state, Switzerland, Canada, Japan or the United States or by their local authorities or by supranational institutions and undertakings with EU, regional or world-wide scope, according to the provisions described under section XII. Article 43. J) of ESMA Guidelines on ETFs and other UCITS issues released by the CSSF under CSSF Circular 14/592. Such reinvestment will be taken into account for the calculation of each concerned Fund's global exposure, in particular if it creates a leverage effect. In case of reinvestment of cash collateral such reinvestment may (i) create leverage with corresponding risks and risk of losses and volatility, (ii) introduce market exposures inconsistent with the objectives of the Fund concerned, or (iii) yield a sum less than the amount of collateral to be returned.

The securities of a Fund that have been lent may be held by a third party custodian who is subject to prudential supervision. Where there is a title transfer, collateral received will be held by the Depository (or sub-custodian on the behalf of the Depository) on behalf of the relevant Fund in accordance with the Depository's safekeeping duties under the Depository Agreement. For other types of collateral arrangement, the collateral can be held by a third party custodian which is subject to prudential supervision and which should be unrelated to the provider of the collateral.

#### **Financial Derivative Instruments**

Each Fund of abrdn SICAV I may, subject to the conditions and within the limits laid down in the Law and any present or future related Luxembourg laws or implementing regulations, circulars and CSSF positions (the "Regulations"), invest in financial derivative instruments for hedging and/or to manage foreign exchange risks. For certain Funds, where such techniques and instruments are also used for investment purposes, this must be set out in their investment objectives and policies. Financial derivative instruments include, but are not limited to, futures, options, swaps (including, but not limited to, credit and credit-default, interest rate and inflation swaps), forward foreign currency contracts and credit linked notes. All Funds may enter into transactions which include but are not limited to interest rate, equity, index and government bond futures and the purchase and writing of call and put options on securities, securities indices, government bond futures, interest rate futures and swaps. New financial derivative instruments may be developed which may be suitable for use by abrdn SICAV I. abrdn SICAV I may employ such financial derivative instruments in accordance with the Regulations and collateral received will be according to its collateral policy.

The counterparties to such transactions must be subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by Community law and specialised in this type of transaction. In respect of OTC financial derivative transactions, abrdn SICAV I will receive collateral as specified in each of its ISDA Agreement. Such collateral will be in the form of cash. Collateral in the form of cash deposits in a currency other than the currency of exposure is also subject to a discount of 10%.

As the case may be, cash collateral received by each Fund in relation to financial derivative instruments may be reinvested in a manner consistent with the investment objectives of such Fund in (a) shares or units issued by short-term money market undertakings for collective investment calculating a daily net asset value and being assigned a rating of AAA or its equivalent, (b) short-term bank deposits, and (c) short-term bonds issued or guaranteed by an EU member state, Switzerland, Canada, Japan or the United States or by their local authorities or by supranational institutions and undertakings with EU, regional or world-wide scope, according to the provisions described under section XII. Article 43. J) of ESMA Guidelines on ETFs and other UCITS issues released by the CSSF under CSSF Circular 14/592. Such reinvestment will be taken into account for the calculation of each concerned Fund's global exposure, in particular if it creates a leverage effect.

#### **Use of Total Return Swaps**

A total return swap is an agreement in which one party makes payments based on the total return of an underlying asset, which includes both the income it generates and any capital gains or losses, in exchange for payments based on an interest rate, either fixed or variable, from the other party.

It is not the intention of abrdn SICAV I to enter into total return swaps transactions. If any Fund was to use total return swaps in the future, the Prospectus will be modified accordingly.

#### **Transparency of securities financing transactions and of reuse (SFTR)**

abrdn SICAV I will not enter into (i) total return swaps; and/or (ii) the securities financing transactions pertaining to repurchase and reverse repurchase agreements and/or buy-sell back/sell-buy back transactions, as defined in the Regulation (EU) 2015/2365 on transparency of securities financing transactions and of reuse and amending Regulation (EU) 648/2012 (the "SFT Regulation"). If a Fund was to use such securities financing transactions and total return swaps in the future, the Prospectus will be modified accordingly.

### **RISK MANAGEMENT PROCESS**

abrdn SICAV I and the Management Company will employ a risk-management process which enables them to monitor and measure at any time the risk of the positions and their contribution to the overall risk profile of each Fund. The risk measurement

and monitoring of the Funds will be carried out either using a value at risk ("VaR") or a commitment approach. Funds which will not use financial derivative instruments or limit their use to hedging strategies or make use of financial derivative instruments for investment purposes but only to a limited extent for cash management will be monitored using the commitment approach. The Funds that are under VaR approach to determine the global exposure, will use a 99% confidence level and an analysis time horizon of one month (20 days).

Where it is possible to determine an appropriate risk benchmark for a Fund as indicated in the table below, the relevant Fund will apply a Relative VaR risk management approach which will measure the risk profile of each Fund against a reference portfolio or risk benchmark (the "Risk Benchmark"). If for any reason it is not possible or appropriate to determine a Risk Benchmark for any Fund, then the Management Company will consider adopting an Absolute VaR risk management approach on all of a Fund's portfolio positions. The table below lists the Risk Benchmarks assigned to each Fund, if applicable, as at the date of this Prospectus. The referenced Risk Benchmark may be subject to change, which shall be updated in this Prospectus at the next available opportunity. Information on the Risk Benchmark applicable to a Fund will be available upon request from the Management Company. Where a Fund's Risk Benchmark is based on a combination of indices, the proportion of each index will be indicated as a percentage of the Risk Benchmark.

The column entitled "Maximum" refers to the regulatory risk limits applied to Funds in accordance with their global exposure approach. Under the Relative VaR approach, the global exposure of a Fund is determined calculating the VaR of the Funds' current portfolio versus the VaR of the reference portfolio: the VaR of the Fund must be lower than twice the VaR of the reference portfolio (i.e.200%). In a case of a Fund for which an Absolute VaR approach is used, the maximum Absolute VaR that a Fund can have is 20% of its Net Asset Value (NAV). Under the commitment approach, a Fund's total exposure to financial derivative instruments is limited to 100% of Fund's NAV.

Where the commitment approach is used for calculation of global exposure, the calculation is in principle based on the conversion of each financial derivative instrument position into the market value of an equivalent position in the underlying asset of that derivative, in accordance with the methods set out under applicable regulation.

The expected level of leverage per Fund for which a VaR risk management approach is used is also set out below, which has been calculated using the "Sum of Notionals" of the derivatives used in accordance with the CESR's guidelines on "Risk Measurement and the Calculation of Global Exposure and Counterparty Risk for UCITS" (CESR/10-788). The "Sum of Notionals" calculation shows the total sum of the principal values of all derivatives used by the Fund, including those specific to Hedged Share Classes, and not taking into account any netting of derivative positions or delta adjustment for the effective market exposure of options.

Shareholders should note that the expected level of leverage is an estimate only of the average leverage over the medium term (3 years or more). There is the possibility of significantly higher leverage levels in certain circumstances, e.g. where the Investment Manager may make more extensive use of financial derivative instruments for investment purposes (within the limits of each Fund's investment objective).

Further, an expected level of leverage does not necessarily represent an increase of risk in the Fund. This is because the sum of notionals calculation does not accurately reflect the market risk of a derivative and, in addition, aggregates the absolute sum of all long and short financial derivative instrument positions irrespective of the intended use of a derivative e.g. being either hedging or investment purposes. By way of illustration, an instrument with less interest rate duration (e.g. a 2 year interest rate swap) will require significantly more leverage before the market risk would be greater than the risk from an instrument with greater duration (e.g. a 30 year interest rate swap).

Further details on the average leverage levels, as calculated using the sum of notionals exposures, will also be disclosed in abrdn SICAV I annual financial statements for the relevant accounting period.

Fund	Risk Management Approach	Maximum	Benchmark for Relative VaR	Expected Leverage based on "Sum of Notionals" approach	Level of Notionals
abrln SICAV I – All China Sustainable Equity Fund	Commitment	100%	N/A	N/A	
abrln SICAV I – abrln - CCBI Belt & Road Bond Fund	Commitment	100%	N/A	N/A	
abrln SICAV I – Asian Bond Fund	Relative VaR	200%	Markit iBoxx Asian Local Bond Index (USD)	170%	
abrln SICAV I – Asian Credit Sustainable Bond Fund	Relative VaR	200%	JP Morgan Asia Credit Diversified Index (USD)	30%	
abrln SICAV I – Asia Pacific Sustainable Equity Fund	Commitment	100%	N/A	N/A	
abrln SICAV I – Asia Pacific Multi Asset Fund	Relative VaR	200%	50% MSCI AC Asia Pacific ex Japan Index 50% Markit iBoxx Asian Local Bond Index	160%	
abrln SICAV I – Asian High Yield Sustainable Bond Fund	Relative VaR	200%	JP Morgan Asia Credit Non-Investment Grade Index	50%	
abrln SICAV I – Asian Smaller Companies Fund	Commitment	100%	N/A	N/A	
abrln SICAV I – Asian SDG Equity Fund	Commitment	100%	N/A	N/A	
abrln SICAV I – China Next Generation Fund	Commitment	100%	N/A	N/A	
abrln SICAV I – China A Share Sustainable Equity Fund	Commitment	100%	N/A	N/A	
abrln SICAV I – China Onshore Bond Fund	Relative VaR	200%	FTSE Chinese Government Bond Index (CNH)	30%	
abrln SICAV I – Climate Transition Bond Fund	Relative VaR	200%	<ul style="list-style-type: none"> <li>60% Bloomberg Global Aggregate Corporates Index (USD hedged)</li> <li>20% Bloomberg Global High Yield Corporates Index (USD hedged)</li> <li>20% JP Morgan Corporate Emerging Market Bond Index (USD)</li> </ul>	150%	
abrln SICAV I – Diversified Growth Fund	Absolute VaR	20%	N/A	150%	
abrln SICAV I – Diversified Income Fund	Absolute VaR	20%	N/A	190%	
abrln SICAV I – Emerging Markets Bond Fixed Maturity 2023 Fund	Commitment	100%	N/A	N/A	
abrln SICAV I – Emerging Markets Corporate Bond Fund	Relative VaR	200%	JP Morgan CEMBI Broad Diversified Index (USD)	50%	
abrln SICAV I – Emerging Markets Equity Fund	Commitment	100%	N/A	N/A	



Fund	Risk Management Approach	Maximum	Benchmark for Relative VaR	Expected Leverage based on "Sum of Notionals" approach	Level of Notionals
abrđn SICAV I – Emerging Markets Infrastructure Equity Fund	Commitment	100%	N/A	N/A	
abrđn SICAV I – Emerging Markets Smaller Companies Fund	Commitment	100%	N/A	N/A	
abrđn SICAV I – Emerging Markets Sustainable Equity Fund	Commitment	100%	N/A	N/A	
abrđn SICAV I – Emerging Markets SDG Corporate Bond Fund	Commitment	100%	N/A	N/A	
abrđn SICAV I – Emerging Markets SDG Equity Fund	Commitment	100%	N/A	N/A	
abrđn SICAV I – Emerging Markets Total Return Bond Fund	Relative VaR	200%	75% JP Morgan EMBI Global Diversified Index (USD) 25% JP Morgan GBI-EM Global Diversified Index (USD)	90%	
abrđn SICAV I – Euro Government Bond Fund	Relative VaR	200%	Bloomberg Euro Aggregate Treasury Bond Index (EUR)	260%	
abrđn SICAV I – European Sustainable Equity Fund	Commitment	100%	N/A	N/A	
abrđn SICAV I – Europe ex UK Sustainable Equity Fund	Commitment	100%	N/A	N/A	
abrđn SICAV I – Frontier Markets Bond Fund	Relative VaR	200%	JP Morgan Next Generation Markets Index (USD)	30%	
abrđn SICAV I – GDP Weighted Global Government Bond Fund	Relative VaR	200%	Bloomberg Global Treasury Universal-GDP Weighted by Country Index (USD)	210%	
abrđn SICAV I – Global Bond Fund	Relative VaR	200%	Bloomberg Global Aggregate Index (USD)	350%	
abrđn SICAV I – Global Bond Fixed Maturity 2023 Fund	Commitment	100%	N/A	N/A	
abrđn SICAV I – Global Climate and Environment Equity Fund	Commitment	100%	N/A	N/A	
abrđn SICAV I – Global Corporate Sustainable Bond Fund	Relative VaR	200%	Bloomberg Global Aggregate Corporate Bond (Hedged to USD) Index	70%	
abrđn SICAV I – Global Sustainable Equity Fund	Commitment	100%	N/A	N/A	
abrđn SICAV I – Global Dynamic Dividend Fund	Commitment	100%	N/A	N/A	
abrđn SICAV I – Global Government Bond Fund	Relative VaR	200%	FTSE World Government Bond Index (USD)	350%	
abrđn SICAV I – Global Innovation Equity Fund	Commitment	100%	N/A	N/A	
abrđn SICAV I – Global Mid-Cap Equity Fund	Commitment	100%	N/A	N/A	

Fund	Risk Management Approach	Maximum	Benchmark for Relative VaR	Expected Level of Leverage based on "Sum of Notionals" approach
abrdn SICAV I – Indian Bond Fund	Relative VaR	200%	Markit iBoxx Asia India Index (USD)	30%
abrdn SICAV I – Indian Equity Fund	Commitment	100%	N/A	N/A
abrdn SICAV I – Japanese Sustainable Equity Fund	Commitment	100%	N/A	N/A
abrdn SICAV I – Japanese Smaller Companies Sustainable Equity Fund	Commitment	100%	N/A	N/A
abrdn SICAV I – Latin American Equity Fund	Commitment	100%	N/A	N/A
abrdn SICAV I – Listed Private Capital Fund	Commitment	100%	N/A	N/A
abrdn SICAV I – North American Smaller Companies Fund	Commitment	100%	N/A	N/A
abrdn SICAV I – Select Emerging Markets Bond Fund	Commitment	100%	N/A	N/A
abrdn SICAV I – Select Emerging Markets Investment Grade Bond Fund	Relative VaR	200%	JP Morgan EMBI Global Diversified Investment Grade Index (USD)	80%
abrdn SICAV I – Select Euro High Yield Bond Fund	Commitment	100%	N/A	N/A
abrdn SICAV I – Short Dated Enhanced Income Fund	Commitment	100%	N/A	N/A
abrdn SICAV I – US Dollar Credit Sustainable Bond Fund	Relative VaR	200%	Bloomberg US Credit Index (USD)	80%
abrdn SICAV I – World Resources Equity Fund	Commitment	100%	N/A	N/A
abrdn SICAV I – World Smaller Companies Fund	Commitment	100%	N/A	N/A

Where a Fund is authorised by the Securities and Futures Commission (SFC) in Hong Kong, it will be required to disclose its maximum expected net derivative exposure (NDE) as calculated in accordance with the requirements under the SFC's Code on Unit Trusts and Mutual Funds and the requirements and guidance issued by the SFC from time to time.

**Investors' attention is brought to the fact that such methodology is different to the risk management approaches described herein and that as a consequence, in some instances, this could result in a Fund having a more restrictive use of financial derivative instruments than what it is allowed to based on the limits outlined above. However, the maximum expected NDE is not expected to impact the achievement of the investment objectives of the relevant Funds.**

#### **Liquidity Risk Management**

The Management Company has established a liquidity risk management policy which enables it to identify, monitor and manage the liquidity risks of each Fund of abrdn SICAV I and to ensure that the liquidity profile of the investments of each Fund of abrdn SICAV I will facilitate compliance with the Fund's obligation to meet redemption requests. Such policy, combined with the liquidity management tools of abrdn SICAV I, also seeks to achieve a fair treatment of shareholders and to safeguard the interests of the remaining shareholders in case of sizeable redemptions.

The Management Company's liquidity policy takes into account different factors including but not limited to the investment strategy, the liquidity profile, the redemption policy, the dealing frequency, the ability to enforce redemption limitations and the fair valuation policies of the relevant Fund of abrdn SICAV I. These measures seek to ensure fair treatment and transparency for all investors.

The liquidity management policy involves monitoring the profile of investments held by the relevant Fund of abrdn SICAV I on an on-going basis to ensure that such investments are appropriate to the investor base and the risk profile of those investors and the redemption policy. Furthermore, the liquidity management policy includes details on periodic stress testing carried out by the Management Company to manage the liquidity risk of each Fund of abrdn SICAV I under normal and exceptional market conditions.

The stress testing will be performed on a regular basis under normal market conditions or such interval as the Management Company may consider appropriate from time to time. In times of exceptional and adverse market conditions or during a period when there are large redemption requests, stress testing will be performed more frequently. Where there are major changes to the markets in which a Fund invests, further stress testing will be performed in order to assess the impact. The results of the stress testing which will be studied and assessed carefully and will be used by the Management Company to consider taking possible actions where necessary, e.g. adjust the portfolio weighting of different types of investment instruments of the relevant Fund and prepare contingency plans.

The Management Company has assigned a designated team responsible for risk management to carry out the liquidity risk monitoring function and which is functionally independent from the Investment Managers and Sub-Investment Managers. The oversight of liquidity risk management is performed by the Risk Management Committee and the Investor Protection Committee.

In addition to the tools used on the day-to-day management of the liquidity risk, the Management Company may use the following contingent measures:

- (1) abrdn SICAV I may limit the total number of Shares of any Fund which may be redeemed on any Dealing Day to a number representing 10% of the net assets of that Fund in accordance with the provisions of the Article of Incorporation and this Prospectus. If such limitation is imposed, this would restrict the ability of a shareholder to redeem in full the Shares the Shareholder intends to redeem on a particular Dealing Day;
- (2) abrdn SICAV I may impose a dilution adjustment to the Net Asset Value of each Class of Shares in respect of Shares (i) redeemed on a particular Dealing Day, where the net redemptions of Shares linked to the Fund in which the redemption is instructed exceed 5% of the Net Asset Value or any other threshold determined by the Board of Directors of abrdn SICAV I (having considered prevailing market conditions) of the issued Shares linked to that Fund; or (ii) Shares purchased on a particular Dealing Day, where the net purchases of Shares linked to the Fund in which the purchase is instructed exceed the same percentage or any other threshold determined by the Board of Directors (having considered prevailing market conditions). If charged, the dilution adjustment will be paid into the relevant Fund and become part of the relevant Fund;
- (3) abrdn SICAV I may suspend the allotment, issue and redemption of Shares relating to a Fund, the right to switch Shares into those of another Fund and the calculation of the Net Asset Value of any Class in accordance with the provisions of the Article of Incorporation and this Prospectus. During such period of suspension, shareholders would not be able to redeem their investments in the relevant Fund.

Investors may refer to the sections "Deferral of Redemptions", "Swing Pricing" and "Suspension of Dealings" in this Prospectus for details of the above tools.

## Appendix B - Calculation of Net Asset Value

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### • NET ASSET VALUE

- (1) The Net Asset Value of each Class of Shares will be determined on each Dealing Day for the relevant Fund.
- (2) The Net Asset Value of each Class of Shares (expressed in its currency of denomination) will be determined by aggregating the value of the assets, and deducting the liabilities, of the Fund allocated to such Class. For this purpose the assets of abrdn SICAV I shall be deemed to include:
  - (i) all cash in hand or on, or instructed to be placed on, deposit, including any interest accrued or to be accrued thereon;
  - (ii) all bills and demand notes and accounts receivable (including proceeds of securities sold but not yet delivered);
  - (iii) all bonds, time notes, shares, stock, debenture stocks, units/shares in undertakings for collective investment, subscription rights, warrants, options and other investments and securities owned or contracted for by abrdn SICAV I;
  - (iv) all stock, stock dividends, cash dividends and cash distributions receivable by abrdn SICAV I to the extent information thereon is reasonably available to abrdn SICAV I (provided that abrdn SICAV I may make adjustments with regard to fluctuations in the market value of securities caused by trading ex-dividend or ex-rights or by similar practices);
  - (v) all interest accrued on any interest-bearing securities owned by abrdn SICAV I, except to the extent that such interest is included or reflected in the principal amount of such security; and
  - (vi) all other assets of every kind and nature, including prepaid expenses.

Likewise, the liabilities of abrdn SICAV I shall be deemed to include:

- (i) all loans, bills and accounts payable;
- (ii) all accrued or payable administrative expenses (including management, depositary's and corporate agent's fees and other fees payable to representatives and agents of abrdn SICAV I);
- (iii) all known liabilities, present and future, including all matured contractual obligations for payments of money or property, including the amount of any unpaid dividends declared by abrdn SICAV I where the date of the valuation falls subsequent to the record date for determination of the persons entitled thereto;
- (iv) an appropriate provision for future taxes based on capital and income as at the date of the valuation and any other reserves authorised and approved by the Board of Directors; and
- (v) all other liabilities of abrdn SICAV I of whatever kind and nature, actual or contingent, except liabilities represented by Shares in the relevant Class towards third parties.

The value of financial derivative instruments used to manage the currency exposure on the Hedged Share Classes will be allocated to the appropriate Hedged Share Class. Depending on performance, the value may be either an asset or a liability and will be included in the calculation of Net Asset Value accordingly.

For the purposes of valuing its assets, no account shall be taken of monies held by the Management Company on behalf of abrdn SICAV I for payment of dividends to Shareholders and for the purposes of establishing its liabilities, abrdn SICAV I may take into account all administrative and other expenses with a regular or periodical character by calculating them for the entire year or any other period and by dividing the amount concerned proportionately for the relevant fractions of such period.

The value of such assets shall be determined as follows:

- (1) the value of any cash on hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received shall be deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full, in which case the value thereof shall be arrived at after making such discount as abrdn SICAV I may consider appropriate in such case to reflect the true value thereof;
- (2) the value of securities and/or financial derivative instruments which are listed on any official stock exchange or traded on any other organised market at the last available stock price. Where such securities or other assets are quoted or dealt in or on more than one stock exchange or other organised markets, the directors shall select the principal of such stock exchanges or markets for such purposes;
- (3) in the event that any of the securities held in abrdn SICAV I's portfolio on the relevant day are not listed on any stock exchange or traded on any organised market or if with respect to securities listed on any stock exchange or traded on any other organised market, the price as determined pursuant to sub-paragraph (2) is not, in the opinion of the Board of Directors, representative of the fair market value of the relevant securities, the value of

such securities will be determined prudently and in good faith based on the reasonably foreseeable sales price or any other appropriate valuation principles;

- (4) the financial derivative instruments which are not listed on any official stock exchange or traded on any other organised market will be valued in a reliable and verifiable manner on a daily basis and verified by a competent professional appointed by abrdn SICAV I;
- (5) units or shares in underlying open-ended investment funds shall normally be valued at their last available net asset value reduced by any applicable charges. In accordance with point (7) below units or shares in underlying open-ended investment funds may be valued at their indicative price (as described below);
- (6) liquid assets and Money Market Instruments may be valued at market value plus any accrued interest or on an amortised cost basis as determined by the Board of Directors. All other assets, where practice allows, may be valued in the same manner. If the method of valuation on an amortised cost basis is used, the portfolio holding will be reviewed from time to time under the direction of the Board of Directors to determine whether a deviation exists between the Net Asset Value calculated using the market quotation and that calculated on an amortised cost basis. If a deviation exists which may result in a material dilution or other unfair result to investors or existing shareholders, appropriate corrective action will be taken including, if necessary, the calculation of the Net Asset Value by using available market quotations; and
- (7) in the event that the above mentioned calculation methods are inappropriate or misleading, the Board of Directors may adjust the value of any investment or permit some other method of valuation to be used for the assets of abrdn SICAV I if it considers that the circumstances justify that such adjustment or other method of valuation should be adopted to reflect more fairly the value of such investments.

## **(2) INDICATIVE PRICING**

A Fund can invest in other collective investment schemes which themselves may not price and deal on a daily basis. The administrator of the underlying collective investment scheme may issue indicative prices on a more frequent basis than the official dealing prices for those collective investment schemes. In order to value a Fund, the Administrator may use these indicative prices where they are more up to date than the official dealing price of the underlying collective investment scheme. It should be noted that a Fund cannot subscribe or redeem its holding(s) in the underlying collective investment schemes at an indicative price. Such subscriptions and redemptions can only be traded at the official dealing prices of the underlying collective investment scheme.

## **(3) SHARE PRICES AND DILUTION ADJUSTMENT**

Subject to any applicable charges, the price of Shares of any Class in any Fund on a particular Dealing Day shall be the "Share Price" for that Class, being equal to the Net Asset Value of that Class on that day, adjusted when required to reflect any dealing charges (which shall include any commission and/or other costs) and/or any bid/offer spread that the Board of Directors believes are appropriate to take into account in respect of that Class, divided by the number of Shares of that Class then in issue or deemed to be in issue. Such dealing charges will reflect costs and liabilities not included in the calculation of the Net Asset Value of the relevant Class. The dealing charges shall not exceed 1.5% of the Net Asset Value of the relevant Class whilst the bid/offer spread will represent the underlying spread in the securities that the Fund is invested into on the Dealing Day in question.

The Share Price may be rounded to up to four decimal places in the currency of denomination. In all cases, transaction values may be rounded to up to the second decimal place in the currency of denomination.

The Net Asset Value of each Class of Share in the same Fund may differ as a result of the differing charging structures and policy applicable to each Class.

Potential investors should also note that a dilution adjustment may be applied and should refer to the section "Swing Pricing" for further information.

## **(4) CALCULATION OF EXCHANGE (OR SWITCHING) PRICES**

Shareholders in a Fund are entitled to exchange some or all of their shareholdings into Shares of a different Class in the same or another Fund or Shares of the same Class in another Fund, provided they meet the qualifications for investment in the different Class, by giving notice to the Transfer Agent, in accordance with the requirements and procedure detailed in the section "Exchange (or Switching) of Shares" above.

The basis of the switch is related to the respective Share Prices of the two Funds or Share Classes concerned. The number of Shares into which Shareholders may switch their existing Shares will be calculated by the Transfer Agent on behalf of abrdn SICAV I, in accordance with the following formula:

$$A = \frac{((B \times C) - D) \times E}{F}$$

where

A is the number of Shares in the new Fund or Share Class to which the Shareholder shall become entitled;

B is the number of Shares in the original Fund or Share Class which the Shareholder has requested to be switched;

C is the Share Price of a Share in the original Fund or Share Class;

D is the switching charge (if any) payable;

E when the original Fund or Share Class and the new Fund or Share Class are not designated in the same currency, is the currency exchange rate on the relevant Dealing Day, deemed appropriate by the Investment Manager, used to convert Funds or Share Classes denominated in different base currencies against each other and, in any other case, is 1; and

F is the Share Price of a Share in the new Fund or Share Class.

Shares rounded to up to four decimal places, if appropriate, will be issued on switching.

## Appendix C - General Information

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### 1. Incorporation

abrdrn SICAV I was incorporated as a *société anonyme*, qualifying as an open-ended *société d'investissement à capital variable* on 25 February 1988 for an unlimited period and commenced operations on 26 April 1988. It is registered under Number B 27 471 at the Register of Commerce and Companies of Luxembourg where its Articles of Incorporation are available for inspection and where copies thereof may be obtained. The Articles of Incorporation will also be published in the RESA. The name was changed from The Aetna International Umbrella Fund to Aberdeen Global on 1 January 1999. On 11 February 2019 its name was changed to Aberdeen Standard SICAV I and on 5 June 2023 its name was changed to abrdrn SICAV I.

abrdrn SICAV I's Articles of Incorporation were last amended on 6 February 2019.

### 2. Capital

The Share capital of abrdrn SICAV I is represented by fully paid Shares of no par value and is at any time equal to their aggregate Net Asset Value. Any variation of abrdrn SICAV I's capital may be made by the Board of Directors of abrdrn SICAV I and has immediate effect.

abrdrn SICAV I's legal minimum capital is the equivalent in US Dollars of the minimum provided for by the Law.

### 3. Registered Office

abrdrn SICAV I's registered office is 35a, avenue John F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg.

The register of Shareholders will be kept at the registered office.

### 4. Allocation of Assets & Liabilities

The Directors reserve the right to add further Funds and in certain circumstances to discontinue existing Funds.

abrdrn SICAV I is a single legal entity. Pursuant to Article 181 of the Law, the assets of a Fund are exclusively available to satisfy the rights of investors in relation to that Fund and the rights of creditors whose claims have arisen in connection with the creation, the operation or the liquidation of that Fund.

For the purpose of the relations as between investors, each Fund will be deemed to be a separate entity.

### 5. Shares

#### (a) Allotment

The Directors are authorised without limitation to allot and issue Shares at any time at the relevant Share Price determined in accordance with the Articles of Incorporation and the provisions of this Prospectus and may delegate such authority to the Administrator and/or the Transfer Agent.

#### (b) Voting

At General Meetings each Shareholder has the right to one vote for each whole Share held.

A holder of Shares relating to any particular Fund or Class will be entitled at any separate General Meeting of the holders of Shares relating to that Fund or Class to one vote for each whole Share relating to that Fund or Class of which he is the holder.

The notice of any General Meeting of Shareholders may provide that the quorum and the majority at this General Meeting shall be determined according to the Shares issued and outstanding at a certain date and time preceding the General Meeting (the "Record Date"). The right of a Shareholder to participate at a General Meeting of Shareholders and to exercise voting rights attached to his/its/her Shares shall be determined by reference to the Shares held by this Shareholder as at the Record Date.

To the extent required by law, the notice shall be published in the RESA, in a Luxembourg newspaper and in such other newspapers as the Board of Directors may decide.

If no publications are required by law, the convening notice may be sent to a Shareholder by registered letter or in any manner as set forth in applicable law. The convening notice may be sent to Shareholders by any other means of communication having been individually accepted by such Shareholder such as the email, the fax, the ordinary letter, the courier services or any other means satisfying the conditions provided for by the law.

Any Shareholder having accepted email as an alternative means of convening shall provide his email address to abrdrn SICAV I no later than fifteen (15) days before the date of the general meeting of Shareholders. The Board of Directors shall keep at the registered office a list of all the emails received and no third party (other than the statutory auditor and any notary enacting the shareholders' decisions) shall have access to such a list.

A Shareholder who has not communicated her/his/its email to abrdrn SICAV I shall be deemed to have rejected any convening means other than the registered letter, the ordinary letter or the courier service.

Any Shareholder may change her/his/its address or its email address or revoke its consent to alternative means of convening provided that its revocation or its new contact details are received by abrdrn SICAV I no later than fifteen

(15) days before the general meeting of Shareholders. The Board of Directors is authorised to ask for confirmation of such new contact details by sending a registered letter or an email, as appropriate, to this new address or email address. If the Shareholder fails to confirm its new contact details, the Board of Directors shall be authorised to send any subsequent notice to the previous contact details.

The Board of Directors is free to determine the most appropriate means for convening Shareholders to a Shareholders' meeting and may decide on a case by case basis, depending on the means of communication individually accepted by each Shareholder. The Board of Directors may, for the same general meeting, convene Shareholders to the general meeting by email as regards those Shareholders that have provided their email address in time and the other Shareholders by letter or courier service, if such means have been accepted by them.

To the extent permitted by law, the Board of Directors may suspend the right to vote of any Shareholder which does not fulfil its obligations under this Prospectus, the Articles or any document (including any application form) stating its obligations towards abrdn SICAV I and/or the other Shareholders. In case the voting rights of one or more Shareholders are suspended in accordance with the previous sentence, such Shareholders shall be convened and may attend the general meeting but their shares shall not be taken into account for determining whether the quorum and majority requirements are satisfied.

An attendance list shall be kept at all general meetings.

**(c) Joint Holders**

abrdn SICAV I will register Shares jointly in the names of not more than four holders should they so require. In such case the rights attaching to such a Share must be exercised jointly by all those parties unless they appoint in writing one person to do so.

**(d) Rights on a Winding-up**

(i) On a winding-up, assets available for distribution amongst the Shareholders shall be applied first in the payment to the holders of Shares of the relevant Fund and Class of any balance remaining in the relevant portfolio of assets in proportion to the number of Shares of that Class of such Fund, and secondly in the payment to the holders of Shares of any balance then remaining and not comprised in any of the Funds, such balance being apportioned as between the Funds pro rata to the Net Asset Value of each Fund immediately prior to any distribution to Shareholders on a winding-up. Payment of amounts so apportioned will be made to the holders of Shares in the relevant Class of each Fund in proportion to the number of such Shares held either in cash or, upon prior consent of the Shareholder, in kind in accordance with the Articles of Incorporation of abrdn SICAV I. Monies to which Shareholders are entitled will, unless claimed prior to the close of the winding-up, be deposited at the *Caisse de Consignation* in Luxembourg to be held on their behalf. Amounts not claimed from escrow within the relevant prescription period would be liable to be forfeited in accordance with the provisions of Luxembourg law. With the consent of Shareholders expressed in accordance with Luxembourg law, the liquidators may transfer all assets and liabilities of abrdn SICAV I to a Luxembourg undertaking for collective investment in transferable securities against the issue to Shareholders of Shares or certificates of such entity proportionate to their shareholdings in abrdn SICAV I.

(ii) If abrdn SICAV I is to be voluntarily liquidated, its liquidation will be carried out in accordance with the provisions of the Law which specifies the steps to be taken to enable Shareholders to participate in the liquidation distribution(s) and in that regard provides for deposit in escrow at the *Caisse de Consignation* in Luxembourg of any such amounts as have not been claimed by any Shareholders prior to the close of liquidation. Amounts not claimed from escrow within the relevant prescription period would be liable to be forfeited in accordance with the provisions of Luxembourg law.

**(e) Class Rights and Restrictions**

(i) Shares will relate to different Funds and are further divided into various Classes as described in Appendix D. All Classes of Shares (except for Class B which is closed to new business) may also be made available in hedged versions in such currencies as the Board of Directors of abrdn SICAV I may determine from time to time. They have no preferential or pre-emption rights and are freely transferable, save as referred to below.

(ii) The Shareholders may resolve to redeem all outstanding Shares of any Class or Fund subject to the sanction of a resolution passed at a separate General Meeting of the Shareholders of that Fund or Class by a simple majority of the votes cast.

(iii) Termination and Amalgamation of Funds.

Termination of a Fund by compulsory redemption of all relevant shares for reason other than those mentioned in 7 (b) below, may be effected only upon its prior approval of the Shareholders of the Fund to be terminated, at a duly convened Fund meeting which may be validly held without a quorum and decided by a simple majority of the votes cast.

Any merger of a Fund with another Fund of abrdn SICAV I or with another UCITS (whether subject to Luxembourg law or not) shall be decided by the Board of Directors unless the Board of Directors decides to submit the decision for such merger to the meeting of Shareholders of the Fund concerned. In the latter case, no quorum is required for such meeting and the decision for such merger is taken by a simple majority of the votes cast. In case of a merger of a Fund where, as a result, abrdn SICAV I ceases to exist, the merger shall,



notwithstanding the foregoing, be decided by a meeting of Shareholders for which no quorum is required and that may decide with a simple majority of votes cast.

- (iv) Subject to the Articles of Incorporation, the Board of Directors may impose or relax restrictions on any Shares, Class or Fund (other than any restriction on transfer but including the requirement that Shares be issued only in registered form and/or bear such legends as the Directors may feel appropriate but not necessarily on all Shares within the same Fund or Class), or require redemption of Shares, as they may think necessary to ensure that Shares are neither acquired nor held by or on behalf of any person in breach of the law or requirements of any country or governmental or regulatory authority, or which might have adverse taxation or other pecuniary consequences for abrdn SICAV I, including a requirement to register under any securities or investment or similar laws or requirements of any country or authority. The Directors may in this connection require a Shareholder to provide such information as they may consider necessary to establish whether he is the beneficial owner of the Shares which he holds. Without limiting the generality of the foregoing, the Directors may impose (and currently have imposed) restrictions on Shares which are to be issued to United States persons (as defined in the section "Important Information" above) including restrictions as to the holding, transfer, and switching of such shares, which will be known as "Restricted Shares". Shares which are not Restricted Shares may be required to be redeemed if the Directors have reason to believe that they are held by United States persons. If it shall come to the attention of the Directors at any time that Shares are beneficially owned by a United States person, either alone or in conjunction with any other person, abrdn SICAV I shall have the right compulsorily to redeem such Shares.
- (v) Where a resolution affects more than one Class of Shares or Funds and the resolution is such as to change the respective rights thereof, the resolution must, in order to be valid be approved separately by Shareholders of such Class of Shares or Fund in accordance with the quorum and majority requirements provided for by article 10 of the Articles of Incorporation.

Two or more Classes of Shares or Funds may be treated as a single Class or Fund if such Classes or Funds would be affected in the same way by the proposals requiring the approval of holders of Shares relating to the separate Classes or Funds.

## **6. Directors**

The Board shall be composed of at least three persons. Each Director shall be elected by the Shareholders at the Annual General Meeting for a period ending at the next Annual General Meeting and until their successors are elected and qualified.

Directors may resign or be removed or replaced or an additional Director appointed at any time by resolution adopted by the Shareholders.

There are no age limits or share qualifications for Directors.

The Directors are vested with all powers to perform all acts necessary or useful for accomplishing abrdn SICAV I's objectives. In particular the Directors have power to appoint any entity to act as management company, depositary or any entity to act as distributor, administrator, investment manager or investment adviser and such other representatives and agents as they may consider necessary.

No contract or other transaction between abrdn SICAV I and any other company or firm shall be affected or invalidated by the fact that any one or more of the Directors or officers of abrdn SICAV I has a material interest in, or is a director, associate, officer or employee of, that other company or firm.

Save for any item described in this Prospectus and subject to the preceding paragraph, if any Director or officer of abrdn SICAV I has any material interest in any transaction of abrdn SICAV I, that Director or officer shall declare such material interest to the Board and shall not be counted in the quorum of any meeting of the Directors to consider or vote on any such transaction and he shall not vote on any such transaction and such transaction and the Director's or officer's interest therein shall be reported to the next succeeding meeting of Shareholders.

Directors shall account to abrdn SICAV I for any fees resulting from appointments held by them as a result of investments held by abrdn SICAV I. abrdn SICAV I shall indemnify any Director or officer against expenses reasonably incurred by him in connection with any proceedings to which he may be made a party by reason of such position in abrdn SICAV I, except where due to gross negligence or wilful misconduct on his part.

At no time will a majority of the Directors be resident in the UK nor will Directors resident in the UK form a valid quorum for a Board meeting.

## **7. Compulsory Redemptions-Dissolution**

### **(a) Minimum Valuation of abrdn SICAV I**

- (1) If at any time the aggregate of the Net Asset Values of all Shares falls below two-thirds of the minimum capital for the time being prescribed by Law, the Directors must submit the question of dissolution of abrdn SICAV I to a General Meeting, acting without minimum quorum requirement and deciding by a simple majority vote of the votes cast at such meeting.
- (2) If at any time the aggregate Net Asset Values of all Shares is less than one-quarter of the minimum capital for the time being prescribed by Law, the Directors must submit the question of dissolution of abrdn SICAV I

to a General Meeting, acting without minimum quorum requirement and deciding, by a vote of one-quarter of the votes cast at such meeting.

**(b) Minimum Valuation of the Funds**

In the event that for a period of 30 consecutive days, for any reason the Net Asset Value of any Fund is lower than US\$10,000,000 or in the case of a Class denominated in a currency other than U.S. Dollars, the equivalent in that currency of such amount, or in case the Board of Directors deems it appropriate because of changes in the economic or political situation affecting abrdn SICAV I or the relevant Fund, or because it is in the best interests of the relevant Shareholders, the Board of Directors may redeem all shares of the relevant Fund at a price reflecting the anticipated realisation and liquidation costs on closing of the relevant Fund, but with no redemption charge.

**8. Deferral of Redemptions**

abrdn SICAV I may limit the total number of Shares of any Fund which may be redeemed on any Dealing Day to a number representing 10% of the net assets of that Fund. abrdn SICAV I will ensure the consistent treatment of all holders who have sought to redeem shares at any Dealing Day at which redemptions are deferred. abrdn SICAV I will pro-rata all such redemption requests to the stated level (i.e. 10% of the Fund's value) and will defer the remainder until the next Dealing Day. abrdn SICAV I will also ensure that all deals relating to an earlier Dealing Day are completed before those relating to a later Dealing Day are considered.

**9. In Specie Subscriptions & Redemptions**

- (1) Except as otherwise stated, Shares may, at the discretion of the Board of Directors, be issued in consideration of the vesting in abrdn SICAV I of securities acceptable to it and having a value (after deducting any relevant charges and expenses) equal to the relevant Shares. Such securities will be independently valued in accordance with Luxembourg law by a special report of a Luxembourg approved statutory auditor, if required. The specific costs for such subscription in specie, will be borne by the subscriber or by a third party, but will not be borne by abrdn SICAV I unless the Board of Directors considers that the subscription in specie is in the interests of abrdn SICAV I or made to protect the interests of abrdn SICAV I.
- (2) Redemptions are normally effected in cash. However, abrdn SICAV I has power (subject to the consent of the Shareholder) to satisfy redemptions in specie by allocating to the holder investments from the portfolio of the relevant Fund equal in value (calculated in the manner described in Appendix B) to the value of the holding to be redeemed. The Shareholder may elect to have the assets allocated to him for the in-specie redemption sold for cash. The cash issued to the Shareholder would therefore be net of dealing costs. The nature and type of assets to be transferred in such cases will be determined on a fair and reasonable basis and in circumstances which the Directors consider do not prejudice the interests of the other Shareholders in the relevant Fund. This power will be exercised only rarely. However, it may result in the Shareholder receiving investments per Share redeemed which may be worth less or more than the Share Price of each such Share. The specific costs for such redemptions in specie, (such as but not limited to a report, if required, by abrdn SICAV I's auditors) will be borne by the redeeming Shareholders or by a third party, but will not be borne by abrdn SICAV I unless the Board of Directors considers that the redemption in specie is in the interests of abrdn SICAV I or made to protect the interests of abrdn SICAV I.

**10. Suspension**

**Suspension of the Calculation of the Net Asset Value and Allotment, Issue, Subscription, Switching and Redemption of Shares**

abrdn SICAV I may suspend the allotment, issue and redemption of Shares relating to a Fund, the right to switch Shares into those of another Fund and the calculation of the Net Asset Value of any Class:

- (a) during any period when any market or stock exchange on which a material part of the investments of the relevant Fund for the time being is quoted, is closed (otherwise than for ordinary holidays), or during which dealings are substantially restricted or suspended;
- (b) during the existence of any state of affairs as a result of which disposal or valuation of assets owned by abrdn SICAV I attributable to such Fund would be impracticable;
- (c) during any breakdown in or restriction in the use of the means of communication normally employed to determine the price or value of any of the investments attributable to such Fund or the current prices or values on any stock exchange;
- (d) during any period when abrdn SICAV I is unable to repatriate funds for the purpose of making payments on the redemption of such Shares or during which any transfer of funds involved in the realisation or acquisition of investments or payments due on redemption of such Shares cannot in the opinion of the Directors be effected at normal rates of exchange;
- (e) during any period when in the opinion of the Directors of abrdn SICAV I there exists unusual circumstances where it would be impractical or unfair towards the Shareholders to continue dealing in the Shares of abrdn SICAV I or of any Fund or any other circumstance or circumstances where a failure to do so might result in the Shareholders of abrdn SICAV I, a Fund or a Class of Shares incurring any liability to taxation or suffering other pecuniary disadvantages or other detriment which the Shareholders of abrdn SICAV I, a Fund or a Class of Shares might not otherwise have suffered;
- (f) if abrdn SICAV I, a Fund or a Class of Shares is being or may be wound-up, on or following the date on which such decision is taken by the Board of Directors or notice is given to Shareholders of a general meeting of Shareholders at which a resolution to wind-up abrdn SICAV I, a Fund or a Class of Shares is to be proposed;
- (g) in the case of a merger of abrdn SICAV I or a Fund, if the Board of Directors deems this to be necessary and in the best interest of Shareholders; or

- (h) in the case of a suspension of the calculation of the net asset value of one or several funds in which a Fund has invested a substantial portion of assets.

Shareholders who have requested switching or redemption of their Shares will be promptly notified in writing of any such suspension and of the termination thereof.

The Board of Directors may also make public such suspension in such manner as it deems appropriate. Details of the beginning and end of any period of suspension (except for customary closing of stock exchanges for not more than three days) will be made available at the registered office of abrdn SICAV I and at the office of the Management Company. Notice thereof will also be given to any Shareholder lodging a request for switching or redemption of Shares.

#### **11. Transfers**

Transfers of Shares may normally be effected by delivery to abrdn SICAV I of an instrument of transfer in appropriate form.

#### **12. Amendment of the Articles of Incorporation**

The Articles of Incorporation may be amended at any time by a resolution of a General Meeting of Shareholders subject to the quorum and voting requirements provided by Luxembourg law and by the Articles of Incorporation. Written notice to Shareholders of the effectiveness of each amendment to the Articles of Incorporation shall be provided with the next report following its effectiveness. Such notice shall either state the text of the amendment or summarise its content and provide that the complete text of the amendment will be sent to any Shareholder upon request.

To amend the Articles of Incorporation or to dissolve abrdn SICAV I a resolution must be passed by the General Meeting with a majority consisting of two thirds of the votes cast at such meeting.

In those cases where a General Meeting is to be held to amend the Articles of Incorporation of abrdn SICAV I, the following shall apply by way of additional rules for the conduct of business at such meeting:

- (a) Shareholders may be represented by proxies appointed in writing;
- (b) votes shall be proportionate to the number of Shares held by the person participating in the vote;
- (c) the quorum and majorities shall be as laid down by Luxembourg law;
- (d) if there is a possibility of a conflict of interest between holders of Shares in different Classes or Funds, or the Board of Directors determines that it would be in the best interests of holders of Shares in any particular Class or Fund, separate meetings of the Shareholders relating to each Class or Fund shall be organised at the time of the General Meeting called pursuant to the Articles of Incorporation and no such special amendment of the Articles of Incorporation shall be made if it is not also approved by a resolution of the Shareholders in the affected Class or Fund; and
- (e) the Transfer Agent, Administrator, Investment Manager and/or the Depositary and their Connected Persons shall not be entitled to vote in respect of any Shares beneficially held by it or them (as the case may be) on any resolution proposed at any meeting of the Shareholders of abrdn SICAV I when the Transfer Agent, Administrator, Investment Manager, Depositary or any of their Connected Persons has a material interest in such resolution. In any case where persons are restricted from voting Shares in accordance with the above arrangements they shall not be counted in the quorum of such meeting.

#### **13. Other Information**

- (1) Neither the Transfer Agent, Administrator, the Investment Manager, the Depositary nor a Connected Person of any of them may as principal knowingly buy or sell any security from or to abrdn SICAV I without the consent of the Directors.
- (2) abrdn SICAV I is subject to the jurisdiction of the courts of Luxembourg and has submitted to the jurisdiction of the courts of Hong Kong for contracts entered into there.
- (3) abrdn SICAV I is not engaged in any litigation or arbitration and no litigation or claim is known to the Directors to be pending or threatened against abrdn SICAV I as at the date of this Prospectus.
- (4) abrdn SICAV I has not established, nor does it intend to establish, a place of business in Hong Kong.
- (5) abrdn SICAV I has no employees and no subsidiaries except for the Subsidiary.
- (6) There are no existing or proposed service contracts between any of the Directors and abrdn SICAV I but the Directors may receive remuneration as referred to in this Prospectus.
- (7) The Articles of Incorporation provide that the following jurisdictions shall be Eligible States; all member states of the European Union and all other countries of Europe, North and South America, Africa, Asia and Australasia.
- (8) Trading in the Shares of abrdn SICAV I on the Luxembourg Stock Exchange will be in accordance with the Rules and Regulations of the Luxembourg Stock Exchange and subject to the payment of normal brokerage fees.
- (9) From time to time, the Investment Managers, the Sub-Investment Managers or any Connected Persons (collectively the "Managers") may effect transactions by or through the agency of another person with whom the Managers have an arrangement under which that party will from time to time provide to or procure for the Managers goods, services or other benefits (such as research or advisory services, computer hardware associated with specialised software or research services and performance measures) the nature of which is such that their provision can reasonably be expected to benefit abrdn SICAV I as a whole and may contribute to an improvement in the performance of abrdn SICAV I or of the respective Manager or any of its Connected Person(s) in providing services to abrdn SICAV I and for which no direct payment is made but instead the Manager undertakes to place business with that party. For the avoidance of doubt, such goods and services do not include travel, accommodation, entertainment, general administrative goods or services, general office equipment or premises, membership fees, employee salaries or direct money payments.
- (10) Neither the Investment Managers, the Sub-Investment Managers or any Connected Person may retain the benefit of any cash commission rebate (being repayment of a cash commission made by a broker or dealer to the Investment Managers, Sub-Investment Managers and/or any Connected Person) paid or payable from any such broker or dealer in respect of any business placed with such broker or dealer by the Investment Managers, Sub-Investment Managers or any

Connected Person for or on behalf of abrdn SICAV I. Any such cash commission rebate received from any such broker or dealer will be held by the Investment Managers, Sub-Investment Managers or any Connected Person for the account of abrdn SICAV I.

- (11) In accordance with the provisions of the Benchmark Regulation, supervised entities (such as UCITS management companies) may use benchmarks in the EU if the benchmark is provided by an administrator which is included in the register of administrators and benchmarks maintained by ESMA pursuant to the Benchmark Regulation (the "Register").

Benchmark administrators located in a third country whose indices are used by the Company benefit from the transitional arrangements afforded under the Benchmark Regulation and accordingly may not appear on the Register.

The following benchmark administrators whose indices are used by abrdn SICAV I are, as at the date of this Prospectus, inscribed in the Register:

<b>Benchmark Administrator</b>	<b>Location</b>
Bloomberg Index Services Limited	United Kingdom
Citigroup Global Markets Limited	United Kingdom
FTSE International Limited	United Kingdom
ICE Data Indices LLC	United States of America
IHS Markit Benchmark Administration Limited	United Kingdom
J.P. Morgan Securities PLC	United Kingdom
MSCI Limited	United Kingdom

The Management Company maintains a written plan setting out the actions that will be taken in the event that an index materially changes or ceases to be provided. The written plan is available upon request at the registered office of abrdn SICAV I.

- (12) The Luxembourg Law of 13 January 2019 creating a Register of Beneficial Owners (the "Law of 13 January 2019") entered into force on the 1<sup>st</sup> of March 2019. The Law of 13 January 2019 requires all companies registered on the Luxembourg Company Register, including the Company, to obtain and hold information on their beneficial owners ("Beneficial Owners") at their registered office.

The Law of 13 January 2019 broadly defines a Beneficial Owner, in the case of corporate entities such as the Company, as any natural person(s) who ultimately owns or controls the Company through direct or indirect ownership of a sufficient percentage of the shares or voting rights or ownership interest in the Company, including through bearer shareholders, or through control via other means, other than a company listed on a regulated market that is subject to disclosure requirements consistent with European Union law or subject to equivalent international standards which ensure adequate transparency of ownership information.

A shareholding of 25 % plus one share or an ownership interest of more than 25 % in the Company held by a natural person shall be an indication of direct ownership. A shareholding of 25% plus one share or an ownership interest of more than 25% in the Company held by a corporate entity, which is under the control of a natural person(s), or by multiple corporate entities, which are under the control of the same natural person(s), shall be an indication of indirect ownership.

In case the aforementioned Beneficial Owner criteria are fulfilled by an investor with regard to the Company, this investor is obliged by law to inform the Company in due course and to provide the required supporting documentation and information which is necessary for the Company to fulfil its obligation under the Law of 13 January 2019. Failure by the Company and the relevant Beneficial Owners to comply with their respective obligations deriving from the Law of 13 January 2019 will be subject to criminal fines. Should an investor be unable to verify whether they qualify as a Beneficial Owner, the investor may approach the Company for clarification.

For both purposes please contact the Management Company.

## Appendix D - Share Classes

Details of the Share Classes which may be offered in the Funds of abrdn SICAV I are detailed below.

### Share Class Definitions

- **Class A Shares** – These Classes of Shares are available to all investors.
- **Class B Shares** – These Classes of Shares are closed to new business.
- **Class BA Shares** – These Classes of Shares are only available to investors who are approved by the Management Company and whose investment is covered by a suitable agreement with an Investment Manager or one of its Associates which specifically references the BA Share Class.
- **Class BB Shares** – These Classes of Shares are only available to investors who are approved by the Management Company and whose investment is covered by a suitable agreement with an Investment Manager or one of its Associates which specifically references the BB Share Class.
- **Class C Shares** – These Classes of Shares are only accessible to investors whose investment is covered by a suitable agreement with an Investment Manager or one of its Associates.
- **Class E Shares** – These Classes of Shares are only accessible to investors who are approved by the Management Company and whose investment is covered by a suitable agreement with an Investment Manager or one of its Associates which specifically references the E Share Class and has an effective date on or after the launch of such class.
- **Class F Shares** – These Classes of Shares are only accessible to investors who are approved by the Management Company and whose investment is covered by a suitable agreement with an Investment Manager or one of its Associates which specifically references the F Share Class and has an effective date on or after the launch of such class.
- **Class G Shares** – These Classes of Shares are only accessible to Institutional Investors who are approved by the Management Company and whose investment is covered by a suitable agreement with an Investment Manager or one of its Associates which specifically references the G Share Class and has an effective date on or after the launch of such class.
- **Class J Shares** - These Classes of Shares are only accessible to investors who are approved by the Management Company and, whose investment is covered by a suitable agreement with an Investment Manager or one of its Associates which specifically references the J Share Class and has an effective date on or after the launch of such class, and in case of subscription or distribution of Shares within the EU only, who are one of the following:
  - a) Financial intermediaries that are prohibited by the local laws or regulations applicable to them to receive and/or retain any commissions or other non-monetary benefits; or
  - b) Distributors providing portfolio management services and/or investment advice services on an independent basis (as defined by MiFID) within the EU; or
  - c) Investors who have entered into a separate fee agreement with their distributor regarding the provision of non-independent advice services (as defined by MiFID) within the EU, and where such distributor does not receive and retain any commission or other non-monetary benefits.
- **Class K Shares** - These Classes of Shares are only accessible to Institutional Investors who are approved by the Management Company and whose investment is covered by a suitable agreement with an Investment Manager or one of its Associates which specifically references the K Share Class and has an effective date on or after the launch of such class.
- **Class L Shares** - These Classes of Shares are only accessible to Institutional Investors who are approved by the Management Company and whose investment is covered by a suitable agreement with an Investment Manager or one of its Associates which specifically references the L Share Class and has an effective date on or after the launch of such class.
- **Class I Shares** – These Classes of Shares are only accessible to Institutional Investors who may be required to enter into a suitable agreement with an Investment Manager or one of its Associates at the discretion of the Board of Directors.
- **Class N Shares** – These Classes of Shares are only accessible to Institutional Investors who may be required to enter into a suitable agreement with an Investment Manager or one of its Associates at the discretion of the Board of Directors, and may only be acquired by fund of funds type undertakings for collective investment in the form of unit trusts or corporate type funds, which are distributed primarily in Japan.
- **Class S Shares** – These Classes of Shares are only accessible to investors whose investment is covered by a suitable agreement with an Investment Manager or one of its Associates.
- **Class W Shares** – These Classes of Shares are only accessible to investors whose investment is covered by a suitable agreement with an Investment Manager or one of its Associates.
- **Class X Shares** – These Classes of Shares are only accessible to investors who are approved by the Management Company and, in case of subscription or distribution of Shares within the EU only, who are one of the following:
  - a) Financial intermediaries that are prohibited by the local laws or regulations applicable to them to receive and/or retain any commissions or other non-monetary benefits; or
  - b) Distributors providing portfolio management services and/or investment advice services on an independent basis (as defined by MiFID) within the EU; or
  - c) Investors who have entered into a separate fee agreement with their distributor regarding the provision of non-independent advice services (as defined by MiFID) within the EU, and where such distributor does not receive and retain any commission or other non-monetary benefits.
- **Class Z Shares** – These Classes of Shares are only accessible to Institutional Investors who may be required to enter into a suitable agreement with an Investment Manager or one of its Associates at the discretion of the Board of Directors.

All Classes of Shares (except for Class B which is closed to new business) may also be made available in hedged versions in such currencies as the Board of Directors of abrdn SICAV I may determine from time to time. These Hedged Share Classes will have the same characteristics as the underlying Class of Shares, except for Hedged BRL Share Classes which are denominated in the relevant Fund's Base Currency and not in BRL.

- **Hedged BRL Share Classes** - These Classes of Shares are only accessible to funds domiciled in Brazil who enter into a suitable agreement with the Management Company or one of its Associates which specifically references the Hedged BRL Share Class.

### **Share Classes in Issue**

For up to date details of the Share Classes in issue for each Fund, please refer to [www.abrdn.com](http://www.abrdn.com).

## Appendix E - Investment through the Subsidiary

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### 1. Investment by the Subsidiary

Aberdeen Global Indian Equity Limited (the "Subsidiary"), is the wholly-owned subsidiary company of abrdn SICAV I. The Subsidiary will make investments into Indian securities in accordance with the investment objective, policies and restrictions of the abrdn SICAV I – Indian Equity Fund set out in this Prospectus.

abrdn SICAV I – Indian Equity Fund will advance monies to the Subsidiary principally by means of subscription for shares, but may also enter into loans, debt instruments and convertible debt instruments of all kinds to the extent permitted by the Regulations.

The Subsidiary was incorporated in Mauritius on 13 September 1996 as private company limited by shares now under the Companies Act 2001. The Subsidiary has been granted approval by the Securities and Exchange Board of India ("SEBI") to invest in India under a Foreign Portfolio Investor (FPI) licence.

The Depository holds the assets and shares of the Subsidiary. The Subsidiary will be centrally managed and controlled from Singapore.

The Investment Manager of the abrdn SICAV I – Indian Equity Fund and the control and management of Subsidiary are located in Singapore, a jurisdiction which has a developed infrastructure to support such vehicles encompassing the full range of administration and custody services in a time zone which is closer to that of India. The place of management and control of the Subsidiary along with the location of the Investment Manager will be aligned in Singapore. This is likely to benefit the Subsidiary from a risk and control perspective, and will allow the Subsidiary to benefit from large pool of resources that are already available in Singapore. If it is no longer commercially beneficial to invest through the Subsidiary, abrdn SICAV I – Indian Equity Fund may elect to invest directly in India or through another suitable vehicle in any jurisdiction.

### 2. Subsidiary

The operations of the Subsidiary will be carried on under the supervision and direction of the board of directors of the Subsidiary which will also be responsible for the monitoring of the Subsidiary's investments and performance.

The Subsidiary intends to conduct its affairs in a manner such that it is regarded as a tax resident of Singapore. In view that the investment function of the Subsidiary is undertaken by abrdn Asia Limited, a Singapore fund management company, the Subsidiary may be construed to be carrying on activities of a trade or business in Singapore. In such an event, the income and gains derived by the Subsidiary from its investments may be considered income accruing in, or derived from, Singapore and be subject to Singapore income tax, unless the income and gains are exempted from tax pursuant to the Enhanced-Tier Fund Tax Incentive Scheme or otherwise exempted under the Singapore Income Tax Act, Chapter 134 of Singapore ("SITA").

The Subsidiary has obtained approval from the Monetary Authority of Singapore to be an "approved person" under the Enhanced-Tier Fund Tax Incentive Scheme pursuant to Section 13X of the SITA. With such approval and subject to meeting the conditions under that scheme, the Subsidiary will be exempt from Singapore income tax on "specified income" that it derives in respect of "designated investments". "Designated investments" comprise various investments and include stocks and shares of any company, other than a company that is in the business of trading or holding of Singapore immovable properties (other than the business of property development) and is not listed on a stock exchange in Singapore or elsewhere, whereas "specified income" means all income and gains derived from "designated investments" (subject to certain specific exclusions).

As a Singapore tax resident, the Subsidiary would be entitled to avail of the treaty benefits under the India- Singapore tax treaty as described below.

#### *Provisions of the India-Singapore tax treaty*

Pursuant to the India- Singapore tax treaty (as amended through a Protocol between the two governments signed on 29 June 2005 to take effect from 1 August 2005, a second protocol between the two governments signed on 24 June 2011 and entered into force on 1 September 2011, and a third protocol between the two governments signed on 30 December 2016 and entered into force on 27 February 2017 (the "2016 Protocol"), a Singapore tax resident company will be entitled to the beneficial provisions on taxation of capital gains on disposal of shares in Indian-resident companies under Article 13 of the India- Singapore tax treaty (as amended by Article 2 of the 2016 Protocol) subject to the satisfaction of conditions prescribed under Article 24A of the India-Singapore tax treaty (as inserted by Article 3 of the 2016 Protocol).

Pursuant to Article 13 of the India- Singapore tax treaty (as amended by Article 2 of the 2016 Protocol) and subject to Article 24A (as discussed further below):

- (i) in respect of shares in a company which is a resident of India acquired before 1 April 2017 by a Singapore-resident company, gains arising from the transfer of such shares shall not be taxable in India;
- (ii) in respect of shares in a company which is a resident of India acquired on or after 1 April 2017 by a Singapore-resident company

gains arising from 1 April 2019 in respect of the transfer of such shares may be fully taxable in India at the applicable Indian tax rate.

The above provisions under Article 13 of the India- Singapore tax treaty are subject to the conditions under Article 24A (as inserted by Article 3 of the 2016 Protocol). Pursuant to Article 24A of the India- Singapore tax treaty:

- (i) a Singapore-resident company shall not be entitled to the benefits prescribed in Article 13 (as described above) if its affairs were arranged with the primary purpose to take advantage of such benefits;
- (ii) a "shell or conduit company" shall not be entitled to the benefits prescribed in Article 13 (as described above). A Singapore tax resident company will not be deemed to be a "shell or conduit company" if:
  - (a) it is listed on the securities market operated by the Singapore Exchange Limited, Singapore Exchange Securities Trading Limited and The Central Depository (Pte) Limited; or
  - (b) its annual expenditure on operations in Singapore is equal to or more than S\$200,000 in Singapore:
    - (A) in respect of gains arising from the transfer of shares in an Indian-resident company acquired on or before 31 March 2017, for each of the 12-month periods in the immediately preceding period of 24 months from the date on which the gains arise; and
    - (B) in respect of gains that arise from 1 April 2017 to 31 March 2019 from the transfer of shares in an Indian-resident company acquired on or after 1 April 2017, for the immediately preceding period of 12 months from the date on which the gains arise.

Further, the India – Singapore tax treaty does not prevent India from applying its domestic law and measures on prevention of tax avoidance or tax evasion. The provisions of chapter X-A of the IT Act contains the GAAR. Under GAAR, upon declaration of an arrangement as an 'impermissible avoidance agreements', the tax authorities have the power to disregard entities in a structure, reallocate income and expenditure between parties to the arrangement, alter the tax residence of such entities and the legal situs of assets involved, treat debt as equity and vice versa. The tax authorities also have the power to deny benefits under an applicable tax treaty.

Only those arrangements which result in a tax benefit of INR. 30 Million or more will attract the provisions of GAAR. Further, the GAAR provisions are not applicable in respect of any income accruing or arising to, or deemed to accrue or arise to, or received or deemed to be received by any person from transfer of investments which has been made on or before 31 March 2017 by such person. However, GAAR shall apply to any arrangement, irrespective of the date on which it has been entered into, in respect of the tax benefit obtained from the arrangement on or after 1 April 2017.

It is also important to note that India and Singapore are signatory to MLI and have ratified the MLI. Both countries have notified India-Singapore tax treaty as 'covered tax agreement' under the MLI. Accordingly, India-Singapore tax treaty would be modified by the MLI provisions. MLI provides for certain minimum standards to be adopted by the signatories. One of these minimum standards is the Principal Purpose Test ("PPT"). According to the PPT in respect of an item of income, if it is reasonable to conclude, having regard to all relevant facts and circumstances, that obtaining that benefit was one of the principal purposes of any arrangement or transaction that resulted directly or indirectly in that benefit, then the said tax benefit would be denied unless it is established that granting that benefit in these circumstances would be in accordance with the object and purpose of the relevant tax treaty. It is the intent of the abrdn SICAV I – Indian Equity Fund that the Subsidiary is and will continue to be tax resident in Singapore and will comply with the PPT test and satisfy the provisions of Article 24A of the India- Singapore tax treaty (where applicable).

On the basis that the Subsidiary meets the conditions of Article 24A of the India – Singapore tax treaty and complies with the PPT test, then:

- (a) any capital gains earned by the Subsidiary on disposal of shares in Indian-resident companies acquired on or before 31 March 2017 should not be liable to tax in India. However, where the Subsidiary transfers any such shares without satisfaction of Article 24A of the India-Singapore tax treaty or does not comply with the PPT, it is likely that the gains, if any, arising from such transfer, would be subject to tax in India;
- (b) any capital gains earned by the Subsidiary on disposal of shares in Indian-resident companies acquired on or after 1 April 2017 and transferred post 1 April 2019 would be subject to tax in India as per the provision of the India Income Tax Act.;
- (c) dividend income earned by the Subsidiary from investments in shares in Indian-resident companies should be subject to tax in the hands of the Subsidiary at the rate of 20% under the provisions of Indian domestic tax laws. The Subsidiary will seek to reduce dividend withholding tax pursuant to the provisions of the India- Singapore tax treaty, if applicable;

The Subsidiary is expected to operate in a manner that should not cause it to be treated as having a permanent establishment in India. However, there can be no assurance that this position will be respected by the Indian tax authorities.

There can be no assurance that any future changes to the India- Singapore tax treaty or future interpretations of the India-Singapore tax treaty will not adversely affect the tax position of the Subsidiary's investments in India.

Should the treaty not be applied, interest and capital gains earned by the Subsidiary would be subject to tax as per the domestic tax laws of India applicable to FPIs. Accordingly, where the treaty is not applied, the income of the Subsidiary would be subject to tax in India at the applicable rate ranging from 0% to 30%, depending on the nature of income and the period for which the securities have been held.



### **3. Directors of Subsidiary**

The board of directors of the Subsidiary will comprise at least two locally resident Singapore directors and one locally resident Mauritius director (the latter in order to comply with Mauritian company law requirements). Two directors who are present in Singapore will be required for a quorum of the Subsidiary. The directors of abrdn SICAV I form the majority on the board of the Subsidiary.

Accordingly, Directors of the Subsidiary are as follows:

**Hugh Young** (British, Singapore resident).\*

**Andrey Berzins** (British, Singapore resident).\*

**Housnabee Mohungoo Sham** (Mauritius resident).

\* see in the section "Board of Directors of abrdn SICAV I" for details.

## Appendix F - Additional Information for Investors

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Please note that registrations are subject to change, please contact the Management Company for up-to-date information.

## 1. Additional Information for Investors in Austria

abrdn SICAV I has notified its intention to publicly distribute certain Classes of Shares of abrdn SICAV I in Austria. The following sub-funds have NOT, as at the date of this Prospectus, been approved for public distribution:

abrdn SICAV I – abrdn - CCBI Belt & Road Bond Fund  
abrdn SICAV I – Emerging Markets Bond Fixed Maturity 2023 Fund

abrdn SICAV I – Emerging Markets Sustainable Equity Fund  
abrdn SICAV I – Global Bond Fixed Maturity 2023 Fund  
abrdn SICAV I – Listed Private Capital Fund  
abrdn SICAV I – Asian High Yield Sustainable Bond Fund

### Facility Agent

Raiffeisen Bank International A.G.  
Am Stadtpark 9  
A-1030 Vienna  
Austria

has undertaken the position as Facility Agent in Austria (further "Austrian Facility Agent") in accordance with Art. 92 of the Directive 2009/65/EC, as amended by Directive (EU) 2019/1160.

Applications for subscription, redemption and conversion of Shares should be sent to the Transfer Agent but may also be sent to the Austrian Facility Agent for onward transmission to the Transfer Agent. Shareholders resident in Austria may request to have all payments (redemption proceeds, distributions and any other payments) to be made for their benefit through the Austrian Facility Agent.

The Prospectus and the PRIIPS KIDs, the Articles of Association, the audited Annual Report and the unaudited Interim Report of abrdn SICAV I may be obtained free of charge and in paper form from the Austrian Facility Agent.

### Share Price Publication

Subscription prices and redemption prices will be available at [www.abrdn.com](http://www.abrdn.com) and at the offices of the Transfer Agent and the Austrian Paying and Information Agent.

### Taxation

Tax regulations and the practices of financial authorities are constantly subject to change. Because of the complexity of Austrian tax law, it is recommended that investors contact a tax adviser regarding the effect on their individual tax situation.

## 2. Additional Information for Investors in Belgium

### Subscription and Redemption of Shares in Belgium

Applications for subscription, redemption and conversion of Shares should be sent to the Transfer Agent.

The Prospectus and the PRIIPS KIDs, the Articles of Association, the audited Annual Report and the unaudited Interim Report of abrdn SICAV I may be obtained free of charge and in paper form from the Transfer Agent.

Furthermore, any additional information which is available at the registered office of abrdn SICAV I will also be available at the Transfer Agent.

### Share Price Publication

Subscription prices and redemption prices are available at [www.abrdn.com](http://www.abrdn.com), [www.fundinfo.com](http://www.fundinfo.com), and at the offices of the Transfer Agent.

### Taxation

The Belgian government has enacted a law which charges an annual net asset value tax on foreign investment funds registered with the Belgian Banking and Finance Commission. An annual tax of 0.0925% is charged on the net outstanding amounts of Funds placed in Belgium through Belgian financial intermediaries.

abrdn SICAV I understands that the validity of this tax charge is being questioned on the basis that it is contrary to European law and further developments are awaited. These costs shall be borne by the concerned Funds.

Tax regulations and the practices of financial authorities are constantly subject to change. Because of the complexity of Belgian tax law, it is recommended that investors contact a tax adviser regarding the effect on their individual tax situation.

### 3. Additional Information for Investors in Chile

The following Funds are registered with the *Comisión Clasificadora de Riesgo* in Chile for pension fund investment:

- abrdn SICAV I – All China Sustainable Equity Fund
- abrdn SICAV I – Asia Pacific Sustainable Equity Fund
- abrdn SICAV I – Asian Smaller Companies Fund
- abrdn SICAV I – China A Share Sustainable Equity Fund
- abrdn SICAV I – Emerging Markets Corporate Bond Fund
- abrdn SICAV I – Emerging Markets Equity Fund
- abrdn SICAV I – Emerging Markets Infrastructure Equity Fund
- abrdn SICAV I – Emerging Markets Smaller Companies Fund
- abrdn SICAV I – Global Sustainable Equity Fund
- abrdn SICAV I – Japanese Sustainable Equity Fund
- abrdn SICAV I – Japanese Smaller Companies Sustainable Equity Fund
- abrdn SICAV I – Select Emerging Markets Bond Fund
- abrdn SICAV I – Select Euro High Yield Bond Fund

## 4. Additional Information for Investors in Denmark

### Representative and Paying Agent in Denmark

Nordea Bank Denmark  
Helgeshøj Allé 33, Tåstrup DK-0900 Copenhagen  
Denmark

has undertaken the position as Representative and Paying Agent in Denmark in accordance with Art. 92 of the Directive 2009/65/EC, as amended by Directive 2019/1160.

Applications for subscription, redemption and exchange of Shares should be sent to the Transfer Agent but may also be sent to the Representative and Paying Agent for onward transmission to the Transfer Agent. Shareholders resident in Denmark may request to have all payments (redemption proceeds, distributions and any other payments) to be made for their benefit through the Representative and Paying Agent.

The Prospectus and the PRIIPS KIDs, the Articles of Association, the audited Annual Report and the unaudited Interim Report of abrdn SICAV I may be obtained free of charge and in paper form from the Transfer Agent or the Representative and Paying Agent.

Furthermore, any additional information which is available at the registered office of abrdn SICAV I will also be available at the Transfer Agent.

### Share Price Publication

Subscription and redemption prices are available at [www.abrdn.com](http://www.abrdn.com) and are also available at the offices of the Transfer Agent.

### Taxation

Tax regulations and the practices of financial authorities are constantly subject to change. Because of the complexity of Danish tax law, it is recommended that investors contact a tax adviser regarding the effect on their individual tax situation.

## 5. Additional Information for Investors in Finland

### **Subscription and Redemption of Shares in Finland**

Applications for subscription, redemption and conversion of Shares should be sent to the Transfer Agent.

The Prospectus and the PRIIPS KIDs, the Articles of Association, the audited Annual Report and the unaudited Interim Report of abrdn SICAV I may be obtained free of charge and in paper form from the Transfer Agent.

Furthermore, any additional information which is available at the registered office of abrdn SICAV I will also be available at the Transfer Agent.

### **Share Price Publication**

Subscription prices and redemption prices are available at [www.abrdn.com](http://www.abrdn.com) and are also available at the offices of the Transfer Agent.

### **Taxation**

Tax regulations and the practices of financial authorities are constantly subject to change. Because of the complexity of Finnish tax law, it is recommended that investors contact a tax adviser regarding the effect on their individual tax situation.

## 6. Additional Information for Investors in France

### Centralising Correspondent Agent in France

BNP Paribas S.A.  
16 Boulevard des Italiens  
75009 Paris  
France

has undertaken the position as Centralising Correspondent Agent in France in accordance with Art. 92 of the Directive 2009/65/EC, as amended by Directive 2019/1160.

Applications for subscription, redemption and conversion of Shares should be sent to the Transfer Agent but may also be sent to the French Centralising Correspondent Agent for onward transmission to the Transfer Agent. Shareholders resident in France may request to have all payments (redemption proceeds, distributions and any other payments) to be made for their benefit through the French Centralising Correspondent Agent.

The Prospectus and the PRIIPS KIDs, the Articles of Association, the audited Annual Report and the unaudited Interim Report of abrdn SICAV I may be obtained free of charge and in paper form from the Transfer Agent.

Furthermore, any additional information which is available at the registered office of abrdn SICAV I will also be available at the Transfer Agent.

### Share Price Publication

Subscription and redemption prices are available at [www.abrdn.com](http://www.abrdn.com) and are also available at the offices of the Transfer Agent.

### Taxation

Tax regulations and the practices of financial authorities are constantly subject to change. Because of the complexity of French tax law, it is recommended that investors contact a tax adviser regarding the effect on their individual tax situation.

### Plan d'Epargne Actions (PEA)

As at the date of this Prospectus, the following Fund is eligible for the Plan d'Epargne Actions (PEA).  
abrdn SICAV I – Europe ex UK Sustainable Equity Fund.

A Fund could lose its PEA eligibility due to changes in the law or to changes impacting its investment universe. In such circumstances, investors will be informed by the publication of a notice on [www.abrdn.com/fr](http://www.abrdn.com/fr).

### SRI Label

As at the date of this Prospectus, only the Funds listed below benefit from the SRI label created and supported by the French Finance Ministry as per the provisions contained in the Decree n° 2016-10 dated 8 January 2016, as amended:

abrdn SICAV I – Emerging Markets Sustainable Equity Fund  
abrdn SICAV I – Asian SDG Equity Fund  
abrdn SICAV I – Emerging Markets SDG Equity Fund



## 7. Additional Information for Investors in Germany

For the following Funds of abrdn SICAV I no notification for public distribution in the Federal Republic of Germany was submitted and shares in these sub-funds may NOT be publicly offered to investors within the scope of the German Investment Code ("KAGB"). As a consequence, the following Funds are NOT available to investors in Germany:

abrdn SICAV I – abrdn - CCBI Belt & Road Bond Fund  
abrdn SICAV I – Emerging Markets Bond Fixed Maturity 2023 Fund  
abrdn SICAV I – Global Bond Fixed Maturity 2023 Fund  
abrdn SICAV I – Listed Private Capital Fund

abrdn SICAV I – Emerging Markets Sustainable Equity Fund  
abrdn SICAV I – Asian High Yield Sustainable Bond Fund

### Paying and Information Agent in Germany

Marcard, Stein & Co AG  
Ballindamm 36  
D-20095 Hamburg

has undertaken the position as Paying and Information Agent in Germany (the "German Paying and Information Agent") in accordance with Art. 92 of the Directive 2009/65/EC, as amended by Directive 2019/1160.

Applications for subscription, redemption and conversion of Shares should be sent to the Transfer Agent but may also be sent to the German Paying and Information Agent for onward transmission to the Transfer Agent. Shareholders resident in Germany may request to have all payments (redemption proceeds, distributions and any other payments) to be made for their benefit through the German Paying and Information Agent.

The Prospectus and the key investor information documents (PRIIPS KIDs), the Articles of Association, the audited Annual Report and the unaudited Interim Report of abrdn SICAV I may be obtained free of charge and in paper form from the German Paying and Information Agent.

In addition, it is possible to view the documentation referred to in the above section entitled "DOCUMENTS AVAILABLE FOR INSPECTION" at the German Paying and Information Agent.

Furthermore, subscription, redemption and conversion prices of the shares and any notices to the shareholders and any additional information which is also available free of charge at the registered office of abrdn SICAV I will be available at the German Paying and Information Agent.

Subscription, redemption and conversion prices of the shares will also be available at [www.abrdn.com](http://www.abrdn.com) and at the offices of the Transfer Agent.

Any notices to the shareholders will be published on [www.abrdn.com/de-de/germany/investor](http://www.abrdn.com/de-de/germany/investor).

In addition, communications to investors in the Federal Republic of Germany will be sent by mail in the following cases:

- suspension of the redemption of the Shares,
- termination of the management of the Fund or its liquidation,
- any amendments to the fund rules which are inconsistent with the previous investment principles, which affect material investor rights or which relate to remuneration and reimbursement of expenses that may be paid or made out of the asset pool,
- merger of the Funds with one or more other Funds, and
- the change of abrdn SICAV I into a feeder fund or the modification of a master fund.

**Compliance with the *Versicherungsaufsichtsgesetz*, the German Law on the Supervision of Insurance Undertakings (VAG)**

The following Funds are compliant with the provisions of VAG

abrtn SICAV I – All China Sustainable Equity Fund  
abrtn SICAV I – Asia Pacific Sustainable Equity Fund  
abrtn SICAV I – Asian Smaller Companies Fund  
abrtn SICAV I – China A Share Sustainable Equity Fund  
abrtn SICAV I – China Onshore Bond Fund  
abrtn SICAV I – Emerging Markets Equity Fund  
abrtn SICAV I – Emerging Markets Infrastructure Equity Fund  
abrtn SICAV I – Emerging Markets Smaller Companies Fund  
abrtn SICAV I – Emerging Markets Sustainable Equity Fund  
abrtn SICAV I – Emerging Markets Total Return Bond Fund  
abrtn SICAV I – Europe ex UK Sustainable Equity Fund  
abrtn SICAV I – European Sustainable Equity Fund  
abrtn SICAV I – GDP Weighted Global Government Bond Fund  
abrtn SICAV I – Global Bond Fund  
abrtn SICAV I – Global Corporate Bond Fund  
abrtn SICAV I – Global Corporate Sustainable Bond Fund  
abrtn SICAV I – Global Innovation Equity Fund  
abrtn SICAV I – Global Mid-Cap Equity Fund  
abrtn SICAV I – Global Sustainable Equity Fund  
abrtn SICAV I – Indian Equity Fund  
abrtn SICAV I – Japanese Sustainable Equity Fund  
abrtn SICAV I – Japanese Smaller Companies Sustainable Equity Fund  
abrtn SICAV I – Latin American Equity Fund  
abrtn SICAV I – Listed Private Capital Fund  
abrtn SICAV I – North American Smaller Companies Fund  
abrtn SICAV I – Select Emerging Markets Investment Grade Bond Fund  
abrtn SICAV I – Short Dated Enhanced Income Fund  
abrtn SICAV I – World Resources Equity Fund  
abrtn SICAV I – World Smaller Companies Fund

**Taxation**

The following Funds qualify as equity funds within the meaning of GITA as they continuously invest more than 50% of their gross assets in equity securities (as defined by GITA)

abrtn SICAV I – All China Sustainable Equity Fund  
abrtn SICAV I – Asia Pacific Sustainable Equity Fund  
abrtn SICAV I – Asian Smaller Companies Fund  
abrtn SICAV I – Asian SDG Equity Fund  
abrtn SICAV I – China A Share Sustainable Equity Fund  
abrtn SICAV I – China Next Generation Fund  
abrtn SICAV I – Emerging Markets Equity Fund  
abrtn SICAV I – Emerging Markets Infrastructure Equity Fund  
abrtn SICAV I – Emerging Markets Smaller Companies Fund  
abrtn SICAV I – Emerging Markets Sustainable Equity Fund  
abrtn SICAV I – Emerging Markets SDG Equity Fund  
abrtn SICAV I – Europe Equity ex UK Sustainable and Responsible Investment Equity Fund  
abrtn SICAV I – European Sustainable Equity Fund  
abrtn SICAV I – Global Climate and Environment Equity Fund  
abrtn SICAV I – Global Dynamic Dividend Fund  
abrtn SICAV I – Global Innovation Equity Fund  
abrtn SICAV I – Global Mid-Cap Equity Fund  
abrtn SICAV I – Global Sustainable Equity Fund  
abrtn SICAV I – Indian Equity Fund  
abrtn SICAV I – Japanese Sustainable Equity Fund  
abrtn SICAV I – Japanese Smaller Companies Sustainable Equity Fund  
abrtn SICAV I – Latin American Equity Fund  
abrtn SICAV I – Listed Private Capital Fund  
abrtn SICAV I – North American Smaller Companies Fund  
abrtn SICAV I – World Resources Equity Fund  
abrtn SICAV I – World Smaller Companies Fund

Tax regulations and the practices of financial authorities are constantly subject to change. Because of the complexity of German tax law, it is recommended that investors contact a tax adviser regarding the effect on their individual tax situation.

## **8. Additional Information for Investors in Hong Kong**

Certain Funds of abrdn SICAV I - as detailed in the Hong Kong Supplement - have been authorised under the Hong Kong Securities and Futures Ordinance; the Hong Kong Securities and Futures Commission does not, however, take any responsibility for the financial soundness of abrdn SICAV I or the accuracy of any statement or opinion expressed in this document or the current Hong Kong Supplement (which contains Additional Information for Hong Kong Investors). Authorization by the Hong Kong Securities and Futures Commission is not a recommendation or endorsement of abrdn SICAV I nor does it guarantee the commercial merits of abrdn SICAV I or its performance. It does not mean abrdn SICAV I is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

Prospective investors in Hong Kong should refer to the specific important additional information provided in the Hong Kong Supplement. The specific important additional information includes the means of applying for, holding, transferring or redeeming Shares and the tax consequences thereof.

## 9. Additional Information for Investors in Hungary

Applications for subscription, redemption and conversion of Shares should be sent to the Transfer Agent.

The Prospectus and the PRIIPS KIDs, the Articles of Association, the audited Annual Report and the unaudited Interim Report of abrdn SICAV I may be obtained free of charge and in paper form from the Transfer Agent.

Furthermore, any additional information which is available at the registered office of abrdn SICAV I will also be available at the Transfer Agent.

### **Share Price Publication**

Subscription prices and redemption prices will be published in [www.kozzetetelek.hu](http://www.kozzetetelek.hu) and are also available at [www.abrdn.com](http://www.abrdn.com) and at the offices of the Transfer Agent.

### **Taxation**

Tax regulations and the practices of financial authorities are constantly subject to change. Because of the complexity of Hungarian tax law, it is recommended that investors contact a tax adviser regarding the effect on their individual tax situation.

## 10. Additional Information for Investors in Ireland

### Facilities Agent in Ireland

Maples Secretaries Limited  
40 Upper Mount Street  
Dublin 2

has undertaken the position as Facilities Agent in Ireland in accordance with Art. 92 of the Directive 2009/65/EC, as amended by Directive 2019/1160. Complaints concerning abrdn SICAV I may be lodged with the Facilities Agent in Ireland for forwarding to abrdn SICAV I.

Applications for subscription, redemption and conversion of Shares should be sent to the Transfer Agent.

The Prospectus and the PRIIPS KIDs, the Articles of Association, the audited Annual Report and the unaudited Interim Report of abrdn SICAV I may be obtained free of charge and in paper form from the Transfer Agent.

Furthermore, any additional information which is available at the registered office of abrdn SICAV I will also be available at the Transfer Agent.

### Share Price Publication

Subscription and redemption prices are available at [www.abrdn.com](http://www.abrdn.com) and are also available at the offices of the Transfer Agent.

### Taxation

Tax regulations and the practices of financial authorities are constantly subject to change. Because of the complexity of Irish tax law, it is recommended that investors contact a tax adviser regarding the effect on their individual tax situation.

## 11. Additional Information for Investors in Italy

### Paying Agents in Italy

1. State Street Bank GmbH, Italy Branch  
Via Ferrante Aporti 10  
20125 Milan
2. BNP Paribas S.A., Succursale Italia  
Piazza Lina Bo Bardi 3  
20124 Milan
3. Società Generale Securities Services S.P.A  
Via Benigno Crespi 19A - MAC2  
20159 Milan
4. Allfunds Bank S.A., Italian Branch  
Via Bocchetto 6  
20123 Milan
5. Banca Sella Holding S.P.A  
Piazza Gaudenzio Sella, 1  
13900 Biella
6. Caceis Bank, Italian Branch  
Piazza Cavour, 2  
20121 Milan

have undertaken the position as Paying Agents in Italy in accordance with Art. 92 of the Directive 2009/65/EC, as amended by Directive 2019/1160.

Applications for subscription, redemption and conversion of Shares should be sent to the Transfer Agent but may also be sent to an Italian Paying Agent for onward transmission to the Transfer Agent. Shareholders resident in Italy may request to have all payments (redemption proceeds, distributions and any other payments) to be made for their benefit through an Italian Paying Agent.

The Italian Paying Agent may group the subscription, conversion and redemptions requests, and forward such requests to the Transfer Agent on a cumulative basis, in the name of the Italian Paying Agent and on behalf of the investors. In this case, the Shares will be registered in abrdn SICAV I's Shareholder register in the name of the Italian Paying Agent, with the diction "on behalf of third party" or the equivalent. In the Application Form, the investors will grant to the Italian Paying Agent the relevant mandate.

In addition to the above, the Italian Paying Agent may also offer to the Italian investors the opportunity to use accumulation/conversion/redemption plans.

The Prospectus and the PRIIPS KIDs, the Articles of Association, the audited Annual Report and the unaudited Interim Report of abrdn SICAV I may be obtained free of charge and in paper form from an Italian Paying Agent.

Furthermore, any additional information which is available at the registered office of abrdn SICAV I will also be available at the offices of the Transfer Agent and each Italian Paying Agent.

### Share Price Publication

Subscription prices and redemption prices will be available at [www.abrdn.com](http://www.abrdn.com) and at the offices of the Transfer Agent and each Italian Paying Agent.

### Taxation

Tax regulations and the practices of financial authorities are constantly subject to change. Because of the complexity of Italian tax law, it is recommended that investors contact a tax adviser regarding the effect on their individual tax situation.

### Charges and Expenses

Please note that additional costs may be imposed by intermediaries for services provided according to the local distribution model, as per local regulatory requirements.

## **12. Additional Information for Investors in Jersey**

Consent under the Control of Borrowing (Jersey) Order 1958 (the "COB Order") has not been obtained from the Jersey Financial Services Commission for the circulation of this Prospectus. Accordingly, the offer that is the subject of this Prospectus may only be made in Jersey where such offer is not an offer to the public (as defined in the COB Order) or where the offer is valid in the United Kingdom or Guernsey and is circulated in Jersey only to persons similar to those to whom, and in a manner similar to that in which, it is for the time being circulated in the United Kingdom or Guernsey as the case may be. The Directors of abrdn SICAV I may, but are not obliged to, apply for such consent in the future.

### **13. Additional Information for Investors in South Korea**

In South Korea, certain Classes of Shares of the following Funds have been approved by the Financial Supervisory Service, for offering or distribution in Korea:

abrln SICAV I – Asian Credit Sustainable Bond Fund  
abrln SICAV I – Emerging Markets Infrastructure Equity Fund  
abrln SICAV I – GDP Weighted Global Government Bond Fund  
abrln SICAV I – Latin American Equity Fund  
abrln SICAV I – Select Emerging Markets Investment Grade Bond Fund  
abrln SICAV I – World Resources Equity Fund  
abrln SICAV I – World Smaller Companies Fund



## 14. Additional Information for Investors in the Principality of Liechtenstein

abrdn SICAV I has notified its intention to publicly distribute certain Classes of Shares of abrdn SICAV I in Liechtenstein.

Representative and Paying Agent in Liechtenstein

LGT Bank AG  
Herrengasse 12  
FL - 9490  
Vaduz

has undertaken the position as Representative and Paying Agent in Liechtenstein in accordance with Art. 92 of the Directive 2009/65/EC, as amended by Directive 2019/1160.

The Prospectus and the PRIIPS KIDs, the Articles of Association, the audited Annual Report and the unaudited Interim Report of abrdn SICAV I may be obtained free of charge from the Liechtenstein Paying Agent. Except for the PRIIPS KIDs which are available in German, all other documents listed above will be available in English.

The issue and redemption prices are available at [www.abrdn.com](http://www.abrdn.com) and at the office of the Representative and Paying Agent in Liechtenstein.

Notices to investors of abrdn SICAV I will be published on [www.abrdn.com](http://www.abrdn.com).

## **15. Additional Information for Investors in Malta**

Applications for subscription, redemption and conversion of Shares should be sent to the Transfer Agent.

The Prospectus and the PRIIPS KIDs, the Articles of Association, the audited Annual Report and the unaudited Interim Report of abrdn SICAV I may be obtained free of charge and in paper form from the Transfer Agent.

Furthermore, any additional information which is available at the registered office of abrdn SICAV I will also be available at the Transfer Agent.

### **Share Price Publication**

Subscription and redemption prices are available at [www.abrdn.com](http://www.abrdn.com) and are also available at the offices of the Transfer Agent.

### **Taxation**

Tax regulations and the practices of financial authorities are constantly subject to change. Because of the complexity of Maltese tax law, it is recommended that investors contact a tax adviser regarding the effect on their individual tax situation.

## 16. Additional Information for Investors in The Netherlands

Applications for subscription, redemption and conversion of Shares should be sent to the Transfer Agent.

The Prospectus and the PRIIPS KIDs, the Articles of Association, the audited Annual Report and the unaudited Interim Report of abrdn SICAV I may be obtained free of charge and in paper form from the Transfer Agent.

Furthermore, any additional information which is available at the registered office of abrdn SICAV I will also be available at the Transfer Agent.

### **Share Price Publication**

Subscription and redemption prices are available at [www.abrdn.com](http://www.abrdn.com) and are also available at the offices of the Transfer Agent.

### **Taxation**

Tax regulations and the practices of financial authorities are constantly subject to change. Because of the complexity of Dutch tax law, it is recommended that investors contact a tax adviser regarding the effect on their individual tax situation.

## 17. Additional Information for Investors in Norway

Applications for subscription, redemption and conversion of Shares should be sent to the Transfer Agent.

The Prospectus and the PRIIPS KIDs, the Articles of Association, the audited Annual Report and the unaudited Interim Report of abrdn SICAV I may be obtained free of charge and in paper form from the Transfer Agent. Furthermore, any additional information which is available at the registered office of abrdn SICAV I will also be available at the Transfer Agent.

### **Share Price Publication**

Subscription and redemption prices are available at [www.abrdn.com](http://www.abrdn.com) and are also available at the offices of the Transfer Agent.

### **Taxation**

Tax regulations and the practices of financial authorities are constantly subject to change. Because of the complexity of Norwegian tax law, it is recommended that investors contact a tax adviser regarding the effect on their individual tax situation.

## 18. Additional Information for Investors in Peru

The following Funds are registered with the Superintendencia de Banca, Seguros Y AFP in Peru for pension fund investment:

- abrdn SICAV I – All China Sustainable Equity Fund
- abrdn SICAV I – Asia Pacific Sustainable Equity Fund
- abrdn SICAV I – Asian Smaller Companies Fund
- abrdn SICAV I – Emerging Markets Equity Fund
- abrdn SICAV I – Global Innovation Equity Fund
- abrdn SICAV I – Global Sustainable Equity Fund
- abrdn SICAV I – Indian Equity Fund
- abrdn SICAV I – Japanese Sustainable Equity Fund
- abrdn SICAV I – Japanese Smaller Companies Sustainable Equity Fund
- abrdn SICAV I – Latin American Equity Fund
- abrdn SICAV I – Select Emerging Markets Bond Fund
- abrdn SICAV I – Select Euro High Yield Bond Fund

## 19. Additional Information for Investors in Singapore

The list of Funds of abrdn SICAV I which are currently offered in Singapore as restricted foreign schemes is available at <https://masnetsvc2.mas.gov.sg/cisnetportal/jsp/list.jsp>. Being restricted foreign schemes, they are not allowed to be offered to the retail public but can only be made available to the categories of investors as defined in the Securities and Futures Act, Chapter 289 of Singapore. Investors should note that the Funds which are offered in Singapore as restricted foreign schemes are not authorised or recognised by the Monetary Authority of Singapore.

It should be noted that for investors in Singapore the Prospectus is accompanied by a Singapore Selling Restriction which includes the country-specific information for Singapore.

The list of Funds of abrdn SICAV I which are currently offered to retail investors in Singapore as recognised schemes, pursuant section 287(1) of the Securities and Futures Act (Cap. 289), is available at <https://eservices.mas.gov.sg/operat/Public/CIS/SearchSchemes.aspx>.

## 20. Additional Information for Investors in South Africa

In South Africa, certain Classes of Shares of the following Funds have been approved by the Financial Sector Conduct Authority for offering or distribution in South Africa:

- abrdn SICAV I – Emerging Markets Equity Fund
- abrdn SICAV I – Emerging Markets Infrastructure Equity Fund
- abrdn SICAV I – Emerging Markets Smaller Companies Fund
- abrdn SICAV I – European Sustainable Equity Fund
- abrdn SICAV I – Global Innovation Equity Fund
- abrdn SICAV I – Global Sustainable Equity Fund
- abrdn SICAV I – Japanese Sustainable Equity Fund
- abrdn SICAV I – Latin American Equity Fund
- abrdn SICAV I – North American Smaller Companies Fund
- abrdn SICAV I – World Resources Equity Fund
- abrdn SICAV I – World Smaller Companies Fund

## 21. Additional Information for Investors in Spain

### **Subscription and Redemption of Shares in Spain**

Applications for subscription, redemption and conversion of Shares should be sent to the Transfer Agent.

The Prospectus and the PRIIPS KIDs, the Articles of Association, the audited Annual Report and the unaudited Interim Report of abrdn SICAV I may be obtained free of charge and in paper form from the Transfer Agent.

Furthermore, any additional information which is available at the registered office of abrdn SICAV I will also be available at the Transfer Agent.

### **Share Price Publication**

Subscription prices and redemption prices will be available at [www.abrdn.com](http://www.abrdn.com) and at the offices of the Transfer Agent.

### **Taxation**

Tax regulations and the practices of financial authorities are constantly subject to change. Because of the complexity of Spanish tax law, it is recommended that investors contact a tax adviser regarding the effect on their individual tax situation.



## 22. Additional Information for Investors in Sweden

### **Paying and Information Agent in Sweden**

Skandinaviska Enskilda Banken AB  
Rissneleden 110  
SE-106 40 Stockholm  
Sweden

has undertaken the position as Paying and Information Agent in Sweden in accordance with Art. 92 of the Directive 2009/65/EC, as amended by Directive (EU) 2019/1160.

Applications for subscription, redemption and conversion of Shares should be sent to the Transfer Agent and may also be sent to the Swedish Paying and Information Agent for onward transmission to abrdn SICAV I. Shareholders resident in Sweden may request to have all payments (redemption proceeds, distributions and any other payments) to be made for their benefit through the Swedish Paying and Information Agent.

The Prospectus and the PRIIPS KIDs, the Articles of Association, the audited Annual Report and the unaudited Interim Report of abrdn SICAV I may be obtained free of charge and in paper form from the Swedish Paying and Information Agent.

Furthermore, any additional information which is available at the registered office of abrdn SICAV I will also be available at the Swedish Paying and Information Agent.

### **Share Price Publication**

Subscription and redemption prices are available at [www.abrdn.com](http://www.abrdn.com) and are also available at the offices of the Transfer Agent and the Swedish Paying Agent.

### **Taxation**

Tax regulations and the practices of financial authorities are constantly subject to change. Because of the complexity of Swedish tax law, it is recommended that investors contact a tax adviser regarding the effect on their individual tax situation.

## 23. Additional Information for investors in Switzerland

### 1. Representative

The representative in Switzerland is BNP Paribas., Paris, Zurich Branch, Selnaustrasse 16, 8002 Zurich, Switzerland.

### 2. Paying agent

The paying agent in Switzerland is BNP Paribas., Paris, Zurich Branch, Selnaustrasse 16, 8002 Zurich, Switzerland.

### 3. Place where the relevant documents may be obtained

The Prospectus, the PRIIPS KIDs, the Articles of Association, the annual and interim reports may be obtained free of charge from the representative.

### 4. Publications

Publications in respect of abrdn SICAV I are published in Switzerland on the electronic platform of fundinfo AG Zurich ([www.fundinfo.com](http://www.fundinfo.com)).

The issue and redemption prices or the Net Asset Value with reference stating "excluding commissions" are published on a daily basis on [www.fundinfo.com](http://www.fundinfo.com).

### 5. Payment of retrocessions and rebates

In connection with distribution in Switzerland, abrdn Investments Luxembourg S.A. or its affiliates may pay retrocessions as remuneration for distribution activities in respect of shares in Switzerland. These activities include but are not limited to the organisation of road shows, the attendance of events and fairs, the production of marketing material and the training of distribution collaborators.

Disclosure of the receipt of retrocessions is based on the applicable provisions of the Swiss Financial Services Act (FinSA).

Retrocessions are not deemed to be rebates even if they are ultimately passed on, in full or in part, to the investors.

Rebates may also be paid directly to the investors in order to reduce the fees and cost attributed to the fund, as long as they:

- are paid from fees which have been charged to the assets of the Fund and not in addition;
- are paid on the basis of objective criteria;
- are paid to all investors fulfilling the objective criteria in the same amount and at the same time.

Rebates can only be paid if the following preconditions are fulfilled:

- the minimum investment in a collective investment scheme or in a range of collective investment schemes;
- the amount of fees resulting from the investment;
- the expected duration of the investment;
- the readiness of the investor to support the launch of the fund.

At the request of the relevant investor receiving such rebate, abrdn Investments Luxembourg S.A. or its affiliates must disclose the amount free of charge.

### 6. Place of performance and jurisdiction

The place of performance and jurisdiction for the Shares offered in Switzerland is at the registered office of the representative or at the registered office or place of residence of the investor.

## 24. Additional Information for Investors in Taiwan

In Taiwan, certain Classes of Shares of the following Funds have been approved by the Financial Supervisory Commission, for offering or distribution in Taiwan:

abrdn SICAV I – Asia Pacific Sustainable Equity Fund  
abrdn SICAV I – Asian Smaller Companies Fund  
abrdn SICAV I – Emerging Markets Corporate Bond Fund  
abrdn SICAV I – Emerging Markets Equity Fund

abrdn SICAV I – Emerging Markets Smaller Companies Fund

abrdn SICAV I – European Sustainable Equity Fund  
abrdn SICAV I – Frontier Markets Bond Fund  
abrdn SICAV I – Global Innovation Equity Fund  
abrdn SICAV I – Global Sustainable Equity Fund  
abrdn SICAV I – Indian Bond Fund  
abrdn SICAV I – Indian Equity Fund  
abrdn SICAV I – Japanese Sustainable Equity Fund  
abrdn SICAV I – Japanese Smaller Companies Sustainable Equity Fund  
abrdn SICAV I – Latin American Equity Fund  
abrdn SICAV I – North American Smaller Companies Sustainable Equity Fund  
abrdn SICAV I – Select Emerging Markets Bond Fund  
abrdn SICAV I – Select Euro High Yield Bond Fund

abrdn SICAV I – World Resources Equity Fund

It should be noted that an Investor Information Summary for investors in Taiwan exists. Such Investor Information Summary includes the country-specific information for Taiwan.

## 25. Additional Information for Investors in the United Kingdom

abrdn SICAV I has appointed abrdn Investments Limited, its principal place of business being Bow Bells House, 1 Bread Street, London, EC4M 9HH, as its UK Facilities, Marketing and Sales Agent. abrdn Investments Limited is authorised and regulated in the conduct of its investment business by the Financial Conduct Authority ("FCA").

Potential investors should be aware that abrdn SICAV I is not subject to the rules and regulations made under Financial Services and Market Act (FSMA) for the protection of investors. Investors will not have any protection under the United Kingdom Financial Services Compensation Scheme nor will they have any rights of cancellation.

Written complaints about any aspect of the service including the operations of abrdn SICAV I or requests to obtain a copy of the complaints handling procedure can be addressed to the UK Facilities, Marketing and Sales Agent for their further submission to the head office of abrdn SICAV I.

The Prospectus and the PRIIPS KIDs, the Articles of Association, the audited Annual Report and the unaudited Interim Report of abrdn SICAV I may be obtained free of charge and in paper form from the UK Facilities, Marketing and Sales Agent and the Transfer Agent.

Furthermore, any additional information which is available at the registered office of abrdn SICAV I will also be available at the UK Facilities, Marketing and Sales Agent and the Transfer Agent.

Applications for subscription, redemption and conversion of Shares should be sent to the Transfer Agent.

### **Share Price Publication**

Subscription and redemption prices are available at [www.abrdn.com](http://www.abrdn.com) and at the offices of the Transfer Agent.

### **Taxation**

Tax regulations and the practices of financial authorities are constantly subject to change. Because of the complexity of UK tax law, it is recommended that investors contact a tax adviser regarding the effect on their individual tax situation.



**Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph of Regulation (EU) 2020/852**

**Product Name: abrdn SICAV I - All China Sustainable Equity Fund**

**Legal entity identifier: 549300LJPPGVR19E3P13**

## Environmental and/or social characteristics

### Does this financial product have a sustainable investment objective?

**Yes**

**No**

- It will make a minimum of **sustainable investments with an environmental objective: \_\_\_\_%**
  - in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

- It promotes **Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 20% of sustainable investments
  - with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
  - with a social objective

- It will make a minimum of **sustainable investments with a social objective: \_\_\_\_%**

- It promotes E/S characteristics, but **will not make any sustainable investments**

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



## **What environmental and/or social characteristics are promoted by this financial product?**

To promote the environmental and social characteristics, the Fund applies ESG assessment criteria, ESG screening criteria and promotes good governance including social factors.

We use our proprietary research framework to identify companies which we believe to be sustainable leaders or improvers. Sustainable leaders are viewed as companies with the best in class ESG credentials or products and services which address global environmental and societal challenges, whilst improvers are typically companies with average governance, ESG management practices and disclosure with potential for improvement.

Within our equity investment process, for all companies under coverage we analyse the foundations of each business to ensure proper context for our investments. This includes the durability of its business model, the attractiveness of its industry, the strength of its financials and the sustainability of its economic moat. We also consider the quality of its management team and analyse the environmental, social and governance (ESG) opportunities and risks impacting the business and appraise how well these are managed. We assign a proprietary score to articulate the quality attributes of each company, one of which is the ESG Quality rating. This enables the portfolio managers to exclude companies with material ESG risks and positively skew the portfolio towards ESG opportunities and to build well-diversified, risk-adjusted portfolios.

Additionally, our proprietary ESG House Score, developed by our central ESG investment team in collaboration with the Quantitative investment team, is used to identify companies with potentially high or poorly managed ESG risks. The score is calculated by combining a variety of data inputs within a proprietary framework in which different ESG factors are weighted according to how material they are for each sector. This allows us to see how companies rank in a global context.

The abrdn ESG House Score was designed so that it can be broken down into specific themes and categories. The ESG score comprises of two scores; the Operational score and Governance score. This allows a quick view of a company's relative positioning on its management of ESG issues at a granular level.

- The Governance score assesses the corporate governance structure and the quality and behaviour of corporate leadership and executive management.
- The Operational score assesses the ability of the company's leadership team to implement effective environmental and social risk reduction and mitigation strategies in its operations.

To complement this, we also utilise our active stewardship and engagement activities.

This Fund has a financial benchmark that is used for portfolio construction but does not incorporate any sustainable criteria and is not selected for the purpose of attaining these characteristics. This financial benchmark is used as a comparator for Fund performance and as a comparison for the Fund's binding commitments.

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

● ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

*The measures applied by the Fund are:*

- ESG assessment criteria,
- ESG screening criteria,
- a carbon intensity targeting lower than benchmark,
- targets an ESG rating better than or equal to benchmark and
- promotes good governance including social factors.

To complement this, we also utilise our active stewardship and engagement activities.

The Fund also targets to exclude at least 20% of the Fund's benchmark investable universe, through a combination of in-house proprietary scoring tools and the use of negative criteria to avoid investing in certain industries and activities.

● ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

The objective of the sustainable investment is to make a contribution to solving an environmental or social challenge, in addition to not causing significant harm, and being well governed. Each sustainable investment may make a contribution to Environmental or Social issues. In fact, many companies will make a positive contribution to both. abrdn use the six environmental objectives of the Taxonomy to inform Environmental contributions, including: (1) climate change mitigation, (2) climate change adaptation, (3) sustainable use and protection of water and marine resources, (4) transition to a circular economy, (5) pollution prevention and control, and (6) protection and restoration of biodiversity and ecosystems. In addition, abrdn use the 17 Sustainable Development Goals and their sub-goals to supplement the EU Taxonomy topics and provide a framework for considering Social objectives

An economic activity must have a positive economic contribution to qualify as a Sustainable investment, this includes consideration of Environmental or Socially aligned revenues, Capex, Opex or sustainable operations. abrdn seek to establish or estimate the share of the investee company's economic activities/contribution towards a sustainable objective and it is this element that is weighted and counted towards the Sub-fund's total aggregated proportion of Sustainable Investments

abrdn uses a combination of the following approaches:

- i. a quantitative methodology based on a combination of publicly available data



sources; and

ii. using abrdn's own insight and engagement outcomes abrdn overlay the quantitative methodology with a qualitative assessment to calculate an overall percentage of economic contribution towards a sustainable objective for each holding in a Fund.

***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

As required by the SFDR Delegated Regulation, the investment does not cause Significant Harm ("Do No Significant Harm"/ "DNSH") to any of the sustainable investment objectives.

abrdn have created a 3-step process to ensure consideration of DNSH:

i. Sector Exclusions

abrdn have identified a number of sectors which automatically do not qualify for inclusion as a Sustainable Investment as they are considered to be causing significant harm. These include but are not limited to: (1) Defence, (2) Coal, (3) Oil & Gas Exploration, Production and associated activities, (4) tobacco, (5) gambling and (6) alcohol.

ii. DNSH Binary Test

The DNSH test, is a binary pass/fail test which signals if the company passes or fails criteria for the SFDR Article 2 (17) "do no significant harm".

Pass indicates under abrdn's methodology the company has no ties to controversial weapons, less than 1% of revenue from thermal coal, less than 5% of revenue from tobacco related activities, is not a tobacco producer, and has no red/severe ESG Controversies. If the company fails this test, it cannot be considered a Sustainable Investment. Abrdn's approach is aligned with the SFDR PAIs included within tables 1, 2 & 3 of the SFDR Delegated Regulation and is based on external data sources and abrdn internal insights.

iii. DNSH Materiality Flag

Using a number of additional screens and flags, abrdn consider the additional SFDR PAI's indicators as defined by the SFDR Delegated Regulation to identify areas for improvement or potential future concern. These indicators are not considered to cause significant harm and therefore a company with active DNSH materiality flags may still be considered to be a Sustainable Investment. abrdn aim to enhance the engagement activities to focus on these areas and seek to deliver better outcomes by resolving the issue.

Have the indicators for adverse impacts on sustainability factors been taken into account?

The fund considers Principal Adverse Impact Indicators defined by the SFDR Delegated Regulation.

Pre investment, abrdn applies a number of norms and activity-based screens related to PAIs, including but not limited to: UN Global Compact, controversial weapons, and thermal coal extraction.

**UNGC:** The Fund uses norms-based screens and controversy filters to exclude companies that may be in breach of international norms described in the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights, as well as state owned entities in countries which violate norms.

**Controversial Weapons:** The Fund excludes companies with business activities related to controversial weapons (cluster munitions, anti-personnel landmines, nuclear weapons, chemical and biological weapons, white phosphorus, non-detectable fragments, incendiary devices, depleted uranium ammunition or blinding lasers).

**Thermal Coal Extraction:** The Fund excludes companies with exposure to the fossil fuels sector based on percentage of revenue from thermal coal extraction.

abrdn apply a fund specific set of company exclusions, more detail on these and the overall process is captured within the Investment Approach, which is published at [www.abrdn.com](http://www.abrdn.com) under "Fund Centre".

Post-investment the following PAI indicators are considered:

- abrdn monitors all mandatory and additional PAI indicators via our ESG integration investment process using a combination of our proprietary house score and 3rd party data feeds. PAI indicators that either fail a specific binary test or are considered above typical are flagged for review and may be selected for company engagement.
- Consideration of portfolio carbon intensity and GHG emissions via our Climate tools and risk analysis
- Governance indicators via our proprietary governance scores and risk framework, including consideration of sound management structures, employee relations, remuneration of staff and tax compliance
- On an on-going basis the investment universe is scanned for companies that may be in breach of international norms described in the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights, as well as state owned entities in countries which violate norms.

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

The Fund uses norms-based screens and controversy filters to exclude companies that may be in breach of international norms described in the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights.

*The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

*The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities.*

*The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.*

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



## Does this financial product consider principal adverse impacts on sustainability factors?

Yes, this Fund considers Principal Adverse Impacts (PAI) on sustainability factors.

Principal Adverse Impact Indicators are metrics that measure the negative effects on environmental and social matters. abrdn consider PAIs within the investment process for the Fund, this may include considering whether to make an investment, or they may be used as an engagement tool for example where there is no policy in place and this would be beneficial, or where carbon emissions are considered to be high, abrdn may engage to seek the creation of a long-term target and reduction plan. abrdn assess PAIs by using, amongst others, the PAI indicators referred to in the SFDR Delegated Regulation; however, dependent on data availability, quality and relevance to the investments not all SFDR PAI indicators may be considered. Where Funds consider PAIs, information on that consideration will be made available in annual reports.

No



## What investment strategy does this financial product follow?

The Fund contains high- quality companies that have been identified through the bottom-up equity research process which takes into consideration the sustainability of the business in its broadest sense and the company's environmental, social and governance (ESG) performance.

There are three core principles which underpin our Sustainable investment approach and the time we dedicate to ESG analysis as part of our overall equity research process:

- Informed and constructive engagement helps foster better companies, enhancing the value of our clients' investments.
- ESG factors are financially material, and impact corporate performance
- Understanding ESG risks and opportunities alongside other financial metrics allows us to make better investment decisions.

Within our equity investment process, for all companies under coverage we analyse the foundations of each business to ensure proper context for our investments. This includes the durability of its business model, the attractiveness of its industry, the strength of its financials and the sustainability of its economic moat. We also consider the quality of its management team and analyse the environmental, social and governance (ESG) opportunities and risks impacting the business and appraise how well these are managed. We assign a proprietary score to articulate the quality attributes of each company, one of which is the ESG Quality rating. This enables the portfolio managers to exclude companies with material ESG risks and positively skew the portfolio towards ESG opportunities and to build well-diversified, risk-adjusted portfolios.

Our proprietary ESG House Score, developed by our central ESG investment team in collaboration with the Quantitative investment team, is used to identify companies with

potentially high or poorly managed ESG risks. The score is calculated by combining a variety of data inputs within a proprietary framework in which different ESG factors are weighted according to how material they are for each sector. This allows us to see how companies rank in a global context.

The abrdrn ESG House Score was designed so that it can be broken down into specific themes and categories. The ESG score comprises of two scores; the Operational score and Governance score. This allows a quick view of a company's relative positioning on its management of ESG issues at a granular level.

- The Governance score assesses the corporate governance structure and the quality and behaviour of corporate leadership and executive management.
- The Operational score assesses the ability of the company's leadership team to implement effective environmental and social risk reduction and mitigation strategies in its operations.

To complement this, we also utilise our active stewardship and engagement activities.

*To complement the bottom-up research, the portfolio managers also use abrdrn's proprietary ESG House Score, which is primarily a quantitative assessment, to identify and exclude those companies exposed to the highest ESG risks. Finally, binary exclusions are applied to exclude the particular areas of investment related to the UN Global Compact, Norges Bank Investment Management (NBIM), Weapons, Tobacco, Gambling, Thermal Coal, Oil & Gas and Electricity Generation.*

**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

- ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

The binding elements used by the Fund are:

- a carbon intensity target lower than benchmark and
- targeting an ESG rating better than or equal to benchmark.

Binary exclusions are applied to exclude the particular areas of investment related to UN Global Compact, Norges Bank Investment Management (NBIM), Weapons, Tobacco, Gambling, Thermal Coal, Oil & Gas and Electricity Generation. These screening criteria apply in a binding manner and on an ongoing basis.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

The Fund also targets to exclude at least 20% of the Fund's benchmark investable universe, through a combination of in-house proprietary scoring tools and the use of negative criteria to avoid investing in certain industries and activities that abrdrn customers are concerned with.

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

● **What is the policy to assess good governance practices of the investee companies?**

For this Fund, the investee company needs to follow good governance practices in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance. This can be demonstrated by the monitoring of certain PAI indicators, for example corruption, tax compliance and diversity. In addition, by using abrdn’s proprietary ESG scores within the investment process abrdn screen out any investments with low governance scores. Our governance scores assess a company’s corporate governance and management structure (including remuneration of staff policies) and the quality and behaviour of its leadership and management. A low score will typically be given where there are concerns in relation to financially materially controversies, poor tax compliance or governance concerns, or poor treatment of employees or minority shareholders.

The investment must further be aligned with OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human rights. Breaches and violations of these international norms are flagged by an event-driven controversy and are captured in the investment process.



**What is the asset allocation planned for this financial product?**

A minimum of 90% of the Fund’s assets are aligned with E/S characteristics. Environmental and social safeguards are met by applying certain PAI’s, where relevant, to these underlying assets. Within these assets, the Fund commits to a minimum of 20% in Sustainable Investments.

The Fund invests a maximum of 10% of assets in the “Other” category, which include cash, money market instruments and derivatives.

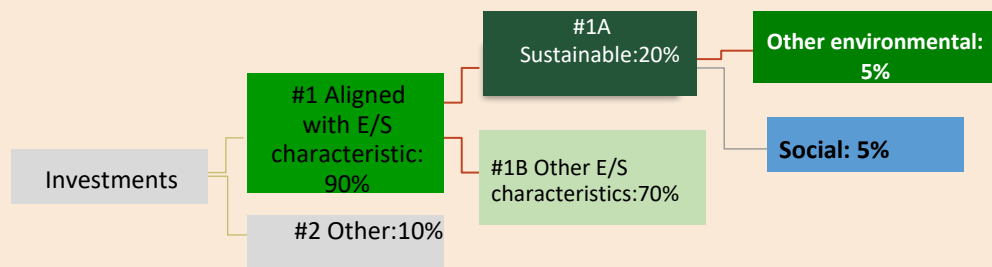
**Asset allocation** describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies

- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

- **operational expenditure** (OpEx) reflecting green operational activities



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035.

For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.



## To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The Fund has not set a minimum proportion of investments in Taxonomy aligned economic activities. This graph represents 100% of the total investment.

### Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>3</sup> ?

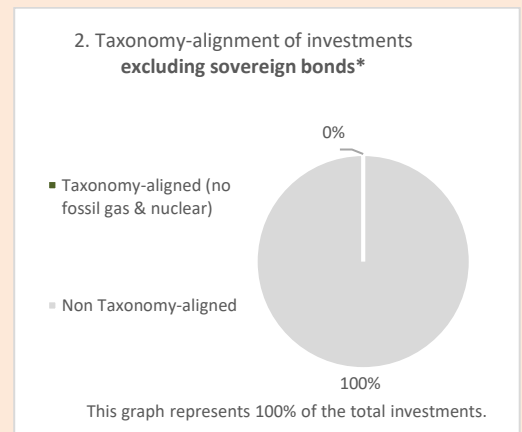
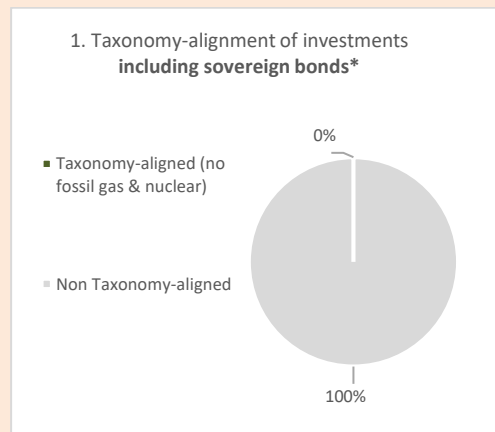
Yes

In fossil gas

In nuclear energy

No

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

### ● What is the minimum share of investments in transitional and enabling activities?

Not applicable.

<sup>3</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm and EU Taxonomy objective – see explanation note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.





are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



### **What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The Fund contains high-quality companies that have been identified through our bottom-up equity research process which takes into consideration the sustainability of the business in its broadest sense and the company's environmental, social and governance (ESG) performance. Within our equity investment process, every company that we invest in is given, via a qualitative assessment, a proprietary overall Quality rating. A key component of this is the ESG Quality rating, which enables the portfolio managers to identify sustainable leaders and improvers and to build well- diversified, risk-adjusted portfolios.

To complement our bottom-up research, the portfolio managers also use our proprietary ESG House Score, which is primarily a quantitative assessment, to identify and exclude those companies exposed to the highest ESG risks. Finally, binary exclusions are applied to exclude the particular areas of investment.

This process results in the Fund committing to a minimum of 90% in securities with environment and social characteristics and a minimum of 20% to sustainable investments which are inclusive of both environmental and social objectives that aren't explicitly taxonomy aligned. The minimum share of sustainable investments with an environmental objective is 5%.



### **What is the minimum share of socially sustainable investments?**

The Fund contains high-quality companies that have been identified through our bottom-up equity research process which takes into consideration the sustainability of the business in its broadest sense and the company's environmental, social and governance (ESG) performance. Within our equity investment process, every company that we invest in is given, via a qualitative assessment, a proprietary overall Quality rating. A key component of this is the ESG Quality rating, which enables the portfolio managers to identify sustainable leaders and improvers and to build well- diversified, risk-adjusted portfolios.

To complement our bottom-up research, the portfolio managers also use our proprietary ESG House Score, which is primarily a quantitative assessment, to identify and exclude those companies exposed to the highest ESG risks. Finally, binary exclusions are applied to exclude the particular areas of investment.

This process results in the Fund committing to a minimum of 90% in securities with environment and social characteristics and a minimum of 20% to sustainable investments which are inclusive of both environmental and social objectives that aren't explicitly taxonomy aligned. The minimum share of sustainable investments with a social objective is 5%.



## What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?

The investments included under "other" are cash, money market instruments & derivatives. The purpose of these assets are to meet liquidity, target return or manage risk and may not contribute to the environmental or social aspects of the Fund.

There are certain environmental and social safeguards that are met by applying PAI's. Where relevant, these are applied to the underlying securities.



**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

## Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes? *No*

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***  
Not applicable
- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***  
Not applicable
- ***How does the designated index differ from a relevant broad market index?***  
Not applicable
- ***Where can the methodology used for the calculation of the designated index be found***  
Not applicable



## Where can I find more product specific information online?

Fund specific documentation, including Sustainability Related Disclosures, are published at [www.abrdn.com](http://www.abrdn.com) under **Fund Centre**.

## More product-specific information can be found on the website:

Fund specific documentation, including Sustainability Related Disclosures, are published at [www.abrdn.com](http://www.abrdn.com) under **Fund Centre**.



**Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph of Regulation (EU) 2020/852**

**Product Name: abrđn SICAV I - Asian Credit Sustainable Bond Fund**

**Legal entity identifier: 2221004DUVC2YZH1DH93**

## Environmental and/or social characteristics

### Does this financial product have a sustainable investment objective?

**Yes**

**No**

- It will make a minimum of **sustainable investments with an environmental objective: \_\_\_%**
  - in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

- It promotes **Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 15% of sustainable investments
  - with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
  - with a social objective

- It will make a minimum of **sustainable investments with a social objective: \_\_\_%**

- It promotes E/S characteristics, but **will not make any sustainable investments**

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



## **What environmental and/or social characteristics are promoted by this financial product?**

To promote the environmental and social characteristics, the Fund applies ESG assessment criteria, ESG screening criteria and promotes good governance including social factors.

We use our proprietary research framework to analyse the foundations of each business to ensure proper context for our investments. This includes the durability of its business model, the attractiveness of its industry, the strength of its financials and the sustainability of its economic moat.

The Fund is underpinned by our well-established active management approach of security selection tailored to the overall environment, which combines fundamental and ESG considerations into our individual name, sector and top-down portfolio construction decisions. An assessment of a company's sustainability is supported by proprietary company rating models and a deeply embedded ESG framework utilising on-desk Fixed Income and central ESG resources.

The Fund will:

- Exclude companies identified as not having sustainable business practices. This is achieved through a set of exclusions, which identify controversial business activities and ESG laggards i.e. companies rated poorly based on their management of ESG risks within their business.
- Engage with companies to gather a forward-looking insight into management of ESG risks, opportunities and actively influence the management of these factors in line with best practice standards.
- Target an equal or better ESG score compared to the benchmark.
- Target a lower carbon intensity than the benchmark.

The Fund seeks to:

- Generate consistent risk-adjusted outperformance using our active management approach of stock selection tailored to the overall environment.
- Benefit from our active engagement with companies, where we encourage positive changes in corporate behaviour.
- Construct a portfolio that invests in companies with strong Environmental, Social and Governance practices.
- Leverage the support and insights of our large, dedicated Fixed Income team and embedded ESG specialist resources.

We also apply an ESG Risk Rating of Low, Medium, High (Low is better) to each issuer. This is credit profile-specific and represents how impactful we believe ESG risks are likely to be to the credit quality of the issuer now and in the future. The key areas of focus are the materiality of the inherent Environmental and Social risks of the sector of operation (e.g. extraction, water usage, cyber security) and how specific companies manage these risks, combined with the quality and sustainability of their corporate governance. This materiality assessment is combined with a judgement on the timeframe over which these ESG risks may have an impact. Our analysts utilise an ESG Risk Rating Framework to support making these assessments. This is a proprietary tool designed to help focus the knowledge and expertise of credit

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

analysts in a systematic way to substantiate the overall ESG Risk Rating (Low/Medium/High) assigned to debt issuers.

Additionally, our proprietary ESG House Score, developed by our central ESG investment team in collaboration with the Quantitative investment team, is used to identify companies with potentially high or poorly managed ESG risks. The score is calculated by combining a variety of data inputs within a proprietary framework in which different ESG factors are weighted according to how material they are for each sector. This allows us to see how companies rank in a global context.

To complement this, we also utilise our active stewardship and engagement activities.

This Fund has a financial benchmark that is used for portfolio construction but does not incorporate any sustainable criteria and is not selected for the purpose of attaining these characteristics. This financial benchmark is used as a comparator for both Fund performance and the Fund's binding commitments.

● ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

*The measures applied by the Fund are:*

- ESG assessment criteria,
- ESG screening criteria,
- a carbon intensity targeting lower than the benchmark,
- targeting an ESG rating better than or equal to the benchmark,
- promoting good governance, including social factors.

To complement this, we also utilise our active stewardship and engagement activities.

The Fund also excludes companies with the highest ESG risks, as identified by the MSCI ESG Score. This is implemented by excluding the bottom 10% of issuers with a MSCI ESG Score that are in the benchmark.

● ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

The objective of the sustainable investment is to make a contribution to solving an environmental or social challenge, in addition to not causing significant harm, and being well governed. Each sustainable investment may make a contribution to Environmental or Social issues. In fact, many companies will make a positive contribution to both. abrdn use the six environmental objectives of the Taxonomy to inform Environmental contributions, including: (1) climate change mitigation, (2) climate change adaptation, (3) sustainable use and protection of water and marine

resources, (4) transition to a circular economy, (5) pollution prevention and control, and (6) protection and restoration of biodiversity and ecosystems. In addition, abrdn use the 17 Sustainable Development Goals and their sub-goals to supplement the EU Taxonomy topics and provide a framework for considering Social objectives

An economic activity must have a positive economic contribution to qualify as a Sustainable investment, this includes consideration of Environmental or Socially aligned revenues, Capex, Opex or sustainable operations. abrdn seek to establish or estimate the share of the investee company's economic activities/contribution towards a sustainable objective and it is this element that is weighted and counted towards the Sub-fund's total aggregated proportion of Sustainable Investments.

abrdn uses a combination of the following approaches:

- i. a quantitative methodology based on a combination of publicly available data sources; and
- ii. using abrdn's own insight and engagement outcomes abrdn overlay the quantitative methodology with a qualitative assessment to calculate an overall percentage of economic contribution towards a sustainable objective for each holding in a Fund.

● **How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?**

As required by the SFDR Delegated Regulation, the investment does not cause Significant Harm ("Do No Significant Harm"/ "DNSH") to any of the sustainable investment objectives.

abrdn have created a 3-step process to ensure consideration of DNSH:

i. Sector Exclusions

abrdn have identified a number of sectors which automatically do not qualify for inclusion as a Sustainable Investment as they are considered to be causing significant harm. These include but are not limited to: (1) Defence, (2) Coal, (3) Oil & Gas Exploration, Production and associated activities, (4) tobacco, (5) gambling and (6) alcohol.

ii. DNSH Binary Test

The DNSH test, is a binary pass/fail test which signals if the company passes or fails criteria for the SFDR Article 2 (17) "do no significant harm".

Pass indicates under abrdn's methodology the company has no ties to controversial weapons, less than 1% of revenue from thermal coal, less than 5% of revenue from tobacco related activities, is not a tobacco producer, and has no red/severe ESG Controversies. If the company fails this test, it cannot be considered a Sustainable Investment. Abrdn's approach is aligned with the SFDR PAIs included within tables 1, 2 & 3 of the SFDR Delegated Regulation and is based on external data sources and abrdn internal insights.

iii. DNSH Materiality Flag

Using a number of additional screens and flags, abrdn consider the additional SFDR PAI's indicators as defined by the SFDR Delegated Regulation to identify areas for improvement or potential future concern. These indicators are not considered to cause significant harm and therefore a company with active DNSH materiality flags may still be considered to be a Sustainable Investment. abrdn aim to enhance the engagement activities to focus on these areas and seek to deliver better outcomes by resolving the issue.

*Have the indicators for adverse impacts on sustainability factors been taken into account?*

The fund considers Principal Adverse Impact Indicators defined by the SFDR Delegated Regulation.

Pre investment, abrdn applies a number of norms and activity-based screens related to PAIs, including but not limited to: UN Global Compact, controversial weapons, and thermal coal extraction.

**UNGC:** The Fund uses norms-based screens and controversy filters to exclude companies that may be in breach of international norms described in the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights, as well as state owned entities in countries which violate norms.

**Controversial Weapons:** The Fund excludes companies with business activities related to controversial weapons (cluster munitions, anti-personnel landmines, nuclear weapons, chemical and biological weapons, white phosphorus, non-detectable fragments, incendiary devices, depleted uranium ammunition or blinding lasers).

**Thermal Coal Extraction:** The Fund excludes companies with exposure to the fossil fuels sector based on percentage of revenue from thermal coal extraction.

abrdn apply a fund specific set of company exclusions, more detail on these and the overall process is captured within the Investment Approach, which is published at [www.abrdn.com](http://www.abrdn.com) under "Fund Centre".

Post-investment the following PAI indicators are considered:

- abrdn monitors all mandatory and additional PAI indicators via our ESG integration investment process using a combination of our proprietary house score and 3rd party data feeds. PAI indicators that either fail a specific binary test or are considered above typical are flagged for review and may be selected for company engagement.
- Consideration of portfolio carbon intensity and GHG emissions via our Climate tools and risk analysis
- Governance indicators via our proprietary governance scores and risk framework, including consideration of sound management structures, employee relations, remuneration of staff and tax compliance
- On an on-going basis the investment universe is scanned for companies that may be in breach of international norms described in the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights, as well as state owned entities in countries which violate norms.

*How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

The Fund uses norms-based screens and controversy filters to exclude companies that may be in breach of international norms described in the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights.

*The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

*The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities.*

*The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.*

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



## **Does this financial product consider principal adverse impacts on sustainability factors?**

- Yes, this Fund considers Principal Adverse Impacts (PAI) on sustainability factors.

Principal Adverse Impact Indicators are metrics that measure the negative effects on environmental and social matters. abrdn consider PAIs within the investment process for the Fund, this may include considering whether to make an investment, or they may be used as an engagement tool for example where there is no policy in place and this would be beneficial, or where carbon emissions are considered to be high, abrdn may engage to seek the creation of a long-term target and reduction plan. abrdn assess PAIs by using, amongst others, the PAI indicators referred to in the SFDR Delegated Regulation; however, dependent on data availability, quality and relevance to the investments not all SFDR PAI indicators may be considered. Where Funds consider PAIs, information on that consideration will be made available in annual reports.

- No



## **What investment strategy does this financial product follow?**

The Fund seeks to deliver long-term performance by allocating capital to companies which demonstrate strong management of their environmental, social and governance (ESG) risks and opportunities. This follows the abrdn Asian Credit Sustainable Bond Investment Approach.

The portfolio is underpinned by abrdn’s well-established active management approach of security selection tailored to the overall environment, which combines fundamental and ESG considerations into the individual name, sector and top-down portfolio construction decisions. An assessment of a company’s sustainability is supported by proprietary company rating models and a deeply embedded ESG

framework utilising on-desk Fixed Income and central ESG resources.

The Fund will:

- Exclude companies identified as not having sustainable business practices. This is achieved through a set of exclusions, which identify controversial business activities and ESG laggards i.e. companies rated poorly based on their management of ESG risks within their business.
- Engage with companies to gather a forward-looking insight into management of ESG risks, opportunities and actively influence the management of these factors in line with best practice standards.
- Target an equal or better ESG score compared to the benchmark.
- Target a lower carbon intensity than the benchmark.

The Fund seeks to:

- Generate consistent risk-adjusted outperformance using our active management approach of stock selection tailored to the overall environment.
- Benefit from our active engagement with companies, where we encourage positive changes in corporate behaviour.
- Construct a portfolio that invests in companies with strong Environmental, Social and Governance practices.
- Leverage the support and insights of our large, dedicated Fixed Income team and embedded ESG specialist resources.

We also apply an ESG Risk Rating of Low, Medium, High (Low is better) to each issuer. This is credit profile-specific and represents how impactful we believe ESG risks are likely to be to the credit quality of the issuer now and in the future. The key areas of focus are the materiality of the inherent Environmental and Social risks of the sector of operation (e.g. extraction, water usage, cyber security) and how specific companies manage these risks, combined with the quality and sustainability of its corporate governance. This materiality assessment is combined with a judgement on the timeframe over which these ESG risks may have an impact. Our analysts utilise an ESG Risk Rating Framework to support making these assessments. This is a proprietary tool designed to help focus the knowledge and expertise of credit analysts in a systematic way to substantiate the overall ESG Risk Rating (Low/Medium/High) assigned to debt issuers.

Our proprietary ESG House Score, developed by our central ESG investment team in collaboration with the Quantitative investment team, is used to identify companies with potentially high or poorly managed ESG risks. The score is calculated by combining a variety of data inputs within a proprietary framework in which different ESG factors are weighted according to how material they are for each sector. This allows us to see how companies rank in a global context.

The abrdn ESG House Score was designed so that it can be broken down into specific themes and categories. The ESG score comprises of two scores; the Operational score and Governance score. This allows a quick view of a company's relative positioning on its management of ESG issues at a granular level.

- The Governance score assesses the corporate governance structure and the



quality and behaviour of corporate leadership and executive management.

- The Operational score assesses the ability of the company's leadership team to implement effective environmental and social risk reduction and mitigation strategies in its operations.

To complement this, we also utilise our active stewardship and engagement activities.

The Fund excludes companies identified as not having sustainable business practices. This is achieved through a set of exclusions, which identify controversial business activities and ESG laggards i.e. companies rated poorly based on their management of ESG risks within their business. Engage with companies to gather a forward-looking insight into management of ESG risks, opportunities and actively influence the management of these factors in line with best practice standards.

Additionally, abrdn apply a set of company exclusions, which are related to the UN Global Compact, Weapons, Tobacco, Thermal Coal, Oil & Gas and Electricity Generation.

- ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

The binding elements used by the Fund are:

- a carbon intensity target lower than the benchmark and
- targeting an ESG rating better than or equal to the benchmark.

Binary exclusions are applied to exclude particular areas of investment related to the UN Global Compact, Weapons, Tobacco, Thermal Coal, Oil & Gas and Electricity Generation. These screening criteria apply in a binding manner and on an ongoing basis.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

The Fund excludes the bottom 10% of issuers with an MSCI ESG Score that are in the benchmark.

- ***What is the policy to assess good governance practices of the investee companies?***

For this Fund, the investee company needs to follow good governance practices in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance. This can be demonstrated by the monitoring of certain PAI indicators, for example corruption, tax compliance and diversity. In addition, by using abrdn's proprietary ESG scores within the investment process abrdn screen out any investments with low governance scores. Our governance scores assess a company's corporate governance and management structure (including remuneration of staff policies) and the quality and behaviour of its leadership and management. A low score will typically be given where

**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.



there are concerns in relation to financially materially controversies, poor tax compliance or governance concerns, or poor treatment of employees or minority shareholders.

The investment must further be aligned with OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human rights. Breaches and violations of these international norms are flagged by an event-driven controversy and are captured in the investment process.



## What is the asset allocation planned for this financial product?

A minimum of 90% of the Fund's assets are aligned with E/S characteristics. Environmental and social safeguards are met by applying certain PAI's, where relevant, to these underlying assets. Within these assets, the Fund commits to a minimum of 15% in Sustainable Investments.

The Fund invests a maximum of 10% of assets in the "Other" category, which include cash, money market instruments and derivatives.

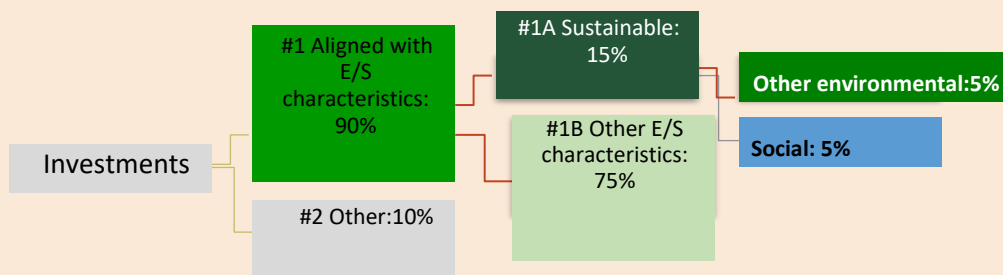
**Asset allocation** describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies

- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

### ● How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

The Fund will not use derivatives to attain any environmental or social characteristics.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.



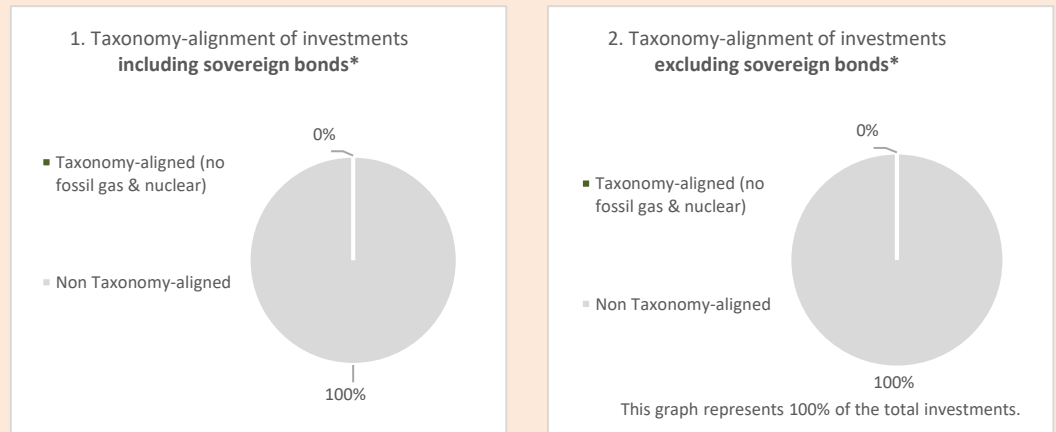
**To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

The Fund has not set a minimum proportion of investments in Taxonomy aligned economic activities. This graph represents 100% of the total investment.

**Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>4</sup> ?**

- Yes:
  - In fossil gas
  - In nuclear energy
- No

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

**What is the minimum share of investments in transitional and enabling activities?**

Not applicable.

<sup>4</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm and EU Taxonomy objective – see explanation note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



### **What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The Fund is underpinned by our well-established active management approach of security selection tailored to the overall environment, which combines fundamental and ESG considerations into our individual name, sector and top down portfolio construction decisions. An assessment of a company's sustainability is supported by proprietary company rating models and a deeply embedded ESG framework utilising on-desk Fixed Income and central ESG resources.

To complement this research, the portfolio managers also use our proprietary ESG House Score, which is primarily a quantitative assessment, to identify and exclude companies with potentially high or poorly managed ESG risks. Finally, binary exclusions are applied to exclude the particular areas of investment.

This process results in the Fund committing to a minimum of 90% in securities with environment and social characteristics and a minimum of 15% to sustainable investments which are inclusive of both environmental and social objectives that aren't explicitly taxonomy aligned. The minimum share of sustainable investments with an environmental objective is 5%.



### **What is the minimum share of socially sustainable investments?**

The Fund is underpinned by our well-established active management approach of security selection tailored to the overall environment, which combines fundamental and ESG considerations into our individual name, sector and top down portfolio construction decisions. An assessment of a company's sustainability is supported by proprietary company rating models and a deeply embedded ESG framework utilising on-desk Fixed Income and central ESG resources.

To complement this research, the portfolio managers also use our proprietary ESG House Score, which is primarily a quantitative assessment, to identify and exclude companies with potentially high or poorly managed ESG risks. Finally, binary exclusions are applied to exclude the particular areas of investment.

This process results in the Fund committing to a minimum of 90% in securities with environment and social characteristics and a minimum of 15% to sustainable investments which are inclusive of both environmental and social objectives that aren't explicitly taxonomy aligned. The minimum share of sustainable investments with a social objective is 5%.



### **What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?**

The investments included under "other" are cash, money market instruments, derivatives and may also include sovereign bonds. The purpose of these assets

are to meet liquidity, target return or manage risk and may not contribute to the environmental or social aspects of the Fund.

There are certain environmental and social safeguards that are met by applying PAI's. Where relevant, these are applied to the underlying securities.



**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

**Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?** *No*

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***  
Not applicable
- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***  
Not applicable
- ***How does the designated index differ from a relevant broad market index?***  
Not applicable
- ***Where can the methodology used for the calculation of the designated index be found***  
Not applicable



**Where can I find more product specific information online?**

Fund specific documentation, including Sustainability Related Disclosures, are published at [www.abrdn.com](http://www.abrdn.com) under **Fund Centre**.

**More product-specific information can be found on the website:**

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**Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph of Regulation (EU) 2020/852**

**Product Name:** abrdn SICAV I - Asian High Yield Sustainable Bond Fund

**Legal entity identifier:** 213800YKEBWPY66HIS11

## Environmental and/or social characteristics

**Does this financial product have a sustainable investment objective?**

**Yes**

**No**

- It will make a minimum of **sustainable investments with an environmental objective: \_\_\_%**
  - in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

- It promotes **Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 15% of sustainable investments
  - with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
  - with a social objective

- It will make a minimum of **sustainable investments with a social objective: \_\_\_%**

- It promotes E/S characteristics, but **will not make any sustainable investments**

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



## **What environmental and/or social characteristics are promoted by this financial product?**

To promote the environmental and social characteristics, the Fund applies ESG assessment criteria, ESG screening criteria and promotes good governance including social factors.

We use our proprietary research framework to analyse the foundations of each business to ensure proper context for our investments. This includes the durability of its business model, the attractiveness of its industry, the strength of its financials and the sustainability of its economic moat.

The Fund is underpinned by our well-established active management approach of security selection tailored to the overall environment, which combines fundamental and ESG considerations into our individual name, sector and top-down portfolio construction decisions. An assessment of a company's sustainability is supported by proprietary company rating models and a deeply embedded ESG framework utilising on-desk Fixed Income and central ESG resources.

The Fund will:

- Target at least a 20% reduction of the benchmark investable universe by excluding companies identified as not having sustainable business practices. This is achieved through a set of exclusions, which identify controversial business activities and ESG laggards i.e. companies rated poorly based on their management of ESG risks within their business.
- Engage with companies to gather a forward-looking insight into management of ESG risks, opportunities and actively influence the management of these factors in line with best practice standards.
- Target an equal or better ESG score compared to the benchmark.
- Target a lower carbon intensity than the benchmark.

The Fund seeks to:

- Generate consistent risk-adjusted outperformance using our active management approach of stock selection tailored to the overall environment.
- Benefit from our active engagement with companies, where we encourage positive changes in corporate behaviour.
- Construct a portfolio that invests in companies with strong Environmental, Social and Governance practices.
- Leverage the support and insights of our large, dedicated Fixed Income team and embedded ESG specialist resources.

We also apply an ESG Risk Rating of Low, Medium, High (Low is better) to each issuer. This is credit profile-specific and represents how impactful we believe ESG risks are likely to be to the credit quality of the issuer now and in the future. The key areas of focus are the materiality of the inherent Environmental and Social risks of the sector of operation (e.g. extraction, water usage, cyber security) and how specific companies manage these risks, combined with the quality and sustainability of their corporate governance. This materiality assessment is combined with a judgement on the timeframe over which these ESG risks may have an impact. Our analysts

utilise an ESG Risk Rating Framework to support making these assessments. This is a proprietary tool designed to help focus the knowledge and expertise of credit analysts in a systematic way to substantiate the overall ESG Risk Rating (Low/Medium/High) assigned to debt issuers.

Additionally, our proprietary ESG House Score, developed by our central ESG investment team in collaboration with the Quantitative investment team, is used to identify companies with potentially high or poorly managed ESG risks. The score is calculated by combining a variety of data inputs within a proprietary framework in which different ESG factors are weighted according to how material they are for each sector. This allows us to see how companies rank in a global context.

To complement this, we also utilise our active stewardship and engagement activities.

This Fund has a financial benchmark that is used for portfolio construction but does not incorporate any sustainable criteria and is not selected for the purpose of attaining these characteristics. This financial benchmark is used as a comparator for both Fund performance and the Fund's binding commitments.

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

● ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

The measures applied by the Fund are:

- ESG assessment criteria,
- ESG screening criteria,
- a carbon intensity targeting lower than the benchmark,
- targeting an ESG rating better than or equal to the benchmark,
- promoting good governance, including social factors.

To complement this, we also utilise our active stewardship and engagement activities.

The Fund also excludes companies with the highest ESG risks, as identified by the MSCI ESG Score. This is implemented by excluding the bottom 10% of issuers with a MSCI ESG Score that are in the benchmark.

The Fund also targets to exclude at least 20% of the Fund's benchmark investable universe, through a combination of in-house proprietary scoring tools and the use of negative criteria to avoid investing in certain industries and activities.

● ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

The objective of the sustainable investment is to make a contribution to solving an environmental or social challenge, in addition to not causing significant harm, and being well governed. Each sustainable investment may make a contribution to Environmental or Social issues. In fact, many companies will make a positive contribution to both. abrdn use the six environmental objectives of the Taxonomy to



inform Environmental contributions, including: (1) climate change mitigation, (2) climate change adaptation, (3) sustainable use and protection of water and marine resources, (4) transition to a circular economy, (5) pollution prevention and control, and (6) protection and restoration of biodiversity and ecosystems. In addition, abrdn use the 17 Sustainable Development Goals and their sub-goals to supplement the EU Taxonomy topics and provide a framework for considering Social objectives

An economic activity must have a positive economic contribution to qualify as a Sustainable investment, this includes consideration of Environmental or Socially aligned revenues, Capex, Opex or sustainable operations. abrdn seek to establish or estimate the share of the investee company's economic activities/contribution towards a sustainable objective and it is this element that is weighted and counted towards the Sub-fund's total aggregated proportion of Sustainable Investments.

abrdn uses a combination of the following approaches:

- i. a quantitative methodology based on a combination of publicly available data sources; and
- ii. using abrdn's own insight and engagement outcomes abrdn overlay the quantitative methodology with a qualitative assessment to calculate an overall percentage of economic contribution towards a sustainable objective for each holding in a Fund.

● ***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

As required by the SFDR Delegated Regulation, the investment does not cause Significant Harm ("Do No Significant Harm"/ "DNSH") to any of the sustainable investment objectives.

abrdn have created a 3-step process to ensure consideration of DNSH:

i. Sector Exclusions

abrdn have identified a number of sectors which automatically do not qualify for inclusion as a Sustainable Investment as they are considered to be causing significant harm. These include but are not limited to: (1) Defence, (2) Coal, (3) Oil & Gas Exploration, Production and associated activities, (4) tobacco, (5) gambling and (6) alcohol.

ii. DNSH Binary Test

The DNSH test, is a binary pass/fail test which signals if the company passes or fails criteria for the SFDR Article 2 (17) "do no significant harm".

Pass indicates under abrdn's methodology the company has no ties to controversial weapons, less than 1% of revenue from thermal coal, less than 5% of revenue from tobacco related activities, is not a tobacco producer, and has no red/severe ESG Controversies. If the company fails this test, it cannot be considered a Sustainable Investment. Abrdn's approach is aligned with the SFDR PAIs included within tables 1, 2 & 3 of the SFDR Delegated Regulation and is based on external data sources and abrdn internal insights.



### iii. DNSH Materiality Flag

Using a number of additional screens and flags, abrdn consider the additional SFDR PAI's indicators as defined by the SFDR Delegated Regulation to identify areas for improvement or potential future concern. These indicators are not considered to cause significant harm and therefore a company with active DNSH materiality flags may still be considered to be a Sustainable Investment. abrdn aim to enhance the engagement activities to focus on these areas and seek to deliver better outcomes by resolving the issue.

*Have the indicators for adverse impacts on sustainability factors been taken into account?*

The fund considers Principal Adverse Impact Indicators defined by the SFDR Delegated Regulation.

Pre investment, abrdn applies a number of norms and activity-based screens related to PAIs, including but not limited to: UN Global Compact, controversial weapons, and thermal coal extraction.

**UNGC:** The Fund uses norms-based screens and controversy filters to exclude companies that may be in breach of international norms described in the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights, as well as state owned entities in countries which violate norms.

**Controversial Weapons:** The Fund excludes companies with business activities related to controversial weapons (cluster munitions, anti-personnel landmines, nuclear weapons, chemical and biological weapons, white phosphorus, non-detectable fragments, incendiary devices, depleted uranium ammunition or blinding lasers).

**Thermal Coal Extraction:** The Fund excludes companies with exposure to the fossil fuels sector based on percentage of revenue from thermal coal extraction.

abrdn apply a fund specific set of company exclusions, more detail on these and the overall process is captured within the Investment Approach, which is published at [www.abrdn.com](http://www.abrdn.com) under "Fund Centre".

Post-investment the following PAI indicators are considered:

- abrdn monitors all mandatory and additional PAI indicators via our ESG integration investment process using a combination of our proprietary house score and 3rd party data feeds. PAI indicators that either fail a specific binary test or are considered above typical are flagged for review and may be selected for company engagement.
- Consideration of portfolio carbon intensity and GHG emissions via our Climate tools and risk analysis
- Governance indicators via our proprietary governance scores and risk framework, including consideration of sound management structures, employee relations, remuneration of staff and tax compliance
- On an on-going basis the investment universe is scanned for companies that may be in breach of international norms described in the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights, as well as state owned entities in countries which violate norms.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

*How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

The Fund uses norms-based screens and controversy filters to exclude companies that may be in breach of international norms described in the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights.

*The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

*The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities.*

*The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.*

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



### **Does this financial product consider principal adverse impacts on sustainability factors?**

- Yes, this Fund considers Principal Adverse Impacts (PAI) on sustainability factors.

Principal Adverse Impact Indicators are metrics that measure the negative effects on environmental and social matters. abrdn consider PAIs within the investment process for the Fund, this may include considering whether to make an investment, or they may be used as an engagement tool for example where there is no policy in place and this would be beneficial, or where carbon emissions are considered to be high, abrdn may engage to seek the creation of a long-term target and reduction plan. abrdn assess PAIs by using, amongst others, the PAI indicators referred to in the SFDR Delegated Regulation; however, dependent on data availability, quality and relevance to the investments not all SFDR PAI indicators may be considered. Where Funds consider PAIs, information on that consideration will be made available in annual reports.

- No



### **What investment strategy does this financial product follow?**

The Fund seeks to deliver long-term performance by allocating capital to companies which demonstrate strong management of their environmental, social and governance (ESG) risks and opportunities. This follows the abrdn Asian High Yield Sustainable Investment Approach.

The portfolio is underpinned by abrdn's well-established active management approach of security selection tailored to the overall environment, which combines fundamental and ESG considerations into the individual name, sector and top-down portfolio construction decisions. An assessment of a company's sustainability is supported by proprietary company rating models and a deeply embedded ESG framework utilising on-desk Fixed Income and central ESG resources.

The Fund will:

- Target at least a 20% reduction of the benchmark investable universe by excluding companies identified as not having sustainable business practices. This is achieved through a set of exclusions, which identify controversial business activities and ESG laggards i.e. companies rated poorly based on their management of ESG risks within their business.
- Engage with companies to gather a forward-looking insight into management of ESG risks, opportunities and actively influence the management of these factors in line with best practice standards.
- Target an equal or better ESG score compared to the benchmark.
- Target a lower carbon intensity than the benchmark.

The Fund seeks to:

- Generate consistent risk-adjusted outperformance using our active management approach of stock selection tailored to the overall environment.
- Benefit from our active engagement with companies, where we encourage positive changes in corporate behaviour.
- Construct a portfolio that invests in companies with strong Environmental, Social and Governance practices.
- Leverage the support and insights of our large, dedicated Fixed Income team and embedded ESG specialist resources.

We also apply an ESG Risk Rating of Low, Medium, High (Low is better) to each issuer. This is credit profile-specific and represents how impactful we believe ESG risks are likely to be to the credit quality of the issuer now and in the future. The key areas of focus are the materiality of the inherent Environmental and Social risks of the sector of operation (e.g. extraction, water usage, cyber security) and how specific companies manage these risks, combined with the quality and sustainability of its corporate governance. This materiality assessment is combined with a judgement on the timeframe over which these ESG risks may have an impact. Our analysts utilise an ESG Risk Rating Framework to support making these assessments. This is a proprietary tool designed to help focus the knowledge and expertise of credit analysts in a systematic way to substantiate the overall ESG Risk Rating (Low/Medium/High) assigned to debt issuers.

Our proprietary ESG House Score, developed by our central ESG investment team in collaboration with the Quantitative investment team, is used to identify companies with potentially high or poorly managed ESG risks. The score is calculated by combining a variety of data inputs within a proprietary framework in which different ESG factors are weighted according to how material they are for each sector. This allows us to see how companies rank in a global context.

The abrdn ESG House Score was designed so that it can be broken down into

specific themes and categories. The ESG score comprises of two scores; the Operational score and Governance score. This allows a quick view of a company's relative positioning on its management of ESG issues at a granular level.

- The Governance score assesses the corporate governance structure and the quality and behaviour of corporate leadership and executive management.
- The Operational score assesses the ability of the company's leadership team to implement effective environmental and social risk reduction and mitigation strategies in its operations.

To complement this, we also utilise our active stewardship and engagement activities.

The Fund excludes companies identified as not having sustainable business practices. This is achieved through a set of exclusions, which identify controversial business activities and ESG laggards i.e. companies rated poorly based on their management of ESG risks within their business. Engage with companies to gather a forward-looking insight into management of ESG risks, opportunities and actively influence the management of these factors in line with best practice standards.

Additionally, abrdn apply a set of company exclusions, which are related to the UN Global Compact, Weapons, Tobacco, Thermal Coal, Oil & Gas and Electricity Generation.

**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

- ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

The binding elements used by the Fund are:

- a carbon intensity target lower than the benchmark and
- targeting an ESG rating better than or equal to the benchmark.

Binary exclusions are applied to exclude particular areas of investment related to the UN Global Compact, Weapons, Tobacco, Thermal Coal, Oil & Gas and Electricity Generation. These screening criteria apply in a binding manner and on an ongoing basis.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

The Fund will exclude the bottom 10% of issuers with an MSCI Score that are in the benchmark and will reduce the benchmark investable universe by a minimum of 20%.

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

- ***What is the policy to assess good governance practices of the investee companies?***

For this Fund, the investee company needs to follow good governance practices in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance. This can be demonstrated by the monitoring of certain PAI indicators, for example corruption, tax compliance and diversity. In addition, by using abrdn's proprietary ESG scores within the investment process abrdn screen out

any investments with low governance scores. Our governance scores assess a company’s corporate governance and management structure (including remuneration of staff policies) and the quality and behaviour of its leadership and management. A low score will typically be given where there are concerns in relation to financially materially controversies, poor tax compliance or governance concerns, or poor treatment of employees or minority shareholders.

The investment must further be aligned with OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human rights. Breaches and violations of these international norms are flagged by an event-driven controversy and are captured in the investment process.



### What is the asset allocation planned for this financial product?

A minimum of 90% of the Fund’s assets are aligned with E/S characteristics. Environmental and social safeguards are met by applying certain PAI’s, where relevant, to these underlying assets. Within these assets, the Fund commits to a minimum of 15% in Sustainable Investments.

The Fund invests a maximum of 10% of assets in the “Other” category, which include cash, money market instruments and derivatives.

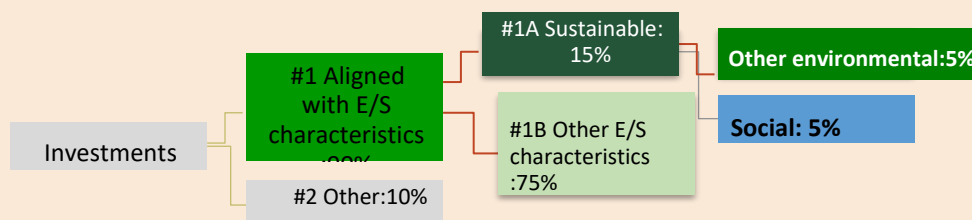
**Asset allocation** describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies

- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

● **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

The Fund will not use derivatives to attain any environmental or social characteristics.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.



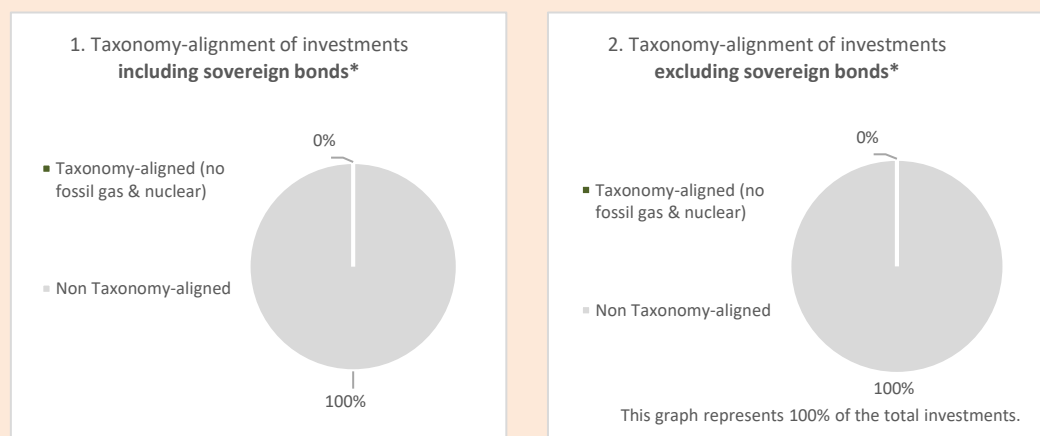
### To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The Fund has not set a minimum proportion of investments in Taxonomy aligned economic activities. This graph represents 100% of the total investment.

#### Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>5</sup> ?

- Yes
- In fossil gas
  - In nuclear energy
- No

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

#### What is the minimum share of investments in transitional and enabling activities?

Not applicable.

<sup>5</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm and EU Taxonomy objective – see explanation note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



### **What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The Fund is underpinned by our well-established active management approach of security selection tailored to the overall environment, which combines fundamental and ESG considerations into our individual name, sector and top down portfolio construction decisions. An assessment of a company's sustainability is supported by proprietary company rating models and a deeply embedded ESG framework utilising on-desk Fixed Income and central ESG resources.

To complement this research, the portfolio managers also use our proprietary ESG House Score, which is primarily a quantitative assessment, to identify and exclude companies with potentially high or poorly managed ESG risks. Finally, binary exclusions are applied to exclude the particular areas of investment.

This process results in the Fund committing to a minimum of 90% in securities with environment and social characteristics and a minimum of 15% to sustainable investments which are inclusive of both environmental and social objectives that aren't explicitly taxonomy aligned. The minimum share of sustainable investments with an environmental objective is 5%.



### **What is the minimum share of socially sustainable investments?**

The Fund is underpinned by our well-established active management approach of security selection tailored to the overall environment, which combines fundamental and ESG considerations into our individual name, sector and top down portfolio construction decisions. An assessment of a company's sustainability is supported by proprietary company rating models and a deeply embedded ESG framework utilising on-desk Fixed Income and central ESG resources.

To complement this research, the portfolio managers also use our proprietary ESG House Score, which is primarily a quantitative assessment, to identify and exclude companies with potentially high or poorly managed ESG risks. Finally, binary exclusions are applied to exclude the particular areas of investment.

This process results in the Fund committing to a minimum of 90% in securities with environment and social characteristics and a minimum of 15% to sustainable investments which are inclusive of both environmental and social objectives that aren't explicitly taxonomy aligned. The minimum share of sustainable investments with a social objective is 5%.



### **What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?**

The investments included under "other" are cash, money market instruments, derivatives and may also include sovereign bonds. The purpose of these assets



are to meet liquidity, target return or manage risk and may not contribute to the environmental or social aspects of the Fund.

There are certain environmental and social safeguards that are met by applying PAI's. Where relevant, these are applied to the underlying securities.



**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

**Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes? No**

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

Not applicable

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

Not applicable

- ***How does the designated index differ from a relevant broad market index?***

Not applicable

- ***Where can the methodology used for the calculation of the designated index be found?***

Not applicable



**Where can I find more product specific information online?**

Fund specific documentation, including Sustainability Related Disclosures, are published at [www.abrdn.com](http://www.abrdn.com) under **Fund Centre**.

**More product-specific information can be found on the website:**

Fund specific documentation, including Sustainability Related Disclosures, are published at [www.abrdn.com](http://www.abrdn.com) under **Fund Centre**.



**Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph of Regulation (EU) 2020/852**

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Product Name: abrdn SICAV I - Asia Pacific Sustainable Equity Fund**

**Legal entity identifier: 549300VQNI2BMVUKCH84**

## Environmental and/or social characteristics

**Does this financial product have a sustainable investment objective?**

**Yes**

**No**

- It will make a minimum of **sustainable investments with an environmental objective: \_\_\_%**
  - in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

- It promotes **Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 20% of sustainable investments
  - with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
  - with a social objective

- It will make a minimum of **sustainable investments with a social objective: \_\_\_%**

- It promotes E/S characteristics, but **will not make any sustainable investments**



## **What environmental and/or social characteristics are promoted by this financial product?**

To promote the environmental and social characteristics, the Fund applies ESG assessment criteria, ESG screening criteria and promotes good governance including social factors.

We use our proprietary research framework to identify companies which we believe to be sustainable leaders or improvers. Sustainable leaders are viewed as companies with the best in class ESG credentials or products and services which address global environmental and societal challenges, whilst improvers are typically companies with average governance, ESG management practices and disclosure with potential for improvement.

Within our equity investment process, for all companies under coverage we analyse the foundations of each business to ensure proper context for our investments. This includes the durability of its business model, the attractiveness of its industry, the strength of its financials and the sustainability of its economic moat. We also consider the quality of its management team and analyse the environmental, social and governance (ESG) opportunities and risks impacting the business and appraise how well these are managed. We assign a proprietary score to articulate the quality attributes of each company, one of which is the ESG Quality rating. This enables the portfolio managers to exclude companies with material ESG risks and positively skew the portfolio towards ESG opportunities and to build well-diversified, risk-adjusted portfolios.

Additionally, our proprietary ESG House Score, developed by our central ESG investment team in collaboration with the Quantitative investment team, is used to identify companies with potentially high or poorly managed ESG risks. The score is calculated by combining a variety of data inputs within a proprietary framework in which different ESG factors are weighted according to how material they are for each sector. This allows us to see how companies rank in a global context.

The abrdn ESG House Score was designed so that it can be broken down into specific themes and categories. The ESG score comprises of two scores; the Operational score and Governance score. This allows a quick view of a company's relative positioning on its management of ESG issues at a granular level.

- The Governance score assesses the corporate governance structure and the quality and behaviour of corporate leadership and executive management.
- The Operational score assesses the ability of the company's leadership team to implement effective environmental and social risk reduction and mitigation strategies in its operations.

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

To complement this, we also utilise our active stewardship and engagement activities.

This Fund has a financial benchmark that is used for portfolio construction but does not incorporate any sustainable criteria and is not selected for the purpose of attaining these characteristics. This financial benchmark is used as a comparator for Fund performance and as a comparison for the Fund's binding commitments.

● ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

*The measures applied by the Fund are:*

- ESG assessment criteria,
- ESG screening criteria,
- a carbon intensity targeting lower than benchmark,
- targets an ESG rating better than or equal to benchmark and
- promotes good governance including social factors.

To complement this, we also utilise our active stewardship and engagement activities.

The Fund also targets to exclude at least 20% of the Fund's benchmark investable universe, through a combination of in-house proprietary scoring tools and the use of negative criteria to avoid investing in certain industries and activities.

● ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

The objective of the sustainable investment is to make a contribution to solving an environmental or social challenge, in addition to not causing significant harm, and being well governed. Each sustainable investment may make a contribution to Environmental or Social issues. In fact, many companies will make a positive contribution to both. abrdn use the six environmental objectives of the Taxonomy to inform Environmental contributions, including: (1) climate change mitigation, (2) climate change adaptation, (3) sustainable use and protection of water and marine resources, (4) transition to a circular economy, (5) pollution prevention and control, and (6) protection and restoration of biodiversity and ecosystems. In addition, abrdn use the 17 Sustainable Development Goals and their sub-goals to supplement the EU Taxonomy topics and provide a framework for considering Social objectives

An economic activity must have a positive economic contribution to qualify as a Sustainable investment, this includes consideration of Environmental or Socially aligned revenues, Capex, Opex or sustainable operations. abrdn seek to establish or estimate the share of the investee company's economic activities/contribution towards a sustainable objective and it is this element that is weighted and counted towards the Sub-fund's total aggregated proportion of Sustainable Investments.

abrdn uses a combination of the following approaches:

- i. a quantitative methodology based on a combination of publicly available data sources; and
- ii. using abrdn's own insight and engagement outcomes abrdn overlay the quantitative methodology with a qualitative assessment to calculate an overall percentage of economic contribution towards a sustainable objective for each holding in a Fund.

● ***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

As required by the SFDR Delegated Regulation, the investment does not cause Significant Harm ("Do No Significant Harm"/ "DNSH") to any of the sustainable investment objectives.

abrdn have created a 3-step process to ensure consideration of DNSH:

i. Sector Exclusions

abrdn have identified a number of sectors which automatically do not qualify for inclusion as a Sustainable Investment as they are considered to be causing significant harm. These include but are not limited to: (1) Defence, (2) Coal, (3) Oil & Gas Exploration, Production and associated activities, (4) tobacco, (5) gambling and (6) alcohol.

ii. DNSH Binary Test

The DNSH test, is a binary pass/fail test which signals if the company passes or fails criteria for the SFDR Article 2 (17) "do no significant harm".

Pass indicates under abrdn's methodology the company has no ties to controversial weapons, less than 1% of revenue from thermal coal, less than 5% of revenue from tobacco related activities, is not a tobacco producer, and has no red/severe ESG Controversies. If the company fails this test, it cannot be considered a Sustainable Investment. Abrdn's approach is aligned with the SFDR PAIs included within tables 1, 2 & 3 of the SFDR Delegated Regulation and is based on external data sources and abrdn internal insights.

iii. DNSH Materiality Flag

Using a number of additional screens and flags, abrdn consider the additional SFDR PAI's indicators as defined by the SFDR Delegated Regulation to identify areas for improvement or potential future concern. These indicators are not considered to cause significant harm and therefore a company with active DNSH materiality flags may still be considered to be a Sustainable Investment. abrdn aim to enhance the engagement activities to focus on these areas and seek to deliver better outcomes by resolving the issue.

***Have the indicators for adverse impacts on sustainability factors been taken into account?***

The fund considers Principal Adverse Impact Indicators defined by the SFDR Delegated Regulation.

Pre investment, abrdn applies a number of norms and activity-based screens related to PAIs, including but not limited to: UN Global Compact, controversial weapons, and thermal coal extraction.

**UNGC:** The Fund uses norms-based screens and controversy filters to exclude companies that may be in breach of international norms described in the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights, as well as state owned entities in countries which violate norms.

**Controversial Weapons:** The Fund excludes companies with business activities related to controversial weapons (cluster munitions, anti-personnel landmines, nuclear weapons, chemical and biological weapons, white phosphorus, non-detectable fragments, incendiary devices, depleted uranium ammunition or blinding lasers).

**Thermal Coal Extraction:** The Fund excludes companies with exposure to the fossil fuels sector based on percentage of revenue from thermal coal extraction.

abrdn apply a fund specific set of company exclusions, more detail on these and the overall process is captured within the Investment Approach, which is published at [www.abrdn.com](http://www.abrdn.com) under "Fund Centre".

Post-investment the following PAI indicators are considered:

- abrdn monitors all mandatory and additional PAI indicators via our ESG integration investment process using a combination of our proprietary house score and 3rd party data feeds. PAI indicators that either fail a specific binary test or are considered above typical are flagged for review and may be selected for company engagement.
- Consideration of portfolio carbon intensity and GHG emissions via our Climate tools and risk analysis
- Governance indicators via our proprietary governance scores and risk framework, including consideration of sound management structures, employee relations, remuneration of staff and tax compliance
- On an on-going basis the investment universe is scanned for companies that may be in breach of international norms described in the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights, as well as state owned entities in countries which violate norms.

*How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

The Fund uses norms-based screens and controversy filters to exclude companies that may be in breach of international norms described in the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights.

*The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

*The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities.*

*The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.*

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



### **Does this financial product consider principal adverse impacts on sustainability factors?**

- Yes, this Fund considers Principal Adverse Impacts (PAI) on sustainability factors.

Principal Adverse Impact Indicators are metrics that measure the negative effects on environmental and social matters. abrdn consider PAIs within the investment process for the Fund, this may include considering whether to make an investment, or they may be used as an engagement tool for example where there is no policy in place and this would be beneficial, or where carbon emissions are considered to be high, abrdn may engage to seek the creation of a long-term target and reduction plan. abrdn assess PAIs by using, amongst others, the PAI indicators referred to in the SFDR Delegated Regulation; however, dependent on data availability, quality and relevance to the investments not all SFDR PAI indicators may be considered. Where Funds consider PAIs, information on that consideration will be made available in annual reports.

- No



### **What investment strategy does this financial product follow?**

The Fund contains high-quality companies that have been identified through the bottom-up equity research process which takes into consideration the sustainability of the business in its broadest sense and the company’s environmental, social and governance (ESG) performance.

There are three core principles which underpin our Sustainable investment approach and the time we dedicate to ESG analysis as part of our overall equity research process:

- Informed and constructive engagement helps foster better companies, enhancing the value of our clients’ investments.
- ESG factors are financially material, and impact corporate performance
- Understanding ESG risks and opportunities alongside other financial metrics allows us to make better investment decisions.

Within our equity investment process, for all companies under coverage we analyse the foundations of each business to ensure proper context for our investments. This includes the durability of its business model, the attractiveness of its industry, the strength of its financials and the sustainability of its economic moat. We also consider the quality of its management team and analyse the environmental, social and governance (ESG) opportunities and risks impacting the business and appraise how well these are managed. We assign a proprietary score to articulate the quality attributes of each company, one of which is the ESG Quality rating. This enables the portfolio managers to exclude companies with material ESG risks and positively skew the portfolio towards ESG opportunities and to build well-diversified, risk-adjusted portfolios.

Our proprietary ESG House Score, developed by our central ESG investment team in collaboration with the Quantitative investment team, is used to identify companies with potentially high or poorly managed ESG risks. The score is calculated by combining a variety of data inputs within a proprietary framework in which different ESG factors are weighted according to how material they are for each sector. This allows us to see how companies rank in a global context.

The abrdrn ESG House Score was designed so that it can be broken down into specific themes and categories. The ESG score comprises of two scores; the Operational score and Governance score. This allows a quick view of a company's relative positioning on its management of ESG issues at a granular level.

- The Governance score assesses the corporate governance structure and the quality and behaviour of corporate leadership and executive management.
- The Operational score assesses the ability of the company's leadership team to implement effective environmental and social risk reduction and mitigation strategies in its operations.

To complement this, we also utilise our active stewardship and engagement activities.

To complement the bottom-up research, the portfolio managers also use abrdrn's proprietary ESG House Score, which is primarily a quantitative assessment, to identify and exclude those companies exposed to the highest ESG risks. Finally, binary exclusions are applied to exclude the particular areas of investment related to the UN Global Compact, Norges Bank Investment Management (NBIM), Weapons, Tobacco, Gambling, Thermal Coal, Oil & Gas and Electricity Generation.

**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

- ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

The binding elements used by the Fund are:

- a carbon intensity target lower than benchmark and
- targeting an ESG rating better than or equal to benchmark.

Binary exclusions are applied to exclude the particular areas of investment related to the UN Global Compact, Norges Bank Investment Management (NBIM), Weapons, Tobacco, Gambling, Thermal Coal, Oil & Gas and Electricity Generation. These screening criteria apply in a binding manner and on an ongoing basis.



- **What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?**

The Fund also targets to exclude at least 20% of the Fund's benchmark investable universe, through a combination of in-house proprietary scoring tools and the use of negative criteria to avoid investing in certain industries and activities that ardn customers are concerned with.

- **What is the policy to assess good governance practices of the investee companies?**

For this Fund, the investee company needs to follow good governance practices in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance. This can be demonstrated by the monitoring of certain PAI indicators, for example corruption, tax compliance and diversity. In addition, by using abrdn's proprietary ESG scores within the investment process abrdn screen out any investments with low governance scores. Our governance scores assess a company's corporate governance and management structure (including remuneration of staff policies) and the quality and behaviour of its leadership and management. A low score will typically be given where there are concerns in relation to financially materially controversies, poor tax compliance or governance concerns, or poor treatment of employees or minority shareholders.

The investment must further be aligned with OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human rights. Breaches and violations of these international norms are flagged by an event-driven controversy and are captured in the investment process.

### **What is the asset allocation planned for this financial product?**

A minimum of 90% of the Fund's assets are aligned with E/S characteristics. Environmental and social safeguards are met by applying certain PAI's, where relevant, to these underlying assets. Within these assets, the Fund commits to a minimum of 20% in Sustainable Investments.

The Fund invests a maximum of 10% of assets in the "Other" category, which include cash, money market instruments and derivatives.

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.



**Asset allocation** describes the share of investments in specific assets.

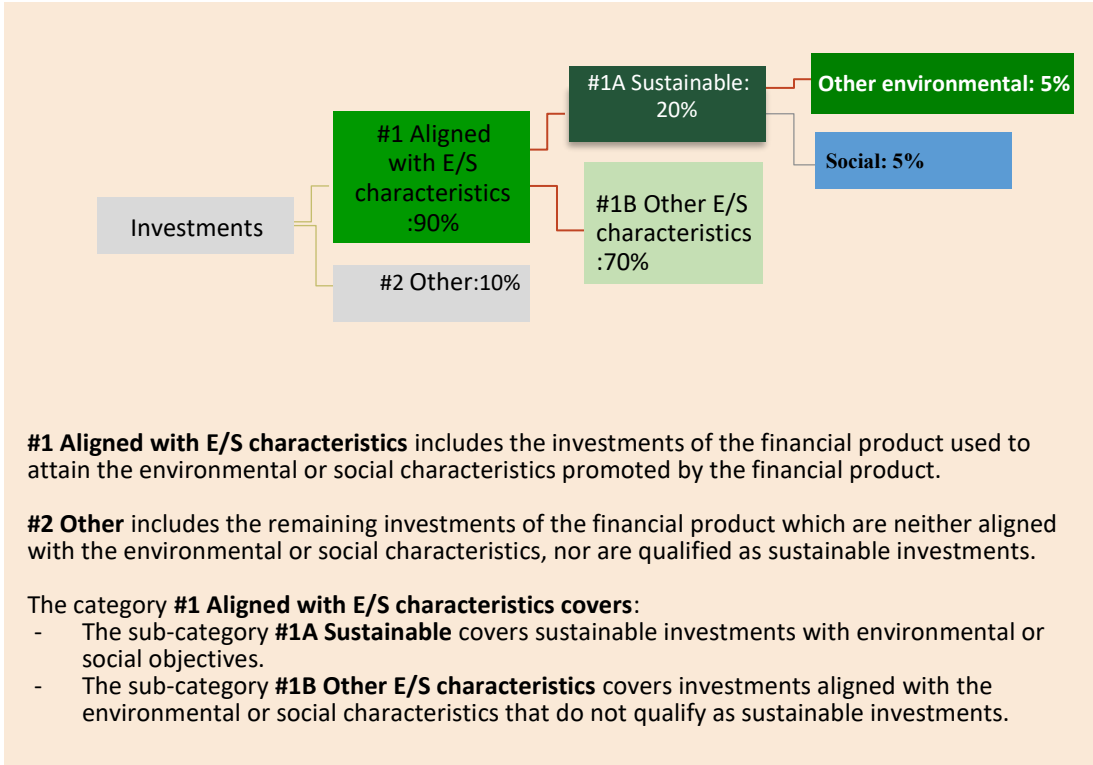


Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies

- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



● **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

The Fund will not use derivatives to attain any environmental or social characteristics.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best



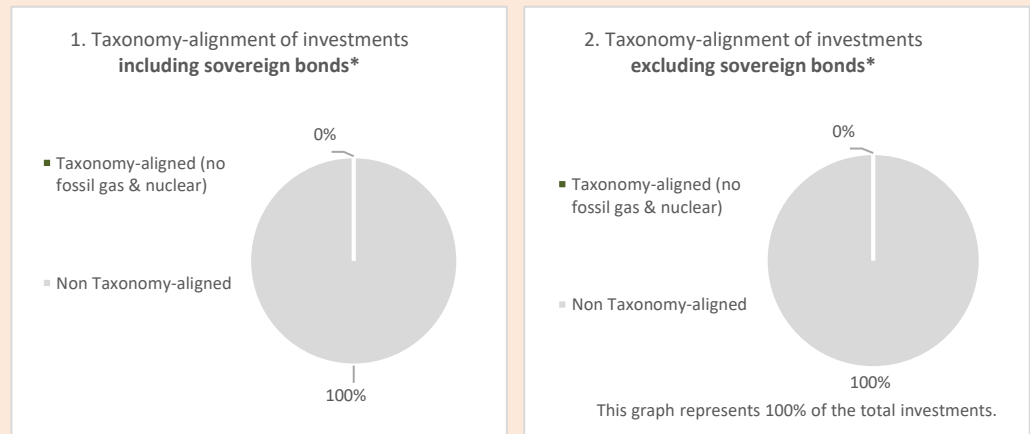
## To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The Fund has not set a minimum proportion of investments in Taxonomy aligned economic activities. This graph represents 100% of the total investment.

### Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>6</sup> ?

- Yes:
- In fossil gas
  - In nuclear energy
- No

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

### ● What is the minimum share of investments in transitional and enabling activities?

Not applicable.

<sup>6</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm and EU Taxonomy objective – see explanation note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



### **What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The Fund contains high-quality companies that have been identified through our bottom-up equity research process which takes into consideration the sustainability of the business in its broadest sense and the company's environmental, social and governance (ESG) performance. Within our equity investment process, every company that we invest in is given, via a qualitative assessment, a proprietary overall Quality rating. A key component of this is the ESG Quality rating, which enables the portfolio managers to identify sustainable leaders and improvers and to build well- diversified, risk-adjusted portfolios.

To complement our bottom-up research, the portfolio managers also use our proprietary ESG House Score, which is primarily a quantitative assessment, to identify and exclude those companies exposed to the highest ESG risks. Finally, binary exclusions are applied to exclude the particular areas of investment.

This process results in the Fund committing to a minimum of 90% in securities with environment and social characteristics and a minimum of 20% to sustainable investments which are inclusive of both environmental and social objectives that aren't explicitly taxonomy aligned. The minimum share of sustainable investments with an environmental objective is 5%.



### **What is the minimum share of socially sustainable investments?**

The Fund contains high-quality companies that have been identified through our bottom-up equity research process which takes into consideration the sustainability of the business in its broadest sense and the company's environmental, social and governance (ESG) performance. Within our equity investment process, every company that we invest in is given, via a qualitative assessment, a proprietary overall Quality rating. A key component of this is the ESG Quality rating, which enables the portfolio managers to identify sustainable leaders and improvers and to build well- diversified, risk-adjusted portfolios.

To complement our bottom-up research, the portfolio managers also use our proprietary ESG House Score, which is primarily a quantitative assessment, to identify and exclude those companies exposed to the highest ESG risks. Finally, binary exclusions are applied to exclude the particular areas of investment.

This process results in the Fund committing to a minimum of 90% in securities with environment and social characteristics and a minimum of 20% to sustainable investments which are inclusive of both environmental and social objectives that aren't explicitly taxonomy aligned. The minimum share of sustainable investments with a social objective is 5%.



### **What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?**

The investments included under "other" are cash, money market instruments & derivatives. The purpose of these assets are to meet liquidity, target return or manage risk and may not contribute to the environmental or social aspects of the Fund.

There are certain environmental and social safeguards that are met by applying PAI's. Where relevant, these are applied to the underlying securities.



### **Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes? *No***

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***  
*Not applicable*
- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***  
*Not applicable*
- ***How does the designated index differ from a relevant broad market index?***  
*Not applicable*
- ***Where can the methodology used for the calculation of the designated index be found***  
*Not applicable*

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.



### **Where can I find more product specific information online?**

Fund specific documentation, including Sustainability Related Disclosures, are published at [www.abrdn.com](http://www.abrdn.com) under **Fund Centre**.

### **More product-specific information can be found on the website:**

Fund specific documentation, including Sustainability Related Disclosures, are published at [www.abrdn.com](http://www.abrdn.com) under **Fund Centre**.

**Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph of Regulation (EU) 2020/852**

**Product Name: abrdn SICAV I - Asian Smaller Companies Fund**

**Legal entity identifier: 549300KGE8BU4DTSR888**

## Environmental and/or social characteristics

### Does this financial product have a sustainable investment objective?

Yes

No

- It will make a minimum of **sustainable investments with an environmental objective: \_\_\_%**
  - in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

- It promotes **Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of \_\_\_% of sustainable investments
  - with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
  - with a social objective

- It will make a minimum of **sustainable investments with a social objective: \_\_\_%**

- It promotes E/S characteristics, but **will not make any sustainable investments**

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



## **What environmental and/or social characteristics are promoted by this financial product?**

To promote the environmental and social characteristics, the Fund applies ESG assessment criteria, ESG screening criteria and promotes good governance including social factors.

We use our proprietary research framework to analyse the foundations of each business to ensure proper context for our investments. This includes the durability of its business model, the attractiveness of its industry, the strength of its financials and the sustainability of its economic moat.

We also consider the quality of its management team and analyse the environmental, social and governance (ESG) opportunities and risks impacting the business and appraise how well these are managed. We assign a proprietary score to articulate the quality attributes of each company, one of which is the ESG Quality rating. This enables the portfolio managers to exclude companies with material ESG risks and positively skew the portfolio towards ESG opportunities and to build well-diversified, risk-adjusted portfolios

Additionally, our proprietary ESG House Score, developed by our central ESG investment team in collaboration with the Quantitative investment team, is used to identify companies with potentially high or poorly managed ESG risks. The score is calculated by combining a variety of data inputs within a proprietary framework in which different ESG factors are weighted according to how material they are for each sector. This allows us to see how companies rank in a global context.

To complement this, we also utilise our active stewardship and engagement activities.

This Fund has a financial benchmark that is used for portfolio construction but does not incorporate any sustainable criteria and is not selected for the purpose of attaining these characteristics. This financial benchmark is used as a comparator for Fund performance and as a comparison for the Fund's binding commitments.

### ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

*The measures applied by the Fund are:*

- ESG assessment criteria,
- ESG screening criteria,
- targets a lower carbon intensity than the benchmark
- promotes good governance including social factors.

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

To complement this, we also utilise our active stewardship and engagement activities.

*The Fund also looks to exclude at least the bottom 5% of companies with the lowest ESG House Score in the benchmark.*

- **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

*The Fund has not set a minimum proportion of sustainable investments.*

- **How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?**

*The Fund has not set a minimum proportion of sustainable investments.*

*Have the indicators for adverse impacts on sustainability factors been taken into account?*

*The Fund has not set a minimum proportion of sustainable investments.*

*How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

*The Fund has not set a minimum proportion of sustainable investments.*

*The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

*The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities.*

*The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.*

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



### **Does this financial product consider principal adverse impacts on sustainability factors?**

- Yes, this Fund considers Principal Adverse Impacts (PAI) on sustainability factors.

Principal Adverse Impact Indicators are metrics that measure the negative effects on environmental and social matters. abrdn consider PAIs within the investment process for the Fund, this may include considering whether to make an investment, or they may be used as an engagement tool for example where there is no policy in place and this would be beneficial, or where carbon emissions are considered to be high, abrdn may engage



to seek the creation of a long-term target and reduction plan. abrdn assess PAIs by using, amongst others, the PAI indicators referred to in the SFDR Delegated Regulation; however, dependent on data availability, quality and relevance to the investments not all SFDR PAI indicators may be considered. Where Funds consider PAIs, information on that consideration will be made available in annual reports.

No



### **What investment strategy does this financial product follow?**

The Fund contains high-quality companies that have been identified through the bottom-up equity research process which takes into consideration both environmental, social and governance (ESG) risks and opportunities.

ESG analysis is a key element of our overall equity research process and has three core principles:

- Informed and constructive engagement helps foster better companies, enhancing the value of our clients' investments.
- ESG factors are financially material, and impact corporate performance
- Understanding ESG risks and opportunities alongside other financial metrics allows us to make better investment decisions.

We use our proprietary research framework to analyse the foundations of each business to ensure proper context for our investments. This includes the durability of its business model, the attractiveness of its industry, the strength of its financials and the sustainability of its economic moat.

We also consider the quality of its management team and analyse the environmental, social and governance (ESG) opportunities and risks impacting the business and appraise how well these are managed. We assign a proprietary score to articulate the quality attributes of each company, one of which is the ESG Quality rating. This enables the portfolio managers to exclude companies with material ESG risks and positively skew the portfolio towards ESG opportunities and to build well-diversified, risk-adjusted portfolios.

Our proprietary ESG House Score, developed by our central ESG investment team in collaboration with the Quantitative investment team, is used to identify companies with potentially high or poorly managed ESG risks. The score is calculated by combining a variety of data inputs within a proprietary framework in which different ESG factors are weighted according to how material they are for each sector. This allows us to see how companies rank in a global context.

The abrdn ESG House Score was designed so that it can be broken down into specific themes and categories. The ESG score comprises of two scores; the Operational score and Governance score. This allows a quick view

of a company's relative positioning on its management of ESG issues at a granular level.

- The Governance score assesses the corporate governance structure and the quality and behaviour of corporate leadership and executive management.
- The Operational score assesses the ability of the company's leadership team to



implement effective environmental and social risk reduction and mitigation strategies in its operations.

To complement this, we also utilise our active stewardship and engagement activities.

To further complement the bottom-up research, the portfolio managers also use abrdn's proprietary ESG House Score, which is primarily a quantitative assessment, to identify and exclude those companies exposed to the highest ESG risks. Finally, binary exclusions are applied to exclude the particular areas of investment related to UN Global Compact, Controversial Weapons, Tobacco Manufacturing and Thermal Coal.

**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

- ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

The binding elements used by the Fund are:

- targeting a lower carbon intensity than the benchmark

Binary exclusions are applied to exclude the particular areas of investment related to UN Global Compact, Controversial Weapons, Tobacco Manufacturing and Thermal Coal. These screening criteria apply in a binding manner and on an ongoing basis.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

The Fund excludes at least the bottom 5% of companies with the lowest ESG House Score in the benchmark.

- ***What is the policy to assess good governance practices of the investee companies?***

For this Fund, the investee company needs to follow good governance practices in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance. This can be demonstrated by the monitoring of certain PAI indicators, for example corruption, tax compliance and diversity. In addition, by using abrdn's proprietary ESG scores within the investment process abrdn screen out any investments with low governance scores. Our governance scores assess a company's corporate governance and management structure (including remuneration of staff policies) and the quality and behaviour of its leadership and management. A low score will typically be given where there are concerns in relation to financially materially controversies, poor tax compliance or governance concerns, or poor treatment of employees or minority shareholders.

The investment must further be aligned with OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human rights. Breaches and violations of these international norms are flagged by an event-driven controversy and are captured in the investment process.

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.



**Asset allocation** describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

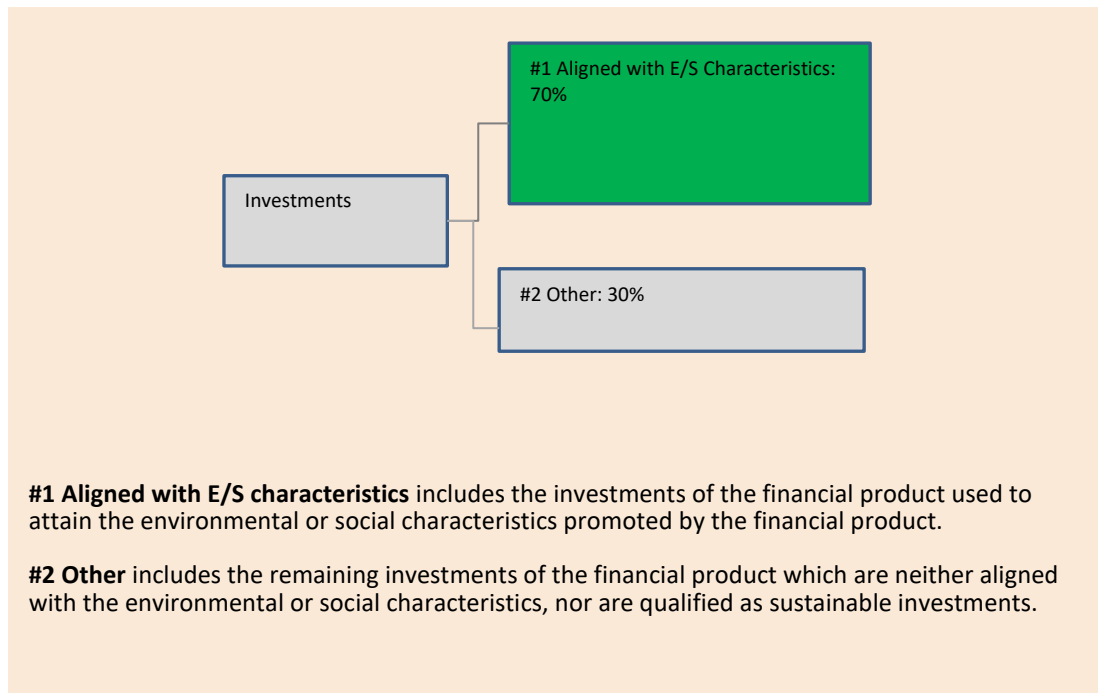
- **turnover** reflecting the share of revenue from green activities of investee companies

- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

## What is the asset allocation planned for this financial product?

A minimum of 70% of the Fund's assets are aligned with E/S characteristics. Environmental and social safeguards are met by applying certain PAI's, where relevant, to these underlying assets. The Fund invests a maximum of 30% of assets in the "Other" category, which include cash, money market instruments and derivatives.



### ● How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

The Fund will not use derivatives to attain any environmental or social characteristics.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best



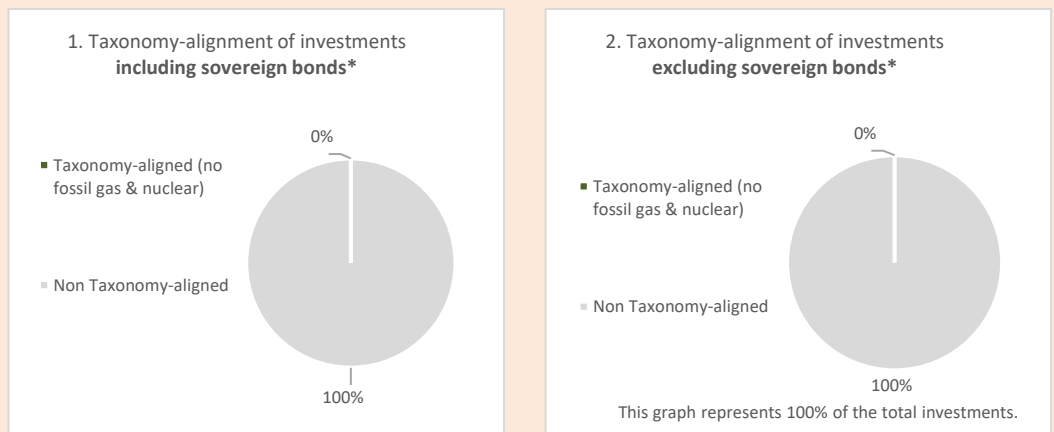
## To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The Fund has not set a minimum proportion of investments in Taxonomy aligned economic activities. This graph represents 100% of the total investment.

### Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>7</sup> ?

- Yes
- In fossil gas
  - In nuclear energy
- No

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.




\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

### ● What is the minimum share of investments in transitional and enabling activities?

Not applicable

<sup>7</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm and EU Taxonomy objective – see explanation note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

Not applicable



**What is the minimum share of socially sustainable investments?**

Not applicable



**What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?**

The investments included under "other" are cash, money market instruments & derivatives. The purpose of these assets are to meet liquidity, target return or manage risk and may not contribute to the environmental or social aspects of the Fund.

There are certain environmental and social safeguards that are met by applying PAI's. Where relevant, these are applied to the underlying securities.



**Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes? No**

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***  
Not applicable
- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***  
Not applicable
- ***How does the designated index differ from a relevant broad market index?***  
Not applicable
- ***Where can the methodology used for the calculation of the designated index be found***  
Not applicable



## Where can I find more product specific information online?

Fund specific documentation, including Sustainability Related Disclosures, are published at [www.abrdn.com](http://www.abrdn.com) under **Fund Centre**.

### **More product-specific information can be found on the website:**

Fund specific documentation, including Sustainability Related Disclosures, are published at [www.abrdn.com](http://www.abrdn.com) under **Fund Centre**.

**Pre-contractual disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph of Regulation (EU) 2020/852**

**Product Name: abrdn SICAV I - Asian  
SDG Equity Fund**

**Legal entity identifier:  
2138001SZMMAO7HILY92**

## Sustainable investment objective

**Does this financial product have a sustainable investment objective?**

**Yes**

**No**

- It will make a minimum of **sustainable investments with an environmental objective: 15%**
  - in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

- It will make a minimum of **sustainable investments with a social objective:15%**

- It promotes **Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of \_\_\_% of sustainable investments
  - with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
  - with a social objective
- It promotes E/S characteristics, but **will not make any sustainable investments**

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



**Sustainability indicators** measure how the sustainable objectives of this financial product are attained.

## **What is the sustainable investment objective of this financial product?**

The Investment objective of the Fund aims to achieve long term growth by investing in companies in Asia Pacific countries (excluding Japan), which in abrđn's view will make a positive contribution to society through their alignment achieving the United Nation's Sustainable Development Goals ('SDGs').

Our SDG Equity strategies will follow a fundamental, bottom-up investment research process in which ESG analysis and company engagement are integral parts of our assessment of the investment potential of all companies.

The Fund follows the abrđn "Asian SDG Equity Investment Approach." This approach identifies companies which are aligned to the Sustainable Development Goals. These goals are designed to address the world's major long-term challenges. These include climate change, growing social inequality, and unsustainable production and consumption.

The Fund will invest in companies with minimum of 20% of their revenue, profit, capital or operating expenditure or research and development linked to the UN's SDGs. For companies classified in the benchmark as "Financials", alternative measures of materiality are used based on loans and customer base. The Fund will also invest up to 20% in SDG leaders.

Within the equity investment process, we analyse for all companies the foundations of each business to ensure proper context for our investments. This includes the durability of its business model, the attractiveness of its industry, the strength of its financials and the sustainability of its economic moat. We also consider the quality of its management team and analyse the environmental, social and governance (ESG) opportunities and risks impacting the business and appraise how well these are managed. The ESG Quality rating is important consideration in assessing if a stock is a sustainable leader or improver.

This Fund has a financial benchmark that is used for portfolio construction but does not incorporate any sustainable criteria and is not selected for the purpose of attaining these characteristics. This financial benchmark is used as a comparator for Fund performance and as a comparison for the Fund's binding commitments.

### ● ***What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?***

The Fund will invest in companies with minimum of 20% of their revenue, profit, capital or operating expenditure or research and development linked to the UN's SDGs. For companies classified in the benchmark as "Financials", alternative measures of materiality are used based on loans and customer base. The Fund will also invest up to 20% in SDG leaders.

The Fund targets a lower carbon intensity than the benchmark.

The Fund also targets to reduce the investment universe by a minimum of 20%.

***How do the sustainable investments not cause significant harm to any environmental or social sustainable investment objective?***

As required by the SFDR Delegated Regulation, the investment does not cause Significant Harm (“Do No Significant Harm”/ “DNSH”) to any of the sustainable investment objectives.

abrdrn have created a 3-step process to ensure consideration of DNSH:

**i. Sector Exclusions**

abrdrn have identified a number of sectors which automatically do not qualify for inclusion as a Sustainable Investment as they are considered to be causing significant harm. These include but are not limited to: (1) Defence, (2) Coal, (3) Oil & Gas Exploration, Production and associated activities, (4) tobacco, (5) gambling and (6) alcohol.

**ii. DNSH Binary Test**

The DNSH test, is a binary pass/fail test which signals if the company passes or fails criteria for the SFDR Article 2 (17) “do no significant harm”.

Pass indicates under abrdrn’s methodology the company has no ties to controversial weapons, less than 1% of revenue from thermal coal, less than 5% of revenue from tobacco related activities, is not a tobacco producer, and has no red/severe ESG Controversies. If the company fails this test, it cannot be considered a Sustainable Investment. Abrdrn’s approach is aligned with the SFDR PAIs included within tables 1, 2 & 3 of the SFDR Delegated Regulation and is based on external data sources and abrdrn internal insights.

**iii. DNSH Materiality Flag**

Using a number of additional screens and flags, abrdrn consider the additional SFDR PAI’s indicators as defined by the SFDR Delegated Regulation to identify areas for improvement or potential future concern. These indicators are not considered to cause significant harm and therefore a company with active DNSH materiality flags may still be considered to be a Sustainable Investment. abrdrn aim to enhance the engagement activities to focus on these areas and seek to deliver better outcomes by resolving the issue.

***How have the indicators for adverse impacts on sustainability factors been taken into account?***

The fund considers Principal Adverse Impact Indicators defined by the SFDR Delegated Regulation.



Pre investment, abrdn applies a number of norms and activity-based screens related to PAIs, including but not limited to: UN Global Compact, controversial weapons, and thermal coal extraction.

**UNGC:** The Fund uses norms-based screens and controversy filters to exclude companies that may be in breach of international norms described in the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights, as well as state owned entities in countries which violate norms.

**Controversial Weapons:** The Fund excludes companies with business activities related to controversial weapons (cluster munitions, anti-personnel landmines, nuclear weapons, chemical and biological weapons, white phosphorus, non-detectable fragments, incendiary devices, depleted uranium ammunition or blinding lasers).

**Thermal Coal Extraction:** The Fund excludes companies with exposure to the fossil fuels sector based on percentage of revenue from thermal coal extraction.

abrdn apply a fund specific set of company exclusions, more detail on these and the overall process is captured within the Investment Approach, which is published at [www.abrdn.com](http://www.abrdn.com) under "**Fund Centre**".

Post-investment the following PAI indicators are considered:

- abrdn monitors all mandatory and additional PAI indicators via our ESG integration investment process using a combination of our proprietary house score and 3rd party data feeds. PAI indicators that either fail a specific binary test or are considered above typical are flagged for review and may be selected for company engagement.
- Consideration of portfolio carbon intensity and GHG emissions via our Climate tools and risk analysis
- Governance indicators via our proprietary governance scores and risk framework, including consideration of sound management structures, employee relations, remuneration of staff and tax compliance
- On an on-going basis the investment universe is scanned for companies that may be in breach of international norms described in the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights, as well as state owned entities in countries which violate norms.

*How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?*

The Fund uses norms-based screens and controversy filters to exclude companies that may be in breach of international norms described in the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights.



## Does this financial product consider principal adverse impacts on sustainability factors?

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- Yes, this Fund considers Principal Adverse Impacts (PAI) on sustainability factors.

Principal Adverse Impact Indicators are metrics that measure the negative effects on environmental and social matters. abrdn consider PAIs within the investment process for the Fund, this may include considering whether to make an investment, or they may be used as an engagement tool for example where there is no policy in place and this would be beneficial, or where carbon emissions are considered to be high, abrdn may engage to seek the creation of a long-term target and reduction plan. abrdn assess PAIs by using, amongst others, the PAI indicators referred to in the SFDR Delegated Regulation; however, dependent on data availability, quality and relevance to the investments not all SFDR PAI indicators may be considered. Where Funds consider PAIs, information on that consideration will be made available in annual reports.

- No



## What investment strategy does this financial product follow?

**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

The Fund seeks to generate strong long-term performance by allocating capital to companies that may deliver a strong financial return and demonstrate – via their products, services, and actions – a clear and material alignment to one or more of the United Nation’s (UN) Sustainable Development Goals (SDGs).

There are three core principles which underpin the abrdn Asian SDG investment approach and the time we dedicate to ESG analysis as part of our overall equity research process:

- ESG factors are financially material and impact corporate performance
- Understanding ESG risks and opportunities alongside other financial metrics allows us to make better investment decisions.
- Informed and constructive engagement helps foster better companies, enhancing the value of our clients’ investments.

The Asian SDG Equity Fund follows the abrdn “Asian SDG Equity Investment Approach.” This approach identifies companies which are aligned to the Sustainable Development Goals. These goals are designed to address the world’s major long-term challenges. These include climate change, growing social inequality, and unsustainable production and consumption.

The Fund will invest in companies with minimum of 20% of their revenue, profit, capital or operating expenditure or research and development linked to the UN’s SDGs.

For companies classified in the benchmark as “Financials”, alternative measures of materiality may be used. We require 20% materiality as measured by (i) new or existing loans to underserved clients if those target loans are growing on an annualised basis over three years; or (ii) new or existing underserved customers if those target customer numbers are growing on an annualised basis over three years; or (iii) pre-provision operating profits generated by underserved clients. The Fund will also invest up to 20% in SDG leaders. These are companies that are considered to be integral to the supply chain for progressing towards the UN’s SDG’s, but may not currently meet the 20% materiality requirement. Distinct company research notes for each stock in the Sustainable Development funds capture and formally document the SDG impact made by each company and the needs they meet.

Within our equity investment process, we analyse for all companies the foundations of each business to ensure proper context for our investments. This includes the durability of its business model, the attractiveness of its industry, the strength of its financials and the sustainability of its economic moat. We also consider the quality of its management team and analyse the environmental, social and governance (ESG) opportunities and risks impacting the business and appraise how well these are managed. The ESG Quality rating is important consideration in assessing if a stock is a sustainable leader or improver.

In addition, abrdn apply a set of company exclusion which are related to normative screening (UN Global Compact, ILO and OECD), Norges Bank Investment Management (NBIM), State Owned Enterprises (SOE), Weapons, Tobacco, Gambling, Alcohol, Thermal Coal, Oil & Gas and Electricity Generation.

● ***What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?***

The Fund approach identifies companies which are aligned to the UN Sustainable Development Goals. These goals are designed to address the world’s major long-term challenges. These include binding elements such as climate change, growing social inequality, and unsustainable production and consumption. The Fund will mainly only invest in companies with minimum of 20% of their revenue, profit, capital or operating expenditure or research and development linked to the UN’s SDGs. However, for companies classified in the benchmark as “Financials”, alternative measures of materiality are used based on loans and customer base. The Fund will also invest up to 20% in SDG leaders. The fund also has a binding commitment to a carbon intensity target lower than benchmark.

Distinct company research notes for each stock in the SDG funds capture and formally document the SDG impact made by each company and the needs they meet across the SDG pillars:

- Circular economy

- Sustainable energy
- Food and agriculture
- Water and sanitation
- Health and social care
- Financial inclusion
- Sustainable real estate and infrastructure
- Education and employment
- SDG leader

Additionally, we satisfy the three binding criteria for Sustainable Investment:

- Economic contribution
- Do not significant harm
- Good Governance

abrdn also apply a set of company exclusion which are related to normative screening (UN Global Compact, ILO and OECD), Norge Bank Investment Management (NBIM), State Owned Enterprises (SOE), Weapons, Tobacco, Gambling, Alcohol, Thermal Coal, Oil & Gas, and Electricity Generation. These criteria are applied in a binding manner and on an ongoing basis.

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

● ***What is the policy to assess good governance practices of the investee companies?***

For this Fund, the investee company needs to follow good governance practices in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance. This can be demonstrated by the monitoring of certain PAI indicators, for example corruption, tax compliance and diversity. In addition, by using abrdn's proprietary ESG scores within the investment process abrdn screen out any investments with low governance scores. Our governance scores assess a company's corporate governance and management structure (including remuneration of staff policies) and the quality and behaviour of its leadership and management. A low score will typically be given where there are concerns in relation to financially materially controversies, poor tax compliance or governance concerns, or poor treatment of employees or minority shareholders.

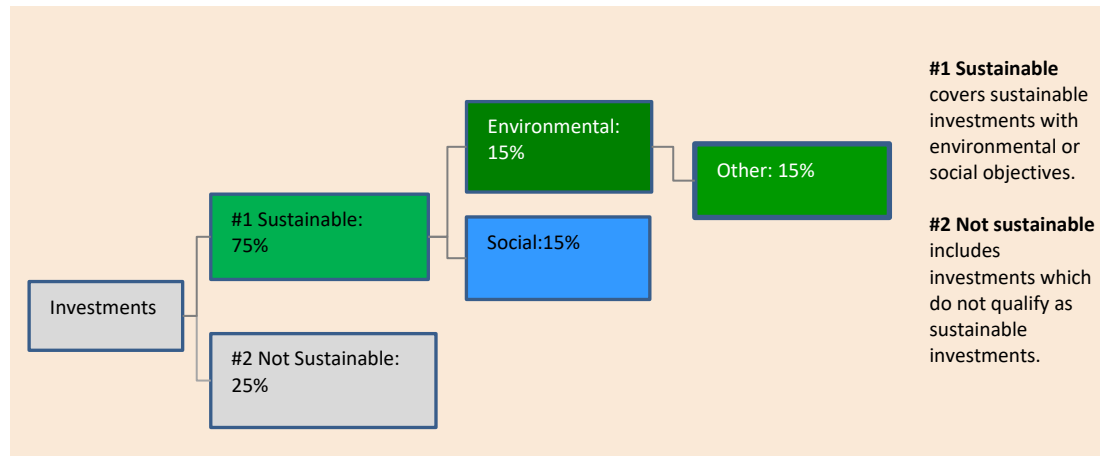
The investment must further be aligned with OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human rights. Breaches and violations of these international norms are flagged by an event-driven controversy and are captured in the investment process.



## What is the asset allocation and the minimum share of sustainable investments?

The Fund commits to a minimum of 75% in Sustainable Investments, including a minimum commitment of 15% to assets with an environmental objective and 15% to social objectives.

The Fund invests a maximum of 25% of assets in the “Non Sustainable” category, which is mainly made up of cash, money market instruments and derivatives.



**Asset allocation** describes the share of investments in specific asset classes

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies

- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

- **operational expenditure** (OpEx) reflecting green operational activities of investee

### ● How does the use of derivatives attain the sustainable investment objective?

The Fund will not use derivatives to attain any sustainable investment objective.



### ● To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The Fund has not set a minimum proportion of investments in Taxonomy aligned economic activities. This graph represents 100% of the total investment.

### ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>8</sup> ?***

Yes

In fossil gas

In nuclear energy

No

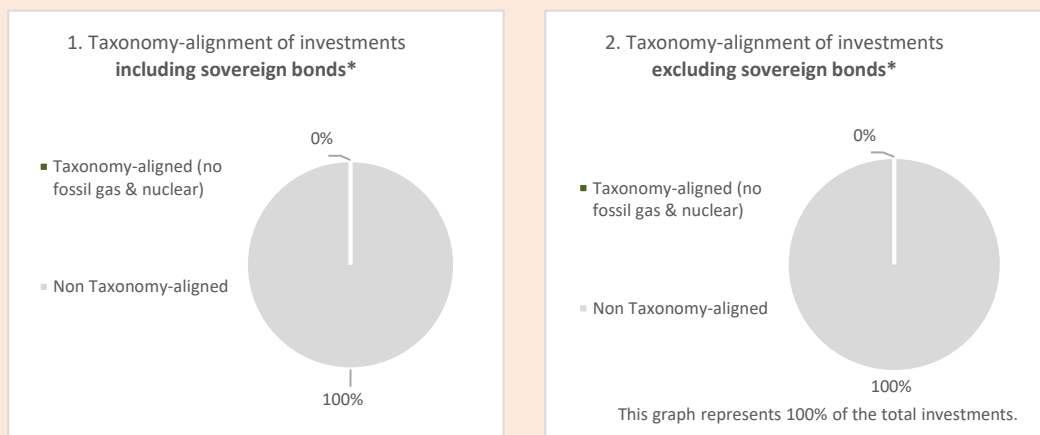
<sup>8</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm and EU Taxonomy objective – see explanation note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to


The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

● **What is the minimum share of investments in transitional and enabling activities?**

Not applicable.

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU



**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The Fund makes investments on the basis of the abrdn Asian SDG Equity investment approach, allocating capital to companies that may deliver a strong financial return and demonstrate – via their products, services, and actions – a clear and material alignment to one or more of the United Nation’s (UN) Sustainable Development Goals (SDGs). The SDGs are designed to address the world’s major long-term challenges. These include climate change, growing social inequality and unsustainable production and consumption.

abrdn believe alignment with the SDGs creates tangible opportunities for companies to contribute positively to society and the environment, while simultaneously enhancing the long-term financial value of the business, which result in the Fund committing to a minimum 75% to sustainable investments which are inclusive of both environmental and social objectives that aren't explicitly taxonomy aligned. The minimum share of sustainable investments with an environmental objective is 15%.



### **What is the minimum share of sustainable investments with a social objective?**

The Fund makes investments on the basis of the abrdn Asian SDG Equity investment approach, allocating capital to companies that may deliver a strong financial return and demonstrate – via their products, services, and actions – a clear and material alignment to one or more of the United Nation's (UN) Sustainable Development Goals (SDGs). The SDGs are designed to address the world's major long-term challenges. These include climate change, growing social inequality and unsustainable production and consumption.

abrdn believe alignment with the SDGs creates tangible opportunities for companies to contribute positively to society and the environment, while simultaneously enhancing the long-term financial value of the business, which result in the Fund committing to a minimum 75% to sustainable investments which are inclusive of both environmental and social objectives that aren't explicitly taxonomy aligned. The minimum share of sustainable investments with a social objective is 15%.



### **What investments are included under “#2 Not sustainable”, what is their purpose and are there any minimum environmental or social safeguards?**

The Fund may invest in securities that are not deemed sustainable including cash, money market instruments and derivatives but only for the purpose of hedging and liquidity management.

There are certain environmental and social safeguards that are met by applying PAI's. Where relevant, these are applied to the underlying securities. Many pre-investment PAI indicators are considered but below are the ongoing post-investment PAI indicators that continue to be considered:

- abrdn monitors all mandatory and additional PAI indicators via our ESG integration investment process using a combination of our proprietary house score and 3rd party data feeds. PAI indicators that either fail a specific binary test or are considered above typical are flagged for review and may be selected for company engagement.
- Consideration of portfolio carbon intensity and GHG emissions via our Climate tools and risk analysis
- Governance indicators via our proprietary governance scores and risk framework, including consideration of sound management structures, employee relations, remuneration of staff and tax compliance



- On an on-going basis the investment universe is scanned for companies that may be in breach of international norms described in the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights, as well as state owned entities in countries which violate norms.



**Is a specific index designated as a reference benchmark to meet the sustainable investment objective?** No

**Reference benchmarks** are indexes to measure whether the financial product attains the sustainable investment objective.

- ***How does the reference benchmark take into account sustainability factors in a way that is continuously aligned with the sustainable investment objective?***  
Not applicable
- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***  
Not applicable
- ***How does the designated index differ from a relevant broad market index?***  
Not applicable
- ***Where can the methodology used for the calculation of the designated index be found?***  
Not applicable



**Where can I find more Product specific Information online?**

Fund specific documentation, including Sustainability Related Disclosures, are published at [www.abrdn.com](http://www.abrdn.com) under **Fund Centre**.

**More product-specific information can be found on the website:**

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**Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph of Regulation (EU) 2020/852**

**Product Name: abrdn SICAV I - China A Share Sustainable Equity Fund**

**Legal entity identifier: 5493008HYR8SEZ4NF058**

## Environmental and/or social characteristics

### Does this financial product have a sustainable investment objective?

Yes

No

- It will make a minimum of **sustainable investments with an environmental objective: \_\_\_%**
  - in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

- It promotes **Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 20% of sustainable investments
  - with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
  - with a social objective

- It will make a minimum of **sustainable investments with a social objective: \_\_\_%**

- It promotes E/S characteristics, but **will not make any sustainable investments**

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



## **What environmental and/or social characteristics are promoted by this financial product?**

To promote the environmental and social characteristics, the Fund applies ESG assessment criteria, ESG screening criteria and promotes good governance including social factors.

We use our proprietary research framework to identify companies which we believe to be sustainable leaders or improvers. Sustainable leaders are viewed as companies with the best in class ESG credentials or products and services which address global environmental and societal challenges, whilst improvers are typically companies with average governance, ESG management practices and disclosure with potential for improvement.

Within our equity investment process, for all companies under coverage we analyse the foundations of each business to ensure proper context for our investments. This includes the durability of its business model, the attractiveness of its industry, the strength of its financials and the sustainability of its economic moat. We also consider the quality of its management team and analyse the environmental, social and governance (ESG) opportunities and risks impacting the business and appraise how well these are managed. We assign a proprietary score to articulate the quality attributes of each company, one of which is the ESG Quality rating. This enables the portfolio managers to exclude companies with material ESG risks and positively skew the portfolio towards ESG opportunities and to build well-diversified, risk-adjusted portfolios.

Additionally, our proprietary ESG House Score, developed by our central ESG investment team in collaboration with the Quantitative investment team, is used to identify companies with potentially high or poorly managed ESG risks. The score is calculated by combining a variety of data inputs within a proprietary framework in which different ESG factors are weighted according to how material they are for each sector. This allows us to see how companies rank in a global context.

The abrdn ESG House Score was designed so that it can be broken down into specific themes and categories. The ESG score comprises of two scores; the Operational score and Governance score. This allows a quick view of a company's relative positioning on its management of ESG issues at a granular level.

- The Governance score assesses the corporate governance structure and the quality and behaviour of corporate leadership and executive management.
- The Operational score assesses the ability of the company's leadership team to implement effective environmental and social risk reduction and mitigation strategies in its operations.

To complement this, we also utilise our active stewardship and engagement activities.

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

This Fund has a financial benchmark that is used for portfolio construction but does not incorporate any sustainable criteria and is not selected for the purpose of attaining these characteristics. This financial benchmark is used as a comparator for Fund performance and as a comparison for the Fund's binding commitments.

● ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

The measures applied by the Fund are:

- ESG assessment criteria,
- ESG screening criteria,
- a carbon intensity targeting lower than benchmark,
- targets an ESG rating better than or equal to benchmark and
- promotes good governance including social factors.

To complement this, we also utilise our active stewardship and engagement activities.

The Fund also targets to exclude at least 20% of the Fund's benchmark investable universe, through a combination of in-house proprietary scoring tools and the use of negative criteria to avoid investing in certain industries and activities.

● ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

The objective of the sustainable investment is to make a contribution to solving an environmental or social challenge, in addition to not causing significant harm, and being well governed. Each sustainable investment may make a contribution to Environmental or Social issues. In fact, many companies will make a positive contribution to both. abrdn use the six environmental objectives of the Taxonomy to inform Environmental contributions, including: (1) climate change mitigation, (2) climate change adaptation, (3) sustainable use and protection of water and marine resources, (4) transition to a circular economy, (5) pollution prevention and control, and (6) protection and restoration of biodiversity and ecosystems. In addition, abrdn use the 17 Sustainable Development Goals and their sub-goals to supplement the EU Taxonomy topics and provide a framework for considering Social objectives

An economic activity must have a positive economic contribution to qualify as a Sustainable investment, this includes consideration of Environmental or Socially aligned revenues, Capex, Opex or sustainable operations. abrdn seek to establish or estimate the share of the investee company's economic activities/contribution towards a sustainable objective and it is this element that is weighted and counted towards the Sub-fund's total aggregated proportion of Sustainable Investments.

abrdn uses a combination of the following approaches:

- i. a quantitative methodology based on a combination of publicly available data

sources; and

ii. using abrdn's own insight and engagement outcomes abrdn overlay the quantitative methodology with a qualitative assessment to calculate an overall percentage of economic contribution towards a sustainable objective for each holding in a Fund.

● ***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

As required by the SFDR Delegated Regulation, the investment does not cause Significant Harm ("Do No Significant Harm"/ "DNSH") to any of the sustainable investment objectives.

abrdn have created a 3-step process to ensure consideration of DNSH:

i. Sector Exclusions

abrdn have identified a number of sectors which automatically do not qualify for inclusion as a Sustainable Investment as they are considered to be causing significant harm. These include but are not limited to: (1) Defence, (2) Coal, (3) Oil & Gas Exploration, Production and associated activities, (4) tobacco, (5) gambling and (6) alcohol.

ii. DNSH Binary Test

The DNSH test, is a binary pass/fail test which signals if the company passes or fails criteria for the SFDR Article 2 (17) "do no significant harm".

Pass indicates under abrdn's methodology the company has no ties to controversial weapons, less than 1% of revenue from thermal coal, less than 5% of revenue from tobacco related activities, is not a tobacco producer, and has no red/severe ESG Controversies. If the company fails this test, it cannot be considered a Sustainable Investment. Abrdn's approach is aligned with the SFDR PAIs included within tables 1, 2 & 3 of the SFDR Delegated Regulation and is based on external data sources and abrdn internal insights.

iii. DNSH Materiality Flag

Using a number of additional screens and flags, abrdn consider the additional SFDR PAI's indicators as defined by the SFDR Delegated Regulation to identify areas for improvement or potential future concern. These indicators are not considered to cause significant harm and therefore a company with active DNSH materiality flags may still be considered to be a Sustainable Investment. abrdn aim to enhance the engagement activities to focus on these areas and seek to deliver better outcomes by resolving the issue.

***Have the indicators for adverse impacts on sustainability factors been taken into account?***

The fund considers Principal Adverse Impact Indicators defined by the SFDR Delegated Regulation.

Pre investment, abrdn applies a number of norms and activity-based screens related to PAIs, including but not limited to: UN Global Compact, controversial weapons, and thermal coal extraction.

**UNGC:** The Fund uses norms-based screens and controversy filters to exclude companies that may be in breach of international norms described in the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights, as well as state owned entities in countries which violate norms.

**Controversial Weapons:** The Fund excludes companies with business activities related to controversial weapons (cluster munitions, anti-personnel landmines, nuclear weapons, chemical and biological weapons, white phosphorus, non-detectable fragments, incendiary devices, depleted uranium ammunition or blinding lasers).

**Thermal Coal Extraction:** The Fund excludes companies with exposure to the fossil fuels sector based on percentage of revenue from thermal coal extraction.

abrdn apply a fund specific set of company exclusions, more detail on these and the overall process is captured within the Investment Approach, which is published at [www.abrdn.com](http://www.abrdn.com) under "Fund Centre".

Post-investment the following PAI indicators are considered:

- abrdn monitors all mandatory and additional PAI indicators via our ESG integration investment process using a combination of our proprietary house score and 3rd party data feeds. PAI indicators that either fail a specific binary test or are considered above typical are flagged for review and may be selected for company engagement.
- Consideration of portfolio carbon intensity and GHG emissions via our Climate tools and risk analysis
- Governance indicators via our proprietary governance scores and risk framework, including consideration of sound management structures, employee relations, remuneration of staff and tax compliance
- On an on-going basis the investment universe is scanned for companies that may be in breach of international norms described in the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights, as well as state owned entities in countries which violate norms.

*How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

The Fund uses norms-based screens and controversy filters to exclude companies that may be in breach of international norms described in the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights.

*The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

*The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities.*

*The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.*

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



## Does this financial product consider principal adverse impacts on sustainability factors?

- Yes, this Fund considers Principal Adverse Impacts (PAI) on sustainability factors.

Principal Adverse Impact Indicators are metrics that measure the negative effects on environmental and social matters. abrdn consider PAIs within the investment process for the Fund, this may include considering whether to make an investment, or they may be used as an engagement tool for example where there is no policy in place and this would be beneficial, or where carbon emissions are considered to be high, abrdn may engage to seek the creation of a long-term target and reduction plan. abrdn assess PAIs by using, amongst others, the PAI indicators referred to in the SFDR Delegated Regulation; however, dependent on data availability, quality and relevance to the investments not all SFDR PAI indicators may be considered. Where Funds consider PAIs, information on that consideration will be made available in annual reports.

- No



## What investment strategy does this financial product follow?

The Fund contains high-quality companies that have been identified through the bottom-up equity research process which takes into consideration the sustainability of the business in its broadest sense and the company's environmental, social and governance (ESG) performance.

There are three core principles which underpin our Sustainable investment approach and the time we dedicate to ESG analysis as part of our overall equity research process:

- Informed and constructive engagement helps foster better companies, enhancing the value of our clients' investments.
- ESG factors are financially material, and impact corporate performance
- Understanding ESG risks and opportunities alongside other financial metrics allows us to make better investment decisions.

Within our equity investment process, for all companies under coverage we analyse the foundations of each business to ensure proper context for our investments. This includes the durability of its business model, the attractiveness of its industry, the strength of its financials and the sustainability of its economic moat. We also consider the quality of its management team and analyse the environmental, social and governance (ESG) opportunities and risks impacting the business and appraise how well these are managed. We assign a proprietary score to articulate the quality attributes of each company, one of which is the ESG Quality rating. This enables the portfolio managers to exclude companies with material ESG risks and positively skew the portfolio towards ESG opportunities and to build well-diversified, risk-adjusted portfolios.



Our proprietary ESG House Score, developed by our central ESG investment team in collaboration with the Quantitative investment team, is used to identify companies with potentially high or poorly managed ESG risks. The score is calculated by combining a variety of data inputs within a proprietary framework in which different ESG factors are weighted according to how material they are for each sector. This allows us to see how companies rank in a global context.

The abrdn ESG House Score was designed so that it can be broken down into specific themes and categories. The ESG score comprises of two scores; the Operational score and Governance score. This allows a quick view of a company's relative positioning on its management of ESG issues at a granular level.

- The Governance score assesses the corporate governance structure and the quality and behaviour of corporate leadership and executive management.
- The Operational score assesses the ability of the company's leadership team to implement effective environmental and social risk reduction and mitigation strategies in its operations.

To complement this, we also utilise our active stewardship and engagement activities.

To complement the bottom-up research, the portfolio managers also use abrdn's proprietary ESG House Score, which is primarily a quantitative assessment, to identify and exclude those companies exposed to the highest ESG risks. Finally, binary exclusions are applied to exclude the particular areas of investment related to the UN Global Compact, Norges Bank Investment Management (NBIM), Weapons, Tobacco, Gambling, Thermal Coal, Oil & Gas and Electricity Generation.

**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

● ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

The binding elements used by the Fund are:

- a carbon intensity target lower than benchmark and
- targeting an ESG rating better than or equal to benchmark.

Binary exclusions are applied to exclude the particular areas of investment related to the UN Global Compact, Norges Bank Investment Management (NBIM), Weapons, Tobacco, Gambling, Thermal Coal, Oil & Gas and Electricity Generation. These screening criteria apply in a binding manner and on an ongoing basis.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies

- **capital expenditure (CapEx)** showing the green investments made by investee companies, e.g. for a transition to a green economy.

- **operational expenditure (OpEx)** reflecting green operational activities of investee companies.

- **What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?**

The Fund also targets to exclude at least 20% of the Fund’s benchmark investable universe, through a combination of in-house proprietary scoring tools and the use of negative criteria to avoid investing in certain industries and activities that abrdn customers are concerned with.

- **What is the policy to assess good governance practices of the investee companies?**

For this Fund, the investee company needs to follow good governance practices in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance. This can be demonstrated by the monitoring of certain PAI indicators, for example corruption, tax compliance and diversity. In addition, by using abrdn’s proprietary ESG scores within the investment process abrdn screen out any investments with low governance scores. Our governance scores assess a company’s corporate governance and management structure (including remuneration of staff policies) and the quality and behaviour of its leadership and management. A low score will typically be given where there are concerns in relation to financially materially controversies, poor tax compliance or governance concerns, or poor treatment of employees or minority shareholders.

The investment must further be aligned with OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human rights. Breaches and violations of these international norms are flagged by an event-driven controversy and are captured in the investment process.

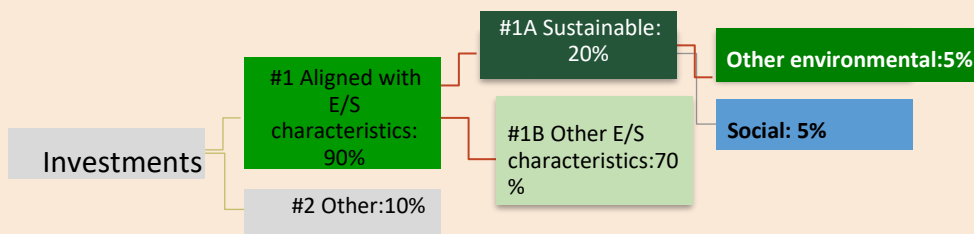
### What is the asset allocation planned for this financial product?

A minimum of 90% of the Fund’s assets are aligned with E/S characteristics. Environmental and social safeguards are met by applying certain PAI’s, where relevant, to these underlying assets. Within these assets, the Fund commits to a minimum of 20% in Sustainable Investments.

The Fund invests a maximum of 10% of assets in the “Other” category, which include cash, money market instruments and derivatives.



**Asset allocation** describes the share of investments in specific assets.



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.



● **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

The Fund will not use derivatives to attain any environmental or social characteristics.



**To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

The Fund has not set a minimum proportion of investments in Taxonomy aligned economic activities. This graph represents 100% of the total investment.

**Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>9</sup> ?**

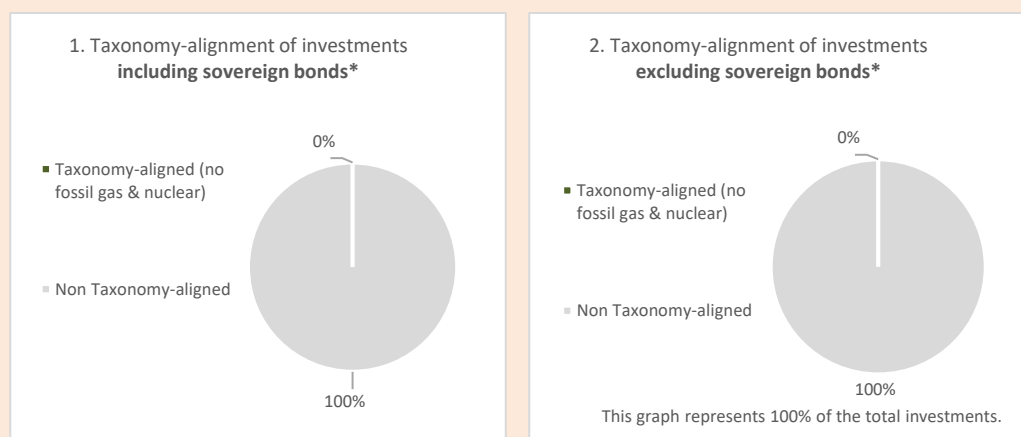
- Yes
- In fossil gas
  - In nuclear energy
- No

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

<sup>9</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm and EU Taxonomy objective – see explanation note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

- **What is the minimum share of investments in transitional and enabling activities?**

Not applicable.

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



### **What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The Fund contains high-quality companies that have been identified through our bottom-up equity research process which takes into consideration the sustainability of the business in its broadest sense and the company's environmental, social and governance (ESG) performance. Within our equity investment process, every company that we invest in is given, via a qualitative assessment, a proprietary overall Quality rating. A key component of this is the ESG Quality rating, which enables the portfolio managers to identify sustainable leaders and improvers and to build well- diversified, risk-adjusted portfolios.

To complement our bottom-up research, the portfolio managers also use our proprietary ESG House Score, which is primarily a quantitative assessment, to identify and exclude those companies exposed to the highest ESG risks. Finally, binary exclusions are applied to exclude the particular areas of investment.

This process results in the Fund committing to a minimum of 90% in securities with environment and social characteristics and a minimum of 20% to sustainable investments which are inclusive of both environmental and social objectives that aren't explicitly taxonomy aligned. The minimum share of sustainable investments with an environmental objective is 5%.



### **What is the minimum share of socially sustainable investments?**

The Fund contains high-quality companies that have been identified through our bottom-up equity research process which takes into consideration the sustainability of the business in its broadest sense and the company's environmental, social and governance (ESG) performance. Within our equity investment process, every company that we invest in is given, via a qualitative assessment, a proprietary overall Quality rating. A key component of this is the ESG Quality rating, which enables the portfolio managers to identify sustainable leaders and improvers and to build well- diversified, risk-adjusted portfolios.

To complement our bottom-up research, the portfolio managers also use our proprietary ESG House Score, which is primarily a quantitative assessment, to identify and exclude those companies exposed to the highest ESG risks. Finally, binary exclusions are applied to exclude the particular areas of investment.

This process results in the Fund committing to a minimum of 90% in securities with environment and social characteristics and a minimum of 20% to sustainable investments which are inclusive of both environmental and social objectives that aren't explicitly taxonomy aligned. The minimum share of sustainable investments with a social objective is 5%.



### **What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?**

The investments included under "other" are cash, money market instruments & derivatives. The purpose of these assets are to meet liquidity, target return or manage risk and may not contribute to the environmental or social aspects of the Fund.

There are certain environmental and social safeguards that are met by applying PAI's. Where relevant, these are applied to the underlying securities.



### **Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes? No**

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***  
Not applicable
- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***  
Not applicable
- ***How does the designated index differ from a relevant broad market index?***  
Not applicable
- ***Where can the methodology used for the calculation of the designated index be found***  
Not applicable



### **Where can I find more product specific information online?**

Fund specific documentation, including Sustainability Related Disclosures, are published at [www.abrdn.com](http://www.abrdn.com) under **Fund Centre**.

**More product-specific information can be found on the website:**

Fund specific documentation, including Sustainability Related Disclosures, are published at [www.abrdn.com](http://www.abrdn.com) under **Fund Centre**.

**Pre-contractual disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph of Regulation (EU) 2020/852**

**Product Name: abrdn SICAV I - Climate Transition Bond Fund**      **Legal entity identifier: 2138001IN6XY2E88UX09**

## Sustainable investment objective

**Does this financial product have a sustainable investment objective?**

**Yes**

**No**

- It will make a minimum of **sustainable investments with an environmental objective: 75%**
  - in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It will make a minimum of **sustainable investments with a social objective: \_\_\_\_%**

- It promotes **Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of \_\_\_\_% of sustainable investments
  - with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
  - with a social objective
- It promotes E/S characteristics, but **will not make any sustainable investments**

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



**Sustainability indicators** measure how the sustainable objectives of this financial product are attained.

## What is the sustainable investment objective of this financial product?

The Investment objective of the Fund aims to achieve a combination of income and growth by investing at least 90% in bonds (loans to governments and companies) issued worldwide, including in Emerging Market countries, which follow the Investment Manager's "Climate Transition Bond Investment Approach" (the "Investment Approach"). All bonds in the view of the Investment Manager, support the transition to a low carbon economy and society's adaptation to climate change.

The Fund draws on abrdn's deep resources and understanding of climate and environmental issues to help our clients benefit from the long-term shift towards greater sustainability. We aim to achieve a combination of income and growth by investing in bonds issued by companies and countries that, in our view, are addressing the causes of climate change and adapting to its consequences.

These are companies that are lowering green-house-gas (GHG) emissions of their operations or helping others to reduce their emissions, and companies and countries that are helping society adapt to the physical risks of climate change.

The Fund uses three pillars to identify investments that are contributing to either climate change mitigation or climate change adaptation:

- Leaders – supporting the leading emission reducers in high emitting sectors. Companies with ambitious and credible decarbonisation targets.
- Adaptors – facilitating climate change adaptation. Companies and countries addressing the physical risks of climate change.
- Solutions – helping the economy decarbonize. Investing in the bonds of issuers whose products or services are helping the wider economy avoid emissions. This includes, but is not limited to, investments in the circular economy, energy efficiency, electrification, energy storage, renewable materials, smart buildings, renewable energy.

This Fund does not refer to a benchmark index for portfolio construction.

- ***What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?***

The Fund invests in three pillars which contribute to either climate change mitigation or adaptation:

- Leaders (climate change mitigation: supporting the leading emission reducers)

- Adaptors (climate change adaptation: facilitating climate change resilience)
- Solutions (climate change mitigation: helping the economy decarbonise)

Eligible issuers are assessed based on their economic contribution to each objective, measured via the proportion of revenue, capital expenditure or operating expenditure from these activities. Additional indicators are used to assess the contribution to sustainable objectives using a proprietary climate screening tool, which takes data from a range of external providers combined with a qualitative peer-reviewed assessment.

The Fund also reduces the investment universe by a minimum of 20% through a combination of negative screening and strict climate criteria.

***How do the sustainable investments not cause significant harm to any environmental or social sustainable investment objective?***

As required by the SFDR Delegated Regulation, the investment does not cause Significant Harm (“Do No Significant Harm”/ “DNSH”) to any of the sustainable investment objectives.

abrdn have created a 3-step process to ensure consideration of DNSH:

**i. Sector Exclusions**

abrdn have identified a number of sectors which automatically do not qualify for inclusion as a Sustainable Investment as they are considered to be causing significant harm. These include but are not limited to: (1) Defence, (2) Coal, (3) Oil & Gas Exploration, Production and associated activities, (4) tobacco, (5) gambling and (6) alcohol.

**ii. DNSH Binary Test**

The DNSH test, is a binary pass/fail test which signals if the company passes or fails criteria for the SFDR Article 2 (17) “do no significant harm”.

Pass indicates under abrdn’s methodology the company has no ties to controversial weapons, less than 1% of revenue from thermal coal, less than 5% of revenue from tobacco related activities, is not a tobacco producer, and has no red/severe ESG Controversies. If the company fails this test, it cannot be considered a Sustainable Investment. Abrdn’s approach is aligned with the SFDR PAIs included within tables 1, 2 & 3 of the SFDR Delegated Regulation and is based on external data sources and abrdn internal insights.

**iii. DNSH Materiality Flag**

Using a number of additional screens and flags, abrdn consider the additional SFDR PAI’s indicators as defined by the SFDR Delegated Regulation to identify areas for improvement or potential future concern. These indicators are not considered to cause significant harm and therefore a company with active DNSH

materiality flags may still be considered to be a Sustainable Investment. abrdn aim to enhance the engagement activities to focus on these areas and seek to deliver better outcomes by resolving the issue.

*How have the indicators for adverse impacts on sustainability factors been taken into account?*

The fund considers Principal Adverse Impact Indicators defined by the SFDR Delegated Regulation.

Pre investment, abrdn applies a number of norms and activity-based screens related to PAIs, including but not limited to: UN Global Compact, controversial weapons, and thermal coal extraction.

**UNGC:** The Fund uses norms-based screens and controversy filters to exclude companies that may be in breach of international norms described in the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights, as well as state owned entities in countries which violate norms.

**Controversial Weapons:** The Fund excludes companies with business activities related to controversial weapons (cluster munitions, anti-personnel landmines, nuclear weapons, chemical and biological weapons, white phosphorus, non-detectable fragments, incendiary devices, depleted uranium ammunition or blinding lasers).

**Thermal Coal Extraction:** The Fund excludes companies with exposure to the fossil fuels sector based on percentage of revenue from thermal coal extraction.

abrdn apply a fund specific set of company exclusions, more detail on these and the overall process is captured within the Investment Approach, which is published at [www.abrdn.com](http://www.abrdn.com) under "Fund Centre".

Post-investment the following PAI indicators are considered:

- abrdn monitors all mandatory and additional PAI indicators via our ESG integration investment process and 3rd party data feeds. PAI indicators that either fail a specific binary test or are considered above typical are flagged for review and may be selected for company engagement.
- Consideration of each investment's carbon intensity and GHG emissions via our climate tools
- Governance indicators via our proprietary governance scores and risk framework, including consideration of sound management structures, employee relations, remuneration of staff and tax compliance

On an on-going basis the investment universe is scanned for companies that may be in breach of international norms described in the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights, as well as state owned entities in countries which violate norms

*How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?*

The Fund uses norms-based screens and controversy filters to exclude companies that may be in breach of international norms described in the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights.





## Does this financial product consider principal adverse impacts on sustainability factors?

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- Yes, this Fund considers Principal Adverse Impacts (PAI) on sustainability factors.

Principal Adverse Impact Indicators are metrics that measure the negative effects on environmental and social matters. abrdn consider PAIs within the investment process for the Fund, this may include considering whether to make an investment, or they may be used as an engagement tool for example where there is no policy in place and this would be beneficial, or where carbon emissions are considered to be high, abrdn may engage to seek the creation of a long-term target and reduction plan. abrdn assess PAIs by using, amongst others, the PAI indicators referred to in the SFDR Delegated Regulation; however, dependent on data availability, quality and relevance to the investments not all SFDR PAI indicators may be considered. Where Funds consider PAIs, information on that consideration will be made available in annual reports.

- No



## What investment strategy does this financial product follow?

The Fund aims to achieve attractive long-term returns by investing at least 90% of the assets in fixed-income securities that support the transition to a low-carbon economy and society's adaptation to climate change. These securities include investment-grade and sub-investment-grade debt, as well as debt-related securities. abrdn make these investments worldwide, including in emerging markets.

The Fund draws on abrdn's deep resources and understanding of climate and environmental issues to help our clients benefit from the long-term shift towards greater sustainability. We aim to achieve a combination of income and growth by investing in bonds issued by companies and countries that, in our view, are addressing the causes of climate change and adapting to its consequences.

These are companies that are lowering green-house-gas (GHG) emissions of their operations or helping others to reduce their emissions, and companies and countries that are helping society adapt to the physical risks of climate change.

The Fund uses three pillars to identify investments that are contributing to either climate change mitigation or climate change adaptation:

- Leaders – supporting the leading emission reducers in high emitting sectors. Companies with ambitious and credible decarbonisation targets.
- Adaptors – facilitating climate change adaptation. Companies and countries addressing the physical risks of climate change.
- Solutions – helping the wider economy decarbonise. Investing in the bonds of issuers whose products or services are helping the wider economy avoid emissions. This includes, but is not limited to,

investments in the circular economy, energy efficiency, electrification, energy storage, renewable materials, smart buildings, renewable energy.

Bond issuers are selected through a multi-stage process which uses a proprietary screening tool with multiple external data providers, a qualitative research note completed by members of the investment team and a peer-review discussion to scrutinise each proposed bond issuer for the fund.

abrdn also apply a set of company exclusions, which are related to normative screening (UN Global Compact, ILO and OECD), Tobacco, Alcohol, Gambling, Thermal Coal, Oil & Gas, Adult Entertainment and Weapons. These screening criteria apply in a binding manner and on an ongoing basis.

● ***What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?***

All fixed-income securities in the view of the Investment Manager, support the transition to a low carbon economy and society's adaptation to climate change.

We aim to achieve a combination of income and growth by investing in bonds issued by companies and countries that, in our view, are addressing the causes of climate change and adapting to its consequences.

These are companies that are lowering green-house-gas (GHG) emissions of their operations or helping others to reduce their emissions, and companies and countries that are helping society adapt to the physical risks of climate change.

The Fund uses three pillars to identify investments that are contributing to either climate change mitigation or climate change adaptation:

○ Leaders – supporting the leading emission reducers in high emitting sectors. Companies with ambitious and credible decarbonisation targets.

○ Adaptors – facilitating climate change adaptation. Companies and countries addressing the physical risks of climate change.

○ Solutions – helping the economy decarbonise. Investing in the bonds of issuers whose products or services are helping the wider economy avoid emissions. This includes, but is not limited to, investments in the circular economy, energy efficiency, electrification, energy storage, renewable materials, smart buildings, renewable energy.

The Fund seeks to achieve a minimum of 75% economic contribution to either climate change mitigation or adaptation. This is measured at the issuer level by the proportion of revenue, capital expenditure or operating expenditure allocated to these activities. As a result, the average (weighted by position size) economic contribution for each issuer to these sustainable objectives will be at least 75%.

abrdrn also apply a set of company exclusions, which are related to normative screening (UN Global Compact, ILO and OECD), Tobacco, Alcohol, Gambling, Thermal Coal, Oil & Gas, Adult Entertainment and Weapons. These screening criteria apply in a binding manner and on an ongoing basis.

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

● **What is the policy to assess good governance practices of the investee companies?**

For this Fund, the investee company needs to follow good governance practices in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance. This can be demonstrated by the monitoring of certain PAI indicators, for example corruption, tax compliance and diversity. In addition, by using abrdrn's proprietary ESG scores within the investment process abrdrn screen out any investments with low governance scores. Our governance scores assess a company's corporate governance and management structure (including remuneration of staff policies) and the quality and behaviour of its leadership and management. A low score will typically be given where there are concerns in relation to financially materially controversies, poor tax compliance or governance concerns, or poor treatment of employees or minority shareholders.

The investment must further be aligned with OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human rights. Breaches and violations of these international norms are flagged by an event-driven controversy and are captured in the investment process.



**What is the asset allocation and the minimum share of sustainable investments?**

The Fund commits to a minimum of 75% in Sustainable Investments with an environmental objective.

The Fund invests a maximum of 25% of assets in the "Non Sustainable" category, which is mainly made up of cash, money market instruments and derivatives.

**Asset allocation** describes the share of investments in specific asset classes. investments in specific assets.

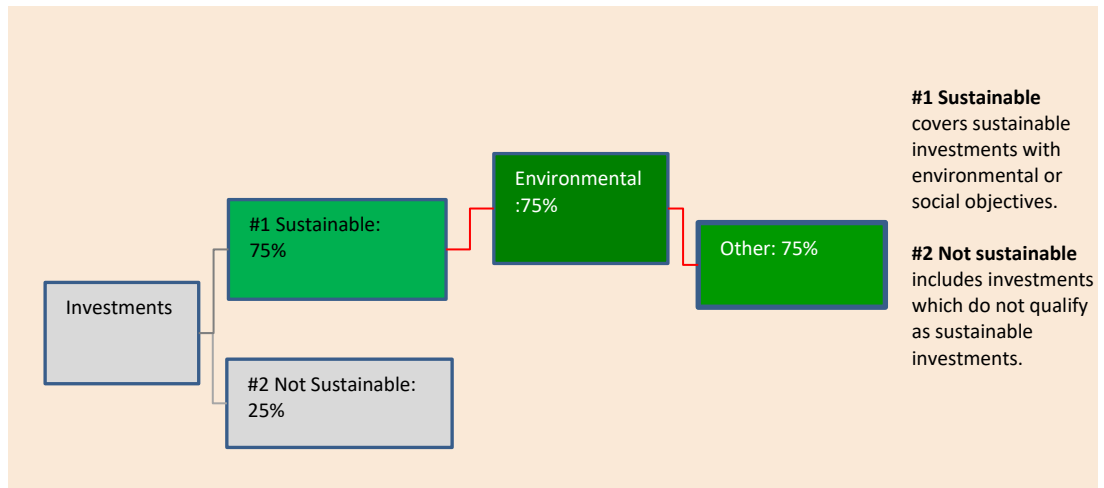
Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies

- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive



● **How does the use of derivatives attain the sustainable investment objective?**

The Fund will not use derivatives to attain any sustainable investment objective.



**To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

The Fund has not set a minimum proportion of investments in Taxonomy aligned economic activities. This graph represents 100% of the total investment.

***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>10</sup> ?***

- Yes
  - In fossil gas
  - In nuclear energy
- No

<sup>10</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm and EU Taxonomy objective – see explanation note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

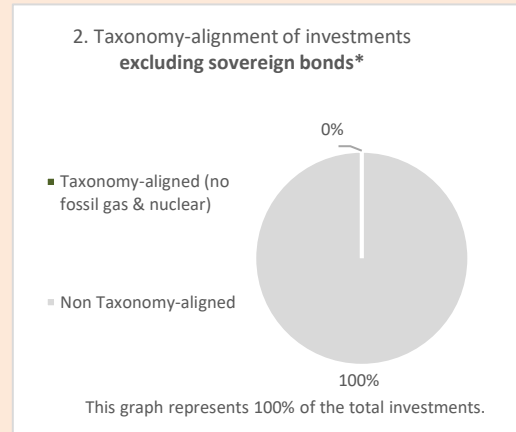
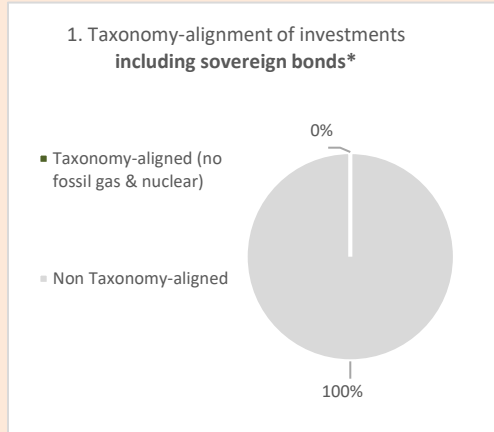
### Enabling activities

directly enable other activities to make a substantial contribution to an environmental objective.

### Transitional activities are

activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

## ● What is the minimum share of investments in transitional and enabling activities?

Not applicable.



## What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The Fund makes investments on the basis of income securities that support the transition to a low-carbon economy and society's adaptation to climate change. These securities include investment grade and sub-investment grade debt, as well as debt-related securities. We make these investments worldwide, including in emerging markets.

We aim to achieve the Fund's sustainable objective by investing in bonds issued by companies and countries that, in our view, are addressing the causes of climate change and adapting to its consequences.

These are companies that are lowering green-house-gas (GHG) emissions of their operations or helping others to reduce their emissions, and companies and countries that are helping society adapt to the physical risks of climate change. The outcome of this results in the Fund committing to a minimum 75% to sustainable investments which are inclusive of both environmental and social objectives that aren't explicitly taxonomy aligned. The minimum share of sustainable investments with an environmental objective is 75%.



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



**What is the minimum share of sustainable investments with a social objective?**

Not applicable



**What investments are included under “#2 Not sustainable”, what is their purpose and are there any minimum environmental or social safeguards?**

The Fund may invest in securities that are not deemed sustainable including cash, money market instruments and derivatives but only for the purpose of hedging and liquidity management.

There are certain environmental and social safeguards that are met by applying PAI’s. Where relevant, these are applied to the underlying securities. Many pre-investment PAI indicators are considered but below are the ongoing post-investment PAI indicators that continue to be considered:

- abrdn monitors all mandatory and additional PAI indicators via our ESG integration investment process and 3rd party data feeds. PAI indicators that either fail a specific binary test or are considered above typical are flagged for review and may be selected for company engagement.
  - Consideration of each investment’s carbon intensity and GHG emissions via our climate tools
  - Governance indicators via our proprietary governance scores and risk framework, including consideration of sound management structures, employee relations, remuneration of staff and tax compliance
- On an on-going basis the investment universe is scanned for companies that may be in breach of international norms described in the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights, as well as state owned entities in countries which violate norms



**Is a specific index designated as a reference benchmark to meet the sustainable investment objective? No**

***How does the reference benchmark take into account sustainability factors in a way that is continuously aligned with the sustainable investment objective?***

Not applicable

***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

Not applicable

**Reference benchmarks** are indexes to measure whether the financial product attains the sustainable investment objective.

- ***How does the designated index differ from a relevant broad market index?***  
Not applicable
- ***Where can the methodology used for the calculation of the designated index be found?***  
Not applicable



**Where can I find more product specific information online?**

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**More product-specific information can be found on the website:**

Fund specific documentation, including Sustainability Related Disclosures, are published at [www.abrdn.com](http://www.abrdn.com) under Fund Centre.

**Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852**

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Product Name:** abrdn SICAV I - Emerging Markets Corporate Bond Fund

**Legal entity identifier:** 549300D7984IRKAKI626

## Environmental and/or social characteristics

**Does this financial product have a sustainable investment objective?**

**Yes**

**No**

- It will make a minimum of **sustainable investments with an environmental objective: \_\_\_%**
  - in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

- It promotes **Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 15% of sustainable investments
  - with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
  - with a social objective

- It will make a minimum of **sustainable investments with a social objective: \_\_\_%**

- It promotes E/S characteristics, but **will not make any sustainable investments**





## **What environmental and/or social characteristics are promoted by this financial product?**

To promote the environmental and social characteristics, the Fund applies ESG assessment criteria, ESG screening criteria and promotes good governance including social factors.

We use our proprietary research framework to analyse the foundations of each business to ensure proper context for our investments. This includes the durability of its business model, the attractiveness of its industry, the strength of its financials and the sustainability of its economic moat.

The portfolio is underpinned by our well-established active management approach of security selection tailored to the overall environment, which combines fundamental and environmental, social and governance (ESG) considerations into our individual name, sector and top down portfolio construction decisions. An assessment of a company's sustainability is supported by proprietary company rating models and a deeply embedded ESG framework utilising on-desk Fixed Income and central ESG resources.

The Fund will:

- Exclude companies with poor ESG business practices. This is achieved through a set of exclusions, which identify controversial business activities and ESG laggards i.e. companies rated poorly based on their management of ESG risks within their business.
- Engage with companies to gather a forward-looking insight into management of ESG risks, opportunities and actively influence the management of these factors in line with best practice standards.
- Target a lower carbon intensity than the benchmark.

The Fund seeks to:

- Generate consistent risk-adjusted outperformance using our active management approach of stock selection tailored to the overall environment.
- Benefit from our active engagement with companies, where we encourage positive changes in corporate behaviour.
- Construct a portfolio that invests in companies with strong Environmental, Social and Governance practices.
- Leverage the support and insights of our large, dedicated Fixed Income team and embedded ESG specialists' resources.

We also apply an ESG Risk Rating of Low, Medium, High (Low is better) to each issuer. This is credit profile-specific and represents how impactful we believe ESG risks are likely to be to the credit quality of the issuer now and in the future. The key areas of focus are the materiality of the inherent Environmental and Social risks of the sector of operation (e.g. extraction, water usage, cyber security) and how specific companies manage these risks, combined with the quality and sustainability of their corporate governance. This materiality assessment is combined with a judgement on the timeframe over which these ESG risks may have an impact. Our analysts utilise an ESG Risk Rating Framework to support making these assessments. This is a proprietary tool designed to help focus the knowledge and expertise of credit

analysts in a systematic way to substantiate the overall ESG Risk Rating (Low/Medium/High) assigned to debt issuers.

Additionally, our proprietary ESG House Score, developed by our central ESG investment team in collaboration with the Quantitative investment team, is used to identify companies with potentially high or poorly managed ESG risks. The score is calculated by combining a variety of data inputs within a proprietary framework in which different ESG factors are weighted according to how material they are for each sector. This allows us to see how companies rank in a global context.

To complement this, we also utilise our active stewardship and engagement activities.

This Fund has a financial benchmark that is used for portfolio construction but does not incorporate any sustainable criteria and is not selected for the purpose of attaining these characteristics. This financial benchmark is used as a comparator for Fund performance and as a comparison for the Fund's binding commitments.

**Sustainability indicators** measure how the sustainable objectives of this financial product are attained.

● ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

The measures applied by the Fund are:

- ESG assessment criteria,
- ESG screening criteria,
- a carbon intensity targeting lower than benchmark,
- promoting good governance including social factors.

To complement this, we also utilise our active stewardship and engagement activities.

The Fund also excludes companies with the highest ESG risks, as identified by the ESG House Score. This is implemented by excluding the bottom 5% of issuers with an ESG House Score that are in the benchmark.

● ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

The objective of the sustainable investment is to make a contribution to solving an environmental or social challenge, in addition to not causing significant harm, and being well governed. Each sustainable investment may make a contribution to Environmental or Social issues. In fact, many companies will make a positive contribution to both. abrdn use the six environmental objectives of the Taxonomy to inform Environmental contributions, including: (1) climate change mitigation, (2) climate change adaptation, (3) sustainable use and protection of water and marine resources, (4) transition to a circular economy, (5) pollution prevention and control, and (6) protection and restoration of biodiversity and ecosystems. In addition, abrdn use the 17 Sustainable Development Goals and their sub-goals to supplement the EU Taxonomy topics and provide a framework for considering Social objectives

An economic activity must have a positive economic contribution to qualify as a Sustainable investment, this includes consideration of Environmental or Socially aligned revenues, Capex, Opex or sustainable operations. abrdn seek to establish or estimate the share of the investee company's economic activities/contribution towards a sustainable objective and it is this element that is weighted and counted towards the Sub-fund's total aggregated proportion of Sustainable Investments.

abrdn uses a combination of the following approaches:

- i. a quantitative methodology based on a combination of publicly available data sources; and
- ii. using abrdn's own insight and engagement outcomes abrdn overlay the quantitative methodology with a qualitative assessment to calculate an overall percentage of economic contribution towards a sustainable objective for each holding in a Fund.

● ***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

As required by the SFDR Delegated Regulation, the investment does not cause Significant Harm ("Do No Significant Harm"/ "DNSH") to any of the sustainable investment objectives.

abrdn have created a 3-step process to ensure consideration of DNSH:

i. Sector Exclusions

abrdn have identified a number of sectors which automatically do not qualify for inclusion as a Sustainable Investment as they are considered to be causing significant harm. These include but are not limited to: (1) Defence, (2) Coal, (3) Oil & Gas Exploration, Production and associated activities, (4) tobacco, (5) gambling and (6) alcohol.

ii. DNSH Binary Test

The DNSH test, is a binary pass/fail test which signals if the company passes or fails criteria for the SFDR Article 2 (17) "do no significant harm".

Pass indicates under abrdn's methodology the company has no ties to controversial weapons, less than 1% of revenue from thermal coal, less than 5% of revenue from tobacco related activities, is not a tobacco producer, and has no red/severe ESG Controversies. If the company fails this test, it cannot be considered a Sustainable Investment. Abrdn's approach is aligned with the SFDR PAIs included within tables 1, 2 & 3 of the SFDR Delegated Regulation and is based on external data sources and abrdn internal insights.

iii. DNSH Materiality Flag

Using a number of additional screens and flags, abrdn consider the additional SFDR PAI's indicators as defined by the SFDR Delegated Regulation to identify areas for improvement or potential future concern. These indicators are not considered to cause significant harm and therefore a company with active DNSH materiality flags

may still be considered to be a Sustainable Investment. abrdn aim to enhance the engagement activities to focus on these areas and seek to deliver better outcomes by resolving the issue.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

*Have the indicators for adverse impacts on sustainability factors been taken into account?*

The fund considers Principal Adverse Impact Indicators defined by the SFDR Delegated Regulation.

Pre investment, abrdn applies a number of norms and activity-based screens related to PAIs, including but not limited to: UN Global Compact, controversial weapons, and thermal coal extraction.

UNGC: The Fund uses norms-based screens and controversy filters to exclude companies that may be in breach of international norms described in the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights, as well as state owned entities in countries which violate norms.

Controversial Weapons: The Fund excludes companies with business activities related to controversial weapons (cluster munitions, anti-personnel landmines, nuclear weapons, chemical and biological weapons, white phosphorus, non-detectable fragments, incendiary devices, depleted uranium ammunition or blinding lasers).

Thermal Coal Extraction: The Fund excludes companies with exposure to the fossil fuels sector based on percentage of revenue from thermal coal extraction.

abrdn apply a fund specific set of company exclusions, more detail on these and the overall process is captured within the Investment Approach, which is published at [www.abrdn.com](http://www.abrdn.com) under "Fund Centre".

Post-investment the following PAI indicators are considered:

- abrdn monitors all mandatory and additional PAI indicators via our ESG integration investment process using a combination of our proprietary house score and 3rd party data feeds. PAI indicators that either fail a specific binary test or are considered above typical are flagged for review and may be selected for company engagement.
- Consideration of portfolio carbon intensity and GHG emissions via our Climate tools and risk analysis
- Governance indicators via our proprietary governance scores and risk framework, including consideration of sound management structures, employee relations, remuneration of staff and tax compliance
- On an on-going basis the investment universe is scanned for companies that may be in breach of international norms described in the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights, as well as state owned entities in countries which violate norms.

*How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

The Fund uses norms-based screens and controversy filters to exclude companies that may be in breach of international norms described in the OECD

guidelines for multinational enterprises and the UN guiding principles on business and human rights.

*The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

*The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities.*

*The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.*

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



### **Does this financial product consider principal adverse impacts on sustainability factors?**

- Yes, this Fund considers Principal Adverse Impacts (PAI) on sustainability factors.

Principal Adverse Impact Indicators are metrics that measure the negative effects on environmental and social matters. abrdn consider PAIs within the investment process for the Fund, this may include considering whether to make an investment, or they may be used as an engagement tool for example where there is no policy in place and this would be beneficial, or where carbon emissions are considered to be high, abrdn may engage to seek the creation of a long-term target and reduction plan. abrdn assess PAIs by using, amongst others, the PAI indicators referred to in the SFDR Delegated Regulation; however, dependent on data availability, quality and relevance to the investments not all SFDR PAI indicators may be considered. Where Funds consider PAIs, information on that consideration will be made available in annual reports.

- No



### **What investment strategy does this financial product follow?**

The Fund seeks to deliver long-term performance by investing in bonds issued by companies, governments or other bodies in Emerging Market countries.

The portfolio is underpinned by abrdn’s well-established active management approach of security selection tailored to the overall environment, which combines fundamental and environmental, social and governance (ESG) considerations into the individual name, sector and top-down portfolio construction decisions. An assessment of a company’s sustainability is supported by proprietary company rating models and a deeply embedded ESG framework utilising on-desk Fixed Income and central ESG resources.

The Fund will:

- Exclude companies with poor ESG business practices. This is achieved through a set of exclusions, which identify controversial business activities and ESG laggards i.e. companies rated poorly based on their management of ESG risks within their business.
- Engage with companies to gather a forward-looking insight into management of ESG risks, opportunities and actively influence the management of these factors in line with best practice standards.

The Fund seeks to:

- Generate consistent risk-adjusted outperformance using our active management approach of stock selection tailored to the overall environment.
- Benefit from our active engagement with companies, where we encourage positive changes in corporate behaviour.
- Construct a portfolio that invests in companies with strong Environmental, Social and Governance practices.
- Leverage the support and insights of our large, dedicated Fixed Income team and embedded ESG specialists' resources.

We also apply an ESG Risk Rating of Low, Medium, High (Low is better) to each issuer. This is credit profile-specific and represents how impactful we believe ESG risks are likely to be to the credit quality of the issuer now and in the future. The key areas of focus are the materiality of the inherent Environmental and Social risks of the sector of operation (e.g. extraction, water usage, cyber security) and how specific companies manage these risks, combined with the quality and sustainability of its corporate governance. This materiality assessment is combined with a judgement on the timeframe over which these ESG risks may have an impact. Our analysts utilise an ESG Risk Rating Framework to support making these assessments. This is a proprietary tool designed to help focus the knowledge and expertise of credit analysts in a systematic way to substantiate the overall ESG Risk Rating (Low/Medium/High) assigned to debt issuers.

Our proprietary ESG House Score, developed by our central ESG investment team in collaboration with the Quantitative investment team, is used to identify companies with potentially high or poorly managed ESG risks. The score is calculated by combining a variety of data inputs within a proprietary framework in which different ESG factors are weighted according to how material they are for each sector. This allows us to see how companies rank in a global context.

The abrdn ESG House Score was designed so that it can be broken down into specific themes and categories. The ESG score comprises of two scores; the Operational score and Governance score. This allows a quick view of a company's relative positioning on its management of ESG issues at a granular level.

- The Governance score assesses the corporate governance structure and the quality and behaviour of corporate leadership and executive management.
- The Operational score assesses the ability of the company's leadership team to implement effective environmental and social risk reduction and mitigation strategies in its operations.

To complement this, we also utilise our active stewardship and engagement activities.

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Additionally, abrdn apply a set of company exclusions, which are related to the UN Global Compact, Controversial Weapons, Tobacco Manufacturing and Thermal Coal.

**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

- ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

The binding elements used by the Fund are:

- a carbon intensity target lower than the benchmark

Binary exclusions are applied to exclude particular areas of investment related to UN Global Compact, Controversial Weapons, Tobacco Manufacturing and Thermal Coal. These screening criteria apply in a binding manner and on an ongoing basis.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

The Fund excludes companies with the highest ESG risks, as identified by the ESG House Score.

This is implemented by excluding the bottom 5% of issuers with an ESG House Score that are in the benchmark.

- ***What is the policy to assess good governance practices of the investee companies?***

For this Fund, the investee company needs to follow good governance practices in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance. This can be demonstrated by the monitoring of certain PAI indicators, for example corruption, tax compliance and diversity. In addition, by using abrdn's proprietary ESG scores within the investment process abrdn screen out any investments with low governance scores. Our governance scores assess a company's corporate governance and management structure (including remuneration of staff policies) and the quality and behaviour of its leadership and management. A low score will typically be given where there are concerns in relation to financially materially controversies, poor tax compliance or governance concerns, or poor treatment of employees or minority shareholders.

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.



The investment must further be aligned with OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human rights. Breaches and violations of these international norms are flagged by an event-driven controversy and are captured in the investment process.



**Asset allocation** describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies

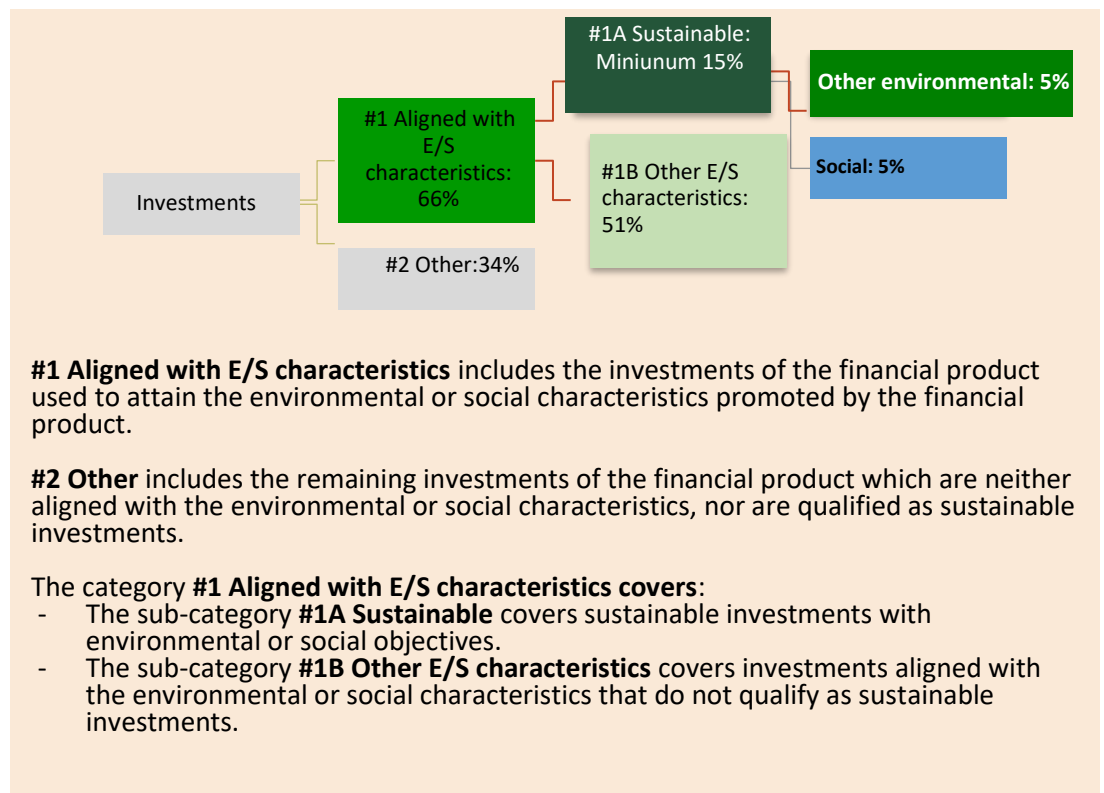
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

### What is the asset allocation planned for this financial product?

A minimum of 66% of the Fund’s assets are aligned with E/S characteristics. Environmental and social safeguards are met by applying certain PAI’s, where relevant, to these underlying assets. Within these assets, the Fund commits to a minimum of 15% in Sustainable Investments.

The Fund invests a maximum of 34% of assets in the “Other” category, which include cash, money market instruments and derivatives.



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

● **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

The Fund will not use derivatives to attain any environmental or social characteristics.



To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.



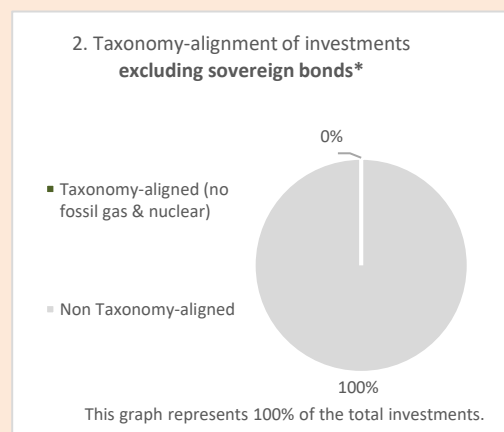
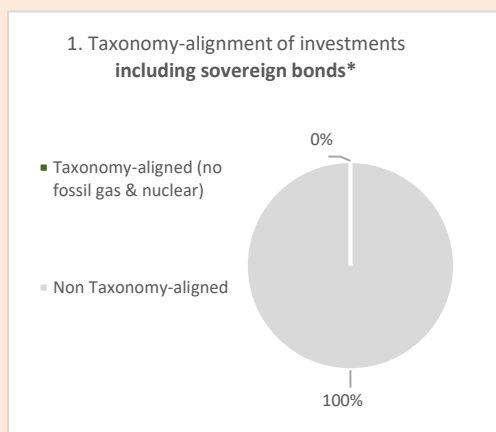
## To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The Fund has not set a minimum proportion of investments in Taxonomy aligned economic activities. This graph represents 100% of the total investment.

### Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>11</sup> ?

- Yes
- In fossil gas
  - In nuclear energy
- No

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

<sup>11</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm and EU Taxonomy objective – see explanation note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

● **What is the minimum share of investments in transitional and enabling activities?**

Not applicable



**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The Fund is underpinned by our well-established active management approach of security selection tailored to the overall environment, which combines fundamental and ESG considerations into our individual name, sector and top down portfolio construction decisions. An assessment of a company's sustainability is supported by proprietary company rating models and a deeply embedded ESG framework utilising on-desk Fixed Income and central ESG resources.

To complement this research, the portfolio managers also use our proprietary ESG House Score, which is primarily a quantitative assessment, to identify and exclude companies with potentially high or poorly managed ESG risks. Finally, binary exclusions are applied to exclude the particular areas of investment.

This process results in the Fund committing to a minimum of 66% in securities with environment and social characteristics and a minimum of 15% to sustainable investments which are inclusive of both environmental and social objectives that aren't explicitly taxonomy aligned. The minimum share of sustainable investments with an environmental objective is 5%.




**What is the minimum share of socially sustainable investments?**

The Fund is underpinned by our well-established active management approach of security selection tailored to the overall environment, which combines fundamental and ESG considerations into our individual name, sector and top down portfolio construction decisions. An assessment of a company's sustainability is supported by proprietary company rating models and a deeply embedded ESG framework utilising on-desk Fixed Income and central ESG resources.

To complement this research, the portfolio managers also use our proprietary ESG House Score, which is primarily a quantitative assessment, to identify and exclude companies with potentially high or poorly managed ESG risks. Finally, binary exclusions are applied to exclude the particular areas of investment.

This process results in the Fund committing to a minimum of 66% in securities with environment and social characteristics and a minimum of 15% to sustainable investments which are inclusive of both environmental and social objectives that aren't explicitly taxonomy aligned. The minimum share of sustainable investments with a social objective is 5%.

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



### **What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?**

The investments included under "other" are cash, money market instruments & derivatives. The purpose of these assets are to meet liquidity, target return or manage risk and may not contribute to the environmental or social aspects of the Fund.

There are certain environmental and social safeguards that are met by applying PAI's. Where relevant, these are applied to the underlying securities.



### **Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?**

No

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***  
Not applicable
- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***  
Not applicable
- ***How does the designated index differ from a relevant broad market index?***  
Not applicable
- ***Where can the methodology used for the calculation of the designated index be found***  
Not applicable

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.



### **Where can I find more product specific information online?**

Fund specific documentation, including Sustainability Related Disclosures, are published at [www.abrdn.com](http://www.abrdn.com) under Fund Centre.

### **More product-specific information can be found on the website:**

Fund specific documentation, including Sustainability Related Disclosures, are published at [www.abrdn.com](http://www.abrdn.com) under Fund Centre.

**Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852**

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Product Name:** abrdn SICAV I - Emerging Markets Corporate Bond Fund

**Legal entity identifier:** 549300D7984IRKAKI626

## Environmental and/or social characteristics

### Does this financial product have a sustainable investment objective?

**Yes**

**No**

- It will make a minimum of **sustainable investments with an environmental objective: \_\_\_%**
  - in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

- It promotes **Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 15% of sustainable investments
  - with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
  - with a social objective

- It will make a minimum of **sustainable investments with a social objective: \_\_\_%**

- It promotes E/S characteristics, but **will not make any sustainable investments**



## What environmental and/or social characteristics are promoted by this financial product?

**Sustainability indicators** measure how the sustainable objectives of this financial product are attained.

To promote the environmental and social characteristics, the Fund applies ESG assessment criteria, ESG screening criteria and promotes good governance including social factors.

We use our proprietary research framework to analyse the foundations of each business to ensure proper context for our investments. This includes the durability of its business model, the attractiveness of its industry, the strength of its financials and the sustainability of its economic moat.

The portfolio is underpinned by our well-established active management approach of security selection tailored to the overall environment, which combines fundamental and environmental, social and governance (ESG) considerations into our individual name, sector and top down portfolio construction decisions. An assessment of a company's sustainability is supported by proprietary company rating models and a deeply embedded ESG framework utilising on-desk Fixed Income and central ESG resources.

The Fund will:

- Exclude companies with poor ESG business practices. This is achieved through a set of exclusions, which identify controversial business activities and ESG laggards i.e. companies rated poorly based on their management of ESG risks within their business.
- Engage with companies to gather a forward-looking insight into management of ESG risks, opportunities and actively influence the management of these factors in line with best practice standards.
- Target a lower carbon intensity than the benchmark.

The Fund seeks to:

- Generate consistent risk-adjusted outperformance using our active management approach of stock selection tailored to the overall environment.
- Benefit from our active engagement with companies, where we encourage positive changes in corporate behaviour.
- Construct a portfolio that invests in companies with strong Environmental, Social and Governance practices.
- Leverage the support and insights of our large, dedicated Fixed Income team and embedded ESG specialists' resources.

We also apply an ESG Risk Rating of Low, Medium, High (Low is better) to each issuer. This is credit profile-specific and represents how impactful we believe ESG risks are likely to be to the credit quality of the issuer now and in the future. The key areas of focus are the materiality of the inherent Environmental and Social risks of the sector of operation (e.g. extraction, water usage, cyber security) and how specific companies manage these risks, combined with the quality and sustainability of their corporate governance. This materiality assessment is combined with a judgement on the timeframe over which these ESG risks may have an impact. Our analysts utilise an ESG Risk Rating Framework to support

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

making these assessments. This is a proprietary tool designed to help focus the knowledge and expertise of credit analysts in a systematic way to substantiate the overall ESG Risk Rating (Low/Medium/High) assigned to debt issuers.

Additionally, our proprietary ESG House Score, developed by our central ESG investment team in collaboration with the Quantitative investment team, is used to identify companies with potentially high or poorly managed ESG risks. The score is calculated by combining a variety of data inputs within a proprietary framework in which different ESG factors are weighted according to how material they are for each sector. This allows us to see how companies rank in a global context.

To complement this, we also utilise our active stewardship and engagement activities.

This Fund has a financial benchmark that is used for portfolio construction but does not incorporate any sustainable criteria and is not selected for the purpose of attaining these characteristics. This financial benchmark is used as a comparator for Fund performance and as a comparison for the Fund's binding commitments.

● ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

The measures applied by the Fund are:

- ESG assessment criteria,
- ESG screening criteria,
- a carbon intensity targeting lower than benchmark,
- promoting good governance including social factors.

To complement this, we also utilise our active stewardship and engagement activities.

The Fund also excludes companies with the highest ESG risks, as identified by the ESG House Score. This is implemented by excluding the bottom 5% of issuers with an ESG House Score that are in the benchmark.

● ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

The objective of the sustainable investment is to make a contribution to solving an environmental or social challenge, in addition to not causing significant harm, and being well governed. Each sustainable investment may make a contribution to Environmental or Social issues. In fact, many companies will make a positive contribution to both. abrdn use the six environmental objectives of the Taxonomy to inform Environmental contributions, including: (1) climate change mitigation, (2) climate change adaptation, (3) sustainable use and protection of water and marine resources, (4) transition to a circular economy, (5) pollution prevention and control, and (6) protection and restoration of biodiversity and ecosystems. In addition, abrdn

use the 17 Sustainable Development Goals and their sub-goals to supplement the EU Taxonomy topics and provide a framework for considering Social objectives

An economic activity must have a positive economic contribution to qualify as a Sustainable investment, this includes consideration of Environmental or Socially aligned revenues, Capex, Opex or sustainable operations. abrdn seek to establish or estimate the share of the investee company's economic activities/contribution towards a sustainable objective and it is this element that is weighted and counted towards the Sub-fund's total aggregated proportion of Sustainable Investments.

abrdn uses a combination of the following approaches:

- i. a quantitative methodology based on a combination of publicly available data sources; and
- ii. using abrdn's own insight and engagement outcomes abrdn overlay the quantitative methodology with a qualitative assessment to calculate an overall percentage of economic contribution towards a sustainable objective for each holding in a Fund.

***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

As required by the SFDR Delegated Regulation, the investment does not cause Significant Harm ("Do No Significant Harm"/ "DNSH") to any of the sustainable investment objectives.

abrdn have created a 3-step process to ensure consideration of DNSH:

**i. Sector Exclusions**

abrdn have identified a number of sectors which automatically do not qualify for inclusion as a Sustainable Investment as they are considered to be causing significant harm. These include but are not limited to: (1) Defence, (2) Coal, (3) Oil & Gas Exploration, Production and associated activities, (4) tobacco, (5) gambling and (6) alcohol.

**ii. DNSH Binary Test**

The DNSH test, is a binary pass/fail test which signals if the company passes or fails criteria for the SFDR Article 2 (17) "do no significant harm".

Pass indicates under abrdn's methodology the company has no ties to controversial weapons, less than 1% of revenue from thermal coal, less than 5% of revenue from tobacco related activities, is not a tobacco producer, and has no red/severe ESG Controversies. If the company fails this test, it cannot be considered a Sustainable Investment. Abrdn's approach is aligned with the SFDR PAIs included within tables 1, 2 & 3 of the SFDR Delegated Regulation and is based on external data sources and abrdn internal insights.

**iii. DNSH Materiality Flag**

Using a number of additional screens and flags, abrdn consider the additional SFDR PAI's indicators as defined by the SFDR Delegated Regulation to identify areas for



improvement or potential future concern. These indicators are not considered to cause significant harm and therefore a company with active DNSH materiality flags may still be considered to be a Sustainable Investment. abrdn aim to enhance the engagement activities to focus on these areas and seek to deliver better outcomes by resolving the issue.

*Have the indicators for adverse impacts on sustainability factors been taken into account?*

The fund considers Principal Adverse Impact Indicators defined by the SFDR Delegated Regulation.

Pre investment, abrdn applies a number of norms and activity-based screens related to PAIs, including but not limited to: UN Global Compact, controversial weapons, and thermal coal extraction.

UNGC: The Fund uses norms-based screens and controversy filters to exclude companies that may be in breach of international norms described in the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights, as well as state owned entities in countries which violate norms.

Controversial Weapons: The Fund excludes companies with business activities related to controversial weapons (cluster munitions, anti-personnel landmines, nuclear weapons, chemical and biological weapons, white phosphorus, non-detectable fragments, incendiary devices, depleted uranium ammunition or blinding lasers).

Thermal Coal Extraction: The Fund excludes companies with exposure to the fossil fuels sector based on percentage of revenue from thermal coal extraction.

abrdn apply a fund specific set of company exclusions, more detail on these and the overall process is captured within the Investment Approach, which is published at [www.abrdn.com](http://www.abrdn.com) under "Fund Centre".

Post-investment the following PAI indicators are considered:

- abrdn monitors all mandatory and additional PAI indicators via our ESG integration investment process using a combination of our proprietary house score and 3rd party data feeds. PAI indicators that either fail a specific binary test or are considered above typical are flagged for review and may be selected for company engagement.
- Consideration of portfolio carbon intensity and GHG emissions via our Climate tools and risk analysis
- Governance indicators via our proprietary governance scores and risk framework, including consideration of sound management structures, employee relations, remuneration of staff and tax compliance
- On an on-going basis the investment universe is scanned for companies that may be in breach of international norms described in the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights, as well as state owned entities in countries which violate norms.



*How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

The Fund uses norms-based screens and controversy filters to exclude companies that may be in breach of international norms described in the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights.

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*The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.*

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### **Does this financial product consider principal adverse impacts on sustainability factors?**

- Yes, this Fund considers Principal Adverse Impacts (PAI) on sustainability factors.

Principal Adverse Impact Indicators are metrics that measure the negative effects on environmental and social matters. abrdn consider PAIs within the investment process for the Fund, this may include considering whether to make an investment, or they may be used as an engagement tool for example where there is no policy in place and this would be beneficial, or where carbon emissions are considered to be high, abrdn may engage to seek the creation of a long-term target and reduction plan. abrdn assess PAIs by using, amongst others, the PAI indicators referred to in the SFDR Delegated Regulation; however, dependent on data availability, quality and relevance to the investments not all SFDR PAI indicators may be considered. Where Funds consider PAIs, information on that consideration will be made available in annual reports.

- No



### **What investment strategy does this financial product follow?**

The Fund seeks to deliver long-term performance by investing in bonds issued by companies, governments or other bodies in Emerging Market countries.

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construction decisions. An assessment of a company's sustainability is supported by proprietary company rating models and a deeply embedded ESG framework utilising on-desk Fixed Income and central ESG resources.

The Fund will:

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We also apply an ESG Risk Rating of Low, Medium, High (Low is better) to each issuer. This is credit profile-specific and represents how impactful we believe ESG risks are likely to be to the credit quality of the issuer now and in the future. The key areas of focus are the materiality of the inherent Environmental and Social risks of the sector of operation (e.g. extraction, water usage, cyber security) and how specific companies manage these risks, combined with the quality and sustainability of its corporate governance. This materiality assessment is combined with a judgement on the timeframe over which these ESG risks may have an impact. Our analysts utilise an ESG Risk Rating Framework to support making these assessments. This is a proprietary tool designed to help focus the knowledge and expertise of credit analysts in a systematic way to substantiate the overall ESG Risk Rating (Low/Medium/High) assigned to debt issuers.

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**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

- ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

The binding elements used by the Fund are:

- a carbon intensity target lower than the benchmark

Binary exclusions are applied to exclude particular areas of investment related to UN Global Compact, Controversial Weapons, Tobacco Manufacturing and Thermal Coal. These screening criteria apply in a binding manner and on an ongoing basis.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

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For this Fund, the investee company needs to follow good governance practices in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance. This can be demonstrated by the monitoring of certain PAI indicators, for example corruption, tax compliance and diversity. In addition, by using abrdn's proprietary ESG scores within the

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

investment process abrdn screen out any investments with low governance scores. Our governance scores assess a company’s corporate governance and management structure (including remuneration of staff policies) and the quality and behaviour of its leadership and management. A low score will typically be given where there are concerns in relation to financially materially controversies, poor tax compliance or governance concerns, or poor treatment of employees or minority shareholders.

The investment must further be aligned with OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human rights. Breaches and violations of these international norms are flagged by an event-driven controversy and are captured in the investment process.



**Asset allocation** describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:  
 - **turnover** reflecting the share of revenue from green activities of investee companies

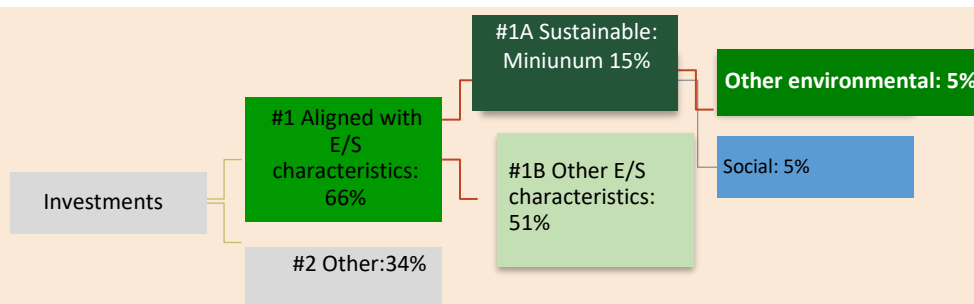
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

### What is the asset allocation planned for this financial product?

A minimum of 66% of the Fund’s assets are aligned with E/S characteristics. Environmental and social safeguards are met by applying certain PAI’s, where relevant, to these underlying assets. Within these assets, the Fund commits to a minimum of 15% in Sustainable Investments.

The Fund invests a maximum of 34% of assets in the “Other” category, which include cash, money market instruments and derivatives.



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

### ● **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

The Fund will not use derivatives to attain any environmental or social characteristics.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.



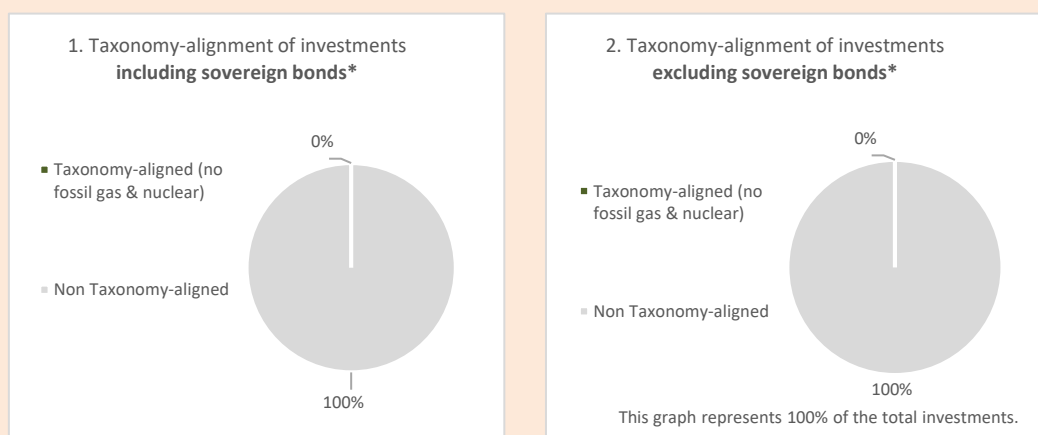
## To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The Fund has not set a minimum proportion of investments in Taxonomy aligned economic activities. This graph represents 100% of the total investment.

### Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>12</sup> ?

- Yes
- In fossil gas
  - In nuclear energy
- No

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

### What is the minimum share of investments in transitional and enabling activities?

Not applicable

<sup>12</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm and EU Taxonomy objective – see explanation note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



### **What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The Fund is underpinned by our well-established active management approach of security selection tailored to the overall environment, which combines fundamental and ESG considerations into our individual name, sector and top down portfolio construction decisions. An assessment of a company's sustainability is supported by proprietary company rating models and a deeply embedded ESG framework utilising on-desk Fixed Income and central ESG resources.

To complement this research, the portfolio managers also use our proprietary ESG House Score, which is primarily a quantitative assessment, to identify and exclude companies with potentially high or poorly managed ESG risks. Finally, binary exclusions are applied to exclude the particular areas of investment.

This process results in the Fund committing to a minimum of 66% in securities with environment and social characteristics and a minimum of 15% to sustainable investments which are inclusive of both environmental and social objectives that aren't explicitly taxonomy aligned. The minimum share of sustainable investments with an environmental objective is 5%.



### **What is the minimum share of socially sustainable investments?**

The Fund is underpinned by our well-established active management approach of security selection tailored to the overall environment, which combines fundamental and ESG considerations into our individual name, sector and top down portfolio construction decisions. An assessment of a company's sustainability is supported by proprietary company rating models and a deeply embedded ESG framework utilising on-desk Fixed Income and central ESG resources.

To complement this research, the portfolio managers also use our proprietary ESG House Score, which is primarily a quantitative assessment, to identify and exclude companies with potentially high or poorly managed ESG risks. Finally, binary exclusions are applied to exclude the particular areas of investment.

This process results in the Fund committing to a minimum of 66% in securities with environment and social characteristics and a minimum of 15% to sustainable investments which are inclusive of both environmental and social objectives that aren't explicitly taxonomy aligned. The minimum share of sustainable investments with a social objective is 5%.



### **What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?**

The investments included under "other" are cash, money market instruments & derivatives. The purpose of these assets are to meet liquidity, target return or manage risk and may not contribute to the environmental or social aspects of the Fund.

There are certain environmental and social safeguards that are met by applying PAI's. Where relevant, these are applied to the underlying securities.



### **Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes? No**

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***  
Not applicable
- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***  
Not applicable
- ***How does the designated index differ from a relevant broad market index?***  
Not applicable
- ***Where can the methodology used for the calculation of the designated index be found***  
Not applicable



### **Where can I find more product specific information online?**

Fund specific documentation, including Sustainability Related Disclosures, are published at [www.abrdn.com](http://www.abrdn.com) under Fund Centre.

### **More product-specific information can be found on the website:**

Fund specific documentation, including Sustainability Related Disclosures, are published at [www.abrdn.com](http://www.abrdn.com) under Fund Centre.



**Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph of Regulation (EU) 2020/852**

**Product Name:** abrdn SICAV I - Emerging Markets Infrastructure Equity Fund

**Legal entity identifier:** 54930038NNG0LLTP6D37

## Environmental and/or social characteristics

**Does this financial product have a sustainable investment objective?**

**Yes**

**No**

- It will make a minimum of **sustainable investments with an environmental objective: \_\_\_%**
  - in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

- It promotes **Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of \_\_\_% of sustainable investments
  - with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
  - with a social objective

- It will make a minimum of **sustainable investments with a social objective: \_\_\_%**

- It promotes E/S characteristics, but **will not make any sustainable investments**

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.





how the environmental or social characteristics promoted by the financial product are attained.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

## What environmental and/or social characteristics are promoted by this financial product?

To promote the environmental and social characteristics, the Fund applies ESG assessment criteria, ESG screening criteria and promotes good governance including social factors.

We use our proprietary research framework to analyse the foundations of each business to ensure proper context for our investments. This includes the durability of its business model, the attractiveness of its industry, the strength of its financials and the sustainability of its economic moat.

We also consider the quality of its management team and analyse the environmental, social and governance (ESG) opportunities and risks impacting the business and appraise how well these are managed. We assign a proprietary score to articulate the quality attributes of each company, one of which is the ESG Quality rating. This enables the portfolio managers to exclude companies with material ESG risks and positively skew the portfolio towards ESG opportunities and to build well-diversified, risk-adjusted portfolios.

Additionally, our proprietary ESG House Score, developed by our central ESG investment team in collaboration with the Quantitative investment team, is used to identify companies with potentially high or poorly managed ESG risks. The score is calculated by combining a variety of data inputs within a proprietary framework in which different ESG factors are weighted according to how material they are for each sector. This allows us to see how companies rank in a global context.

To complement this, we also utilise our active stewardship and engagement activities.

This Fund has a financial benchmark that is used for portfolio construction but does not incorporate any sustainable criteria and is not selected for the purpose of attaining these characteristics. This financial benchmark is used as a comparator for Fund performance and as a comparison for the Fund's binding commitments.

### ● **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

The measures applied by the Fund are:

- ESG assessment criteria,
- ESG screening criteria,
- a carbon intensity targeting lower than benchmark,
- targets an ESG rating better than or equal to benchmark and
- promotes good governance including social factors.

To complement this, we also utilise our active stewardship and engagement activities.

The Fund also looks to exclude at least the bottom 5% of companies with the lowest ESG House Score in the benchmark.

### ● **What are the objectives of the sustainable investments that the financial**

***product partially intends to make and how does the sustainable investment contribute to such objectives?***

The Fund has not set a minimum proportion of sustainable investments.

***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

The Fund has not set a minimum proportion of sustainable investments.

***Have the indicators for adverse impacts on sustainability factors been taken into account?***

The Fund has not set a minimum proportion of sustainable investments.

***How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:***

The Fund has not set a minimum proportion of sustainable investments.

*The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

*The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities.*

*The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.*

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



**Does this financial product consider principal adverse impacts on sustainability factors?**

- Yes, this Fund considers Principal Adverse Impacts (PAI) on sustainability factors.

Principal Adverse Impact Indicators are metrics that measure the negative effects on environmental and social matters. abrdn consider PAIs within the investment process for the Fund, this may include considering whether to make an investment, or they may be used as an engagement tool for example where there is no policy in place and this would be beneficial, or where carbon emissions are considered to be high, abrdn may engage to seek the creation of a long-term target and reduction plan. abrdn assess PAIs by using, amongst others, the PAI indicators referred to in the SFDR Delegated Regulation; however, dependent on data availability, quality and relevance to the investments not all SFDR PAI indicators may be considered. Where Funds consider PAIs, information on that consideration will be made available in annual reports.

No



### **What investment strategy does this financial product follow?**

To promote the environmental and social characteristics, the Fund applies ESG assessment criteria, ESG screening criteria and promotes good governance including social factors.

We use our proprietary research framework to analyse the foundations of each business to ensure proper context for our investments. This includes the durability of its business model, the attractiveness of its industry, the strength of its financials and the sustainability of its economic moat.

We also consider the quality of its management team and analyse the environmental, social and governance (ESG) opportunities and risks impacting the business and appraise how well these are managed. We assign a proprietary score to articulate the quality attributes of each company, one of which is the ESG Quality rating. This enables the portfolio managers to exclude companies with material ESG risks and positively skew the portfolio towards ESG opportunities and to build well-diversified, risk-adjusted portfolios.

Additionally, our proprietary ESG House Score, developed by our central ESG investment team in collaboration with the Quantitative investment team, is used to identify companies with potentially high or poorly managed ESG risks. The score is calculated by combining a variety of data inputs within a proprietary framework in which different ESG factors are weighted according to how material they are for each sector. This allows us to see how companies rank in a global context.

To complement this, we also utilise our active stewardship and engagement activities.

This Fund has a financial benchmark that is used for portfolio construction but does not incorporate any sustainable criteria and is not selected for the purpose of attaining these characteristics. This financial benchmark is used as a comparator for Fund performance and as a comparison for the Fund's binding commitments.

### **What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?**

The measures applied by the Fund are:

- ESG assessment criteria,
- ESG screening criteria,
- a carbon intensity targeting lower than benchmark,
- targets an ESG rating better than or equal to benchmark and
- promotes good governance including social factors.

To complement this, we also utilise our active stewardship and engagement activities.

**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

The Fund also looks to exclude at least the bottom 5% of companies with the lowest ESG House Score in the benchmark.

- **What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?**

The Fund excludes at least the bottom 5% of companies with the lowest ESG House Score in the benchmark.

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

- **What is the policy to assess good governance practices of the investee companies?**

For this Fund, the investee company needs to follow good governance practices in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance. This can be demonstrated by the monitoring of certain PAI indicators, for example corruption, tax compliance and diversity. In addition, by using abrdn's proprietary ESG scores within the investment process abrdn screen out any investments with low governance scores. Our governance scores assess a company's corporate governance and management structure (including remuneration of staff policies) and the quality and behaviour of its leadership and management. A low score will typically be given where there are concerns in relation to financially material controversies, poor tax compliance or governance concerns, or poor treatment of employees or minority shareholders.

The investment must further be aligned with OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human rights. Breaches and violations of these international norms are flagged by an event-driven controversy and are captured in the investment process.



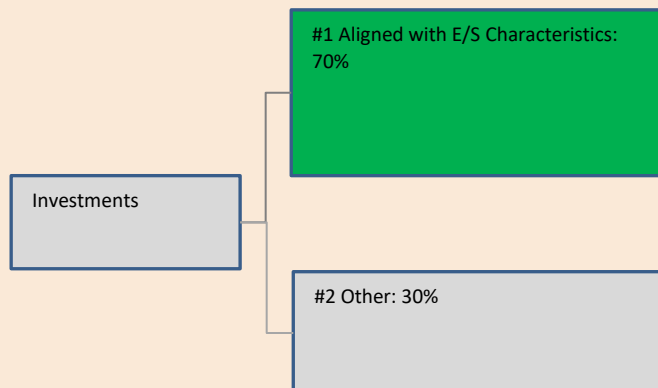
### What is the asset allocation planned for this financial product?

A minimum of 70% of the Fund's assets are aligned with E/S characteristics. Environmental and social safeguards are met by applying certain PAI's, where relevant, to these underlying assets. The Fund invests a maximum of 30% of assets in the "Other" category, which include cash, money market instruments and derivatives.

**Asset allocation** describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

● **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

The Fund will not use derivatives to attain any environmental or social characteristics



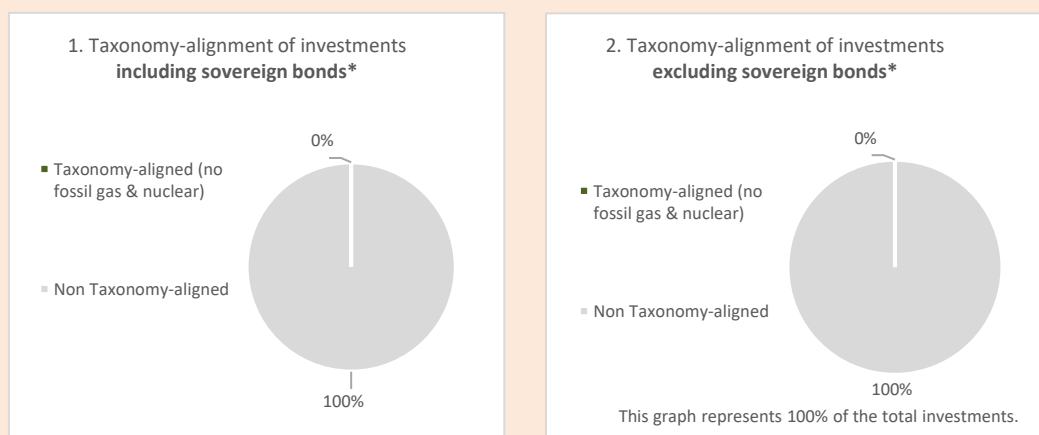
**To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

The Fund has not set a minimum proportion of investments in Taxonomy aligned economic activities. This graph represents 100% of the total investment.

**Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>13</sup> ?**

- Yes
- In fossil gas
  - In nuclear energy
- No

*The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*



*\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best

<sup>13</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm and EU Taxonomy objective – see explanation note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

- **What is the minimum share of investments in transitional and enabling activities?**

Not applicable.



**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

Not applicable



**What is the minimum share of socially sustainable investments?**

Not applicable



**What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?**

The investments included under "other" are cash, money market instruments & derivatives. The purpose of these assets are to meet liquidity, target return or manage risk and may not contribute to the environmental or social aspects of the Fund.

There are certain environmental and social safeguards that are met by applying PAI's. Where relevant, these are applied to the underlying securities.



**Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes? No**

- **How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?**

Not applicable

- **How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?**

Not applicable

- **How does the designated index differ from a relevant broad market index?**

Not applicable

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- ***Where can the methodology used for the calculation of the designated index be found***  
Not applicable



### **Where can I find more product specific information online?**

Fund specific documentation, including Sustainability Related Disclosures, are published at [www.abrdn.com](http://www.abrdn.com) under Fund Centre.

#### **More product-specific information can be found on the website:**

Fund specific documentation, including Sustainability Related Disclosures, are published at [www.abrdn.com](http://www.abrdn.com) under Fund Centre.



**Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph of Regulation (EU) 2020/852**

**Product Name:** abrdn SICAV I - Emerging Markets Smaller Companies Fund

**Legal entity identifier:** 5493003RH9AJFHA5QI62

## Environmental and/or social characteristics

### Does this financial product have a sustainable investment objective?

Yes

No

- It will make a minimum of **sustainable investments with an environmental objective: \_\_\_%**
  - in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

- It promotes **Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of \_\_\_% of sustainable investments
  - with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
  - with a social objective

- It will make a minimum of **sustainable investments with a social objective: \_\_\_%**

- It promotes E/S characteristics, but **will not make any sustainable investments**

#### Sustainable investment

means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.





#### Sustainability

**indicators** measure how the sustainable objectives of this financial product are attained.

### **What environmental and/or social characteristics are promoted by this financial product?**

To promote the environmental and social characteristics, the Fund applies ESG assessment criteria, ESG screening criteria and promotes good governance including social factors.

We use our proprietary research framework to analyse the foundations of each business to ensure proper context for our investments. This includes the durability of its business model, the attractiveness of its industry, the strength of its financials and the sustainability of its economic moat.

We also consider the quality of its management team and analyse the environmental, social and governance (ESG) opportunities and risks impacting the business and appraise how well these are managed. We assign a proprietary score to articulate the quality attributes of each company, one of which is the ESG Quality rating. This enables the portfolio managers to exclude companies with material ESG risks and positively skew the portfolio towards ESG opportunities and to build well-diversified, risk-adjusted portfolios.

Additionally, our proprietary ESG House Score, developed by our central ESG investment team in collaboration with the Quantitative investment team, is used to identify companies with potentially high or poorly managed ESG risks. The score is calculated by combining a variety of data inputs within a proprietary framework in which different ESG factors are weighted according to how material they are for each sector. This allows us to see how companies rank in a global context.

To complement this, we also utilise our active stewardship and engagement activities.

This Fund has a financial benchmark that is used for portfolio construction but does not incorporate any sustainable criteria and is not selected for the purpose of attaining these characteristics. This financial benchmark is used as a comparator for Fund performance and as a comparison for the Fund's binding commitments.

#### ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

The measures applied by the Fund are:

- ESG assessment criteria,
- ESG screening criteria,
- targets a lower carbon intensity than the benchmark

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- promotes good governance including social factors. To complement this, we also utilise our active stewardship and engagement activities.

The Fund also looks to exclude at least the bottom 5% of companies with the lowest ESG House Score in the benchmark.

- ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

The Fund has not set a minimum proportion of sustainable investments.

- ***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

The Fund has not set a minimum proportion of sustainable investments.

*Have the indicators for adverse impacts on sustainability factors been taken into account?*

The Fund has not set a minimum proportion of sustainable investments.

*How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

The Fund has not set a minimum proportion of sustainable investments.

*The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

*The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities.*

*The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.*

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



### **Does this financial product consider principal adverse impacts on sustainability factors?**

- Yes, this Fund considers Principal Adverse Impacts (PAI) on sustainability factors.

Principal Adverse Impact Indicators are metrics that measure the negative effects on environmental and social matters. abrdn consider PAIs within the investment process for the Fund, this may include considering whether to make an investment, or they may be used as an engagement tool for example where there is no policy in place and this would be beneficial, or where carbon emissions are considered to be high, abrdn may engage to seek the creation of a long-term target and reduction plan. abrdn assess PAIs by using, amongst others, the PAI indicators referred to in the SFDR Delegated Regulation; however, dependent on data availability, quality and relevance to the investments not all SFDR PAI indicators may be considered. Where Funds consider PAIs, information on that consideration will be made available in annual reports.

No



### **What investment strategy does this financial product follow?**

The Fund contains high-quality companies that have been identified through the bottom-up equity research process which takes into consideration both environmental, social and governance (ESG) risks and opportunities.

ESG analysis is a key element of our overall equity research process and has three core principles:

- Informed and constructive engagement helps foster better companies, enhancing the value of our clients' investments.
- ESG factors are financially material, and impact corporate performance
- Understanding ESG risks and opportunities alongside other financial metrics allows us to make better investment decisions.

We use our proprietary research framework to analyse the foundations of each business to ensure proper context for our investments. This includes the durability of its business model, the attractiveness of its industry, the strength of its financials and the sustainability of its economic moat.

We also consider the quality of its management team and analyse the environmental, social and governance (ESG) opportunities and risks impacting the business and appraise how well these are managed. We assign a proprietary score to articulate the quality attributes of each company, one of which is the ESG Quality rating. This enables the portfolio managers to exclude companies with material ESG risks and positively skew the portfolio towards ESG opportunities and to build well-diversified, risk-adjusted portfolios.

Our proprietary ESG House Score, developed by our central ESG investment team in collaboration with the Quantitative investment team, is used to identify companies with potentially high or poorly managed ESG risks. The score is calculated by combining a variety of data inputs within a proprietary framework in which different ESG factors are weighted according to how material they are for each sector. This allows us to see how companies rank in a global context.

The abrdn ESG House Score was designed so that it can be broken down into specific themes and categories. The ESG score comprises of two scores; the Operational score and Governance score. This allows a quick view of a company's relative positioning on its management of ESG issues at a granular level.

**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

- The Governance score assesses the corporate governance structure and the quality and behaviour of corporate leadership and executive management.
- The Operational score assesses the ability of the company's leadership team to implement effective environmental and social risk reduction and mitigation strategies in its operations.

To complement this, we also utilise our active stewardship and engagement activities.

To further complement the bottom-up research, the portfolio managers also use abrdn's proprietary ESG House Score, which is primarily a quantitative assessment, to identify and exclude those companies exposed to the highest ESG risks. Finally, binary exclusions are applied to exclude the particular areas of investment related to UN Global Compact, Controversial Weapons, Tobacco Manufacturing and Thermal Coal.

● ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

The binding elements used by the Fund are:

- targeting a lower carbon intensity than the benchmark

Binary exclusions are applied to exclude the particular areas of investment related to UN Global Compact, Controversial Weapons, Tobacco Manufacturing and Thermal Coal. These screening criteria apply in a binding manner and on an ongoing basis.

● ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

The Fund excludes at least the bottom 5% of companies with the lowest ESG House Score in the benchmark.

● ***What is the policy to assess good governance practices of the investee companies?***

For this Fund, the investee company needs to follow good governance practices in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance. This can be demonstrated by the monitoring of certain PAI indicators, for example corruption, tax compliance and diversity. In addition, by using abrdn's proprietary ESG scores within the investment process abrdn screen out any investments with low governance scores. Our governance scores assess a company's corporate governance and management structure (including remuneration of staff policies) and the quality and behaviour of its leadership and management. A low score will typically be given where there are concerns in relation to financially materially controversies, poor tax compliance or governance concerns, or poor treatment of employees or minority shareholders.

The investment must further be aligned with OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human rights. Breaches and violations of these international norms are flagged by an event-driven controversy and are captured in the investment process.

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.



**Asset allocation** describes the share of investments in specific assets.

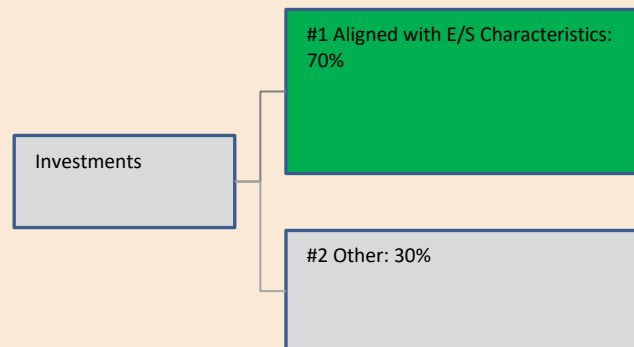
Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

## What is the asset allocation planned for this financial product?

A minimum of 70% of the Fund's assets are aligned with E/S characteristics. Environmental and social safeguards are met by applying certain PAI's, where relevant, to these underlying assets. The Fund invests a maximum of 30% of assets in the "Other" category, which include cash, money market instruments and derivatives.



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

### ● How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

The Fund will not use derivatives to attain any environmental or social characteristics.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.



## To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The Fund has not set a minimum proportion of investments in Taxonomy aligned economic activities. This graph represents 100% of the total investment.

### Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>14</sup> ?

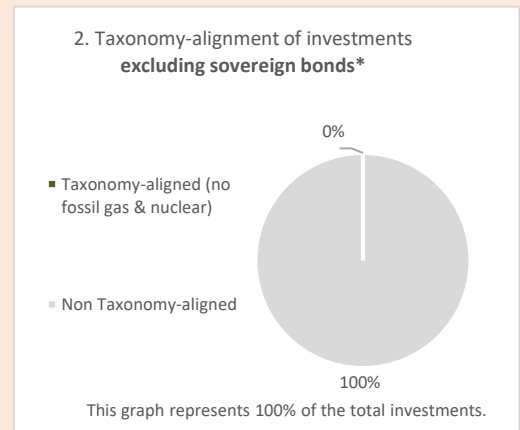
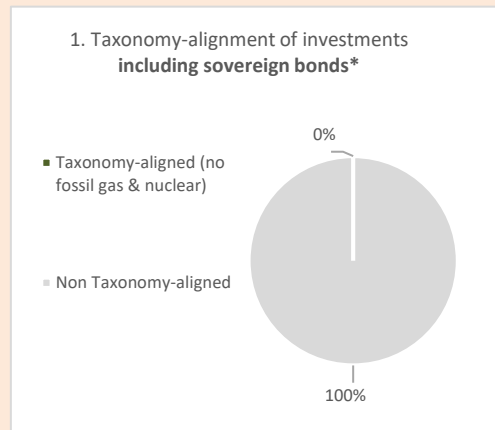
Yes:

In fossil gas

In nuclear energy

No

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

<sup>14</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm and EU Taxonomy objective – see explanation note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

- **What is the minimum share of investments in transitional and enabling activities?**

Not applicable.

- **What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

Not applicable

- **What is the minimum share of socially sustainable investments?**

Not applicable

- **What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?**

The investments included under "other" are cash, money market instruments & derivatives. The purpose of these assets are to meet liquidity, target return or manage risk and may not contribute to the environmental or social aspects of the Fund.

There are certain environmental and social safeguards that are met by applying PAI's. Where relevant, these are applied to the underlying securities.

- **Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?** No

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

Not applicable

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

Not applicable

- ***How does the designated index differ from a relevant broad market index?***

Not applicable

- ***Where can the methodology used for the calculation of the designated index be found***

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

Not applicable



**Where can I find more product specific information online?**

Fund specific documentation, including Sustainability Related Disclosures, are published at [www.abrdn.com](http://www.abrdn.com) under Fund Centre.

**More product-specific information can be found on the website:**

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**Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph of Regulation (EU) 2020/852**

**Product Name:** abrdn SICAV I - Emerging Markets Sustainable Equity Fund

**Legal entity identifier:** 549300GXXZQ6HH4AS682

## Environmental and/or social characteristics

### Does this financial product have a sustainable investment objective?

**Yes**

**No**

- It will make a minimum of **sustainable investments with an environmental objective: \_\_\_\_%**
  - in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

- It promotes **Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 20% of sustainable investments
  - with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
  - with a social objective

- It will make a minimum of **sustainable investments with a social objective: \_\_\_\_%**

- It promotes E/S characteristics, but **will not make any sustainable investments**

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



### **Sustainability**

**indicators** measure how the sustainable objectives of this financial product are attained.

## **What environmental and/or social characteristics are promoted by this financial product?**

To promote the environmental and social characteristics, the Fund applies ESG assessment criteria, ESG screening criteria and promotes good governance including social factors.

We use our proprietary research framework to identify companies which we believe to be sustainable leaders or improvers. Sustainable leaders are viewed as companies with the best in class ESG credentials or products and services which address global environmental and societal challenges, whilst improvers are typically companies with average governance, ESG management practices and disclosure with potential for improvement.

Within our equity investment process, for all companies under coverage we analyse the foundations of each business to ensure proper context for our investments. This includes the durability of its business model, the attractiveness of its industry, the strength of its financials and the sustainability of its economic moat. We also consider the quality of its management team and analyse the environmental, social and governance (ESG) opportunities and risks impacting the business and appraise how well these are managed. We assign a proprietary score to articulate the quality attributes of each company, one of which is the ESG Quality rating. This enables the portfolio managers to exclude companies with material ESG risks and positively skew the portfolio towards ESG opportunities and to build well-diversified, risk-adjusted portfolios.

Additionally, our proprietary ESG House Score, developed by our central ESG investment team in collaboration with the Quantitative investment team, is used to identify companies with potentially high or poorly managed ESG risks. The score is calculated by combining a variety of data inputs within a proprietary framework in which different ESG factors are weighted according to how material they are for each sector. This allows us to see how companies rank in a global context.

The abrdn ESG House Score was designed so that it can be broken down into specific themes and categories. The ESG score comprises of two scores; the Operational score and Governance score. This allows a quick view of a company's relative positioning on its management of ESG issues at a granular level.

- The Governance score assesses the corporate governance structure and the quality and behaviour of corporate leadership and executive management.
- The Operational score assesses the ability of the company's leadership team to implement effective environmental and social risk reduction and mitigation strategies in its operations.

To complement this, we also utilise our active stewardship and engagement activities.

This Fund has a financial benchmark that is used for portfolio construction but does not incorporate any sustainable criteria and is not selected for the purpose of attaining these characteristics. This financial benchmark is used as a comparator for Fund performance and as a comparison for the Fund's binding commitments.

● ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

The measures applied by the Fund are:

- ESG assessment criteria,
- ESG screening criteria,
- a carbon intensity targeting lower than benchmark,
- targets an ESG rating better than or equal to benchmark and
- promotes good governance including social factors.

To complement this, we also utilise our active stewardship and engagement activities.

The Fund also targets to exclude at least 20% of the Fund's benchmark investable universe, through a combination of in-house proprietary scoring tools and the use of negative criteria to avoid investing in certain industries and activities.

● ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

The objective of the sustainable investment is to make a contribution to solving an environmental or social challenge, in addition to not causing significant harm, and being well governed. Each sustainable investment may make a contribution to Environmental or Social issues. In fact, many companies will make a positive contribution to both. abrdn use the six environmental objectives of the Taxonomy to inform Environmental contributions, including: (1) climate change mitigation, (2) climate change adaptation, (3) sustainable use and protection of water and marine resources, (4) transition to a circular economy, (5) pollution prevention and control, and (6) protection and restoration of biodiversity and ecosystems. In addition, abrdn use the 17 Sustainable Development Goals and their sub-goals to supplement the EU Taxonomy topics and provide a framework for considering Social objectives

An economic activity must have a positive economic contribution to qualify as a Sustainable investment, this includes consideration of Environmental or Socially aligned revenues, Capex, Opex or sustainable operations. abrdn seek to establish or estimate the share of the investee company's economic activities/contribution towards a sustainable objective and it is this element that is weighted and counted towards the Sub-fund's total aggregated proportion of Sustainable Investments.

abrdn uses a combination of the following approaches:

- i. a quantitative methodology based on a combination of publicly available data sources; and
- ii. using abrdn's own insight and engagement outcomes abrdn overlay the quantitative methodology with a qualitative assessment to calculate an overall percentage of economic contribution towards a sustainable objective for each holding in a Fund.

● ***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

As required by the SFDR Delegated Regulation, the investment does not cause Significant Harm ("Do No Significant Harm"/ "DNSH") to any of the sustainable investment objectives.

abrdn have created a 3-step process to ensure consideration of DNSH:

i. **Sector Exclusions**

abrdn have identified a number of sectors which automatically do not qualify for inclusion as a Sustainable Investment as they are considered to be causing significant harm. These include but are not limited to: (1) Defence, (2) Coal, (3) Oil & Gas Exploration, Production and associated activities, (4) tobacco, (5) gambling and (6) alcohol.

ii. **DNSH Binary Test**

The DNSH test, is a binary pass/fail test which signals if the company passes or fails criteria for the SFDR Article 2 (17) "do no significant harm".

Pass indicates under abrdn's methodology the company has no ties to controversial weapons, less than 1% of revenue from thermal coal, less than 5% of revenue from tobacco related activities, is not a tobacco producer, and has no red/severe ESG Controversies. If the company fails this test, it cannot be considered a Sustainable Investment. Abrdn's approach is aligned with the SFDR PAIs included within tables 1, 2 & 3 of the SFDR Delegated Regulation and is based on external data sources and abrdn internal insights.

iii. **DNSH Materiality Flag**

Using a number of additional screens and flags, abrdn consider the additional SFDR PAI's indicators as defined by the SFDR Delegated Regulation to identify areas for improvement or potential future concern. These indicators are not considered to cause significant harm and therefore a company with active DNSH materiality flags may still be considered to be a Sustainable Investment. abrdn aim to enhance the engagement activities to focus on these areas and seek to deliver better outcomes by resolving the issue.

***Have the indicators for adverse impacts on sustainability factors been taken into account?***

The fund considers Principal Adverse Impact Indicators defined by the SFDR Delegated Regulation.

Pre investment, abrdn applies a number of norms and activity-based screens related to PAIs, including but not limited to: UN Global Compact, controversial weapons, and thermal coal extraction.

UNGC: The Fund uses norms-based screens and controversy filters to exclude companies that may be in breach of international norms described in the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights, as well as state owned entities in countries which violate norms.

Controversial Weapons: The Fund excludes companies with business activities related to controversial weapons (cluster munitions, anti-personnel landmines, nuclear weapons, chemical and biological weapons, white phosphorus, non-detectable fragments, incendiary devices, depleted uranium ammunition or blinding lasers).

Thermal Coal Extraction: The Fund excludes companies with exposure to the fossil fuels sector based on percentage of revenue from thermal coal extraction.

abrdn apply a fund specific set of company exclusions, more detail on these and the overall process is captured within the Investment Approach, which is published at [www.abrdn.com](http://www.abrdn.com) under "Fund Centre".

Post-investment the following PAI indicators are considered:

- abrdn monitors all mandatory and additional PAI indicators via our ESG integration investment process using a combination of our proprietary house score and 3rd party data feeds. PAI indicators that either fail a specific binary test or are considered above typical are flagged for review and may be selected for company engagement.
- Consideration of portfolio carbon intensity and GHG emissions via our Climate tools and risk analysis
- Governance indicators via our proprietary governance scores and risk framework, including consideration of sound management structures, employee relations, remuneration of staff and tax compliance
- On an on-going basis the investment universe is scanned for companies that may be in breach of international norms described in the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights, as well as state owned entities in countries which violate norms.

*How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

The Fund uses norms-based screens and controversy filters to exclude companies that may be in breach of international norms described in the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights.

*The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

*The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities.*

*The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.*

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



### **Does this financial product consider principal adverse impacts on sustainability factors?**

- Yes, this Fund considers Principal Adverse Impacts (PAI) on sustainability factors.

Principal Adverse Impact Indicators are metrics that measure the negative effects on environmental and social matters. abrdn consider PAIs within the investment process for the Fund, this may include considering whether to make an investment, or they may be used as an engagement tool for example where there is no policy in place and this would be beneficial, or where carbon emissions are considered to be high, abrdn may engage to seek the creation of a long-term target and reduction plan. abrdn assess PAIs by using, amongst others, the PAI indicators referred to in the SFDR Delegated Regulation; however, dependent on data availability, quality and relevance to the investments not all SFDR PAI indicators may be considered. Where Funds consider PAIs, information on that consideration will be made available in annual reports.

- No

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-



### **What investment strategy does this financial product follow?**

The Fund contains high-quality companies that have been identified through the bottom-up equity research process which takes into consideration the sustainability of the business in its broadest sense and the company's environmental, social and governance (ESG) performance.

There are three core principles which underpin our Sustainable investment approach and the time we dedicate to ESG analysis as part of our overall equity research process:

- Informed and constructive engagement helps foster better companies, enhancing the value of our clients' investments.
- ESG factors are financially material, and impact corporate performance
- Understanding ESG risks and opportunities alongside other financial metrics allows us to make better investment decisions.

Within our equity investment process, for all companies under coverage we analyse the foundations of each business to ensure proper context for our investments. This includes the durability of its business model, the attractiveness of its industry, the strength of its financials and the sustainability of its economic moat. We also consider the quality of its management team and analyse the environmental, social and governance (ESG) opportunities and risks impacting the business and appraise how well these are managed. We assign a proprietary score to articulate the quality attributes of each company, one of which is the ESG Quality rating. This enables the portfolio managers to exclude companies with material ESG risks and positively skew the portfolio towards ESG opportunities and to build well-diversified, risk-adjusted portfolios.

Our proprietary ESG House Score, developed by our central ESG investment team in collaboration with the Quantitative investment team, is used to identify companies with potentially high or poorly managed ESG risks. The score is calculated by combining a variety of data inputs within a proprietary framework in which different ESG factors are weighted according to how material they are for each sector. This allows us to see how companies rank in a global context.

The abrdn ESG House Score was designed so that it can be broken down into specific themes and categories. The ESG score comprises of two scores; the Operational score and Governance score. This allows a quick view of a company's relative positioning on its management of ESG issues at a granular level.

- The Governance score assesses the corporate governance structure and the quality and behaviour of corporate leadership and executive management.
- The Operational score assesses the ability of the company's leadership team to implement effective environmental and social risk reduction and mitigation strategies in its operations.

To complement this, we also utilise our active stewardship and engagement activities.

To complement the bottom-up research, the portfolio managers also use abrdn's proprietary ESG House Score, which is primarily a quantitative assessment, to identify and exclude those companies exposed to the highest ESG risks. Finally, binary exclusions are applied to exclude the particular areas of investment related to the UN Global Compact, Norges Bank Investment Management (NBIM), State Owned Enterprises (SOE), Weapons, Tobacco, Gambling, Thermal Coal, Oil & Gas and Electricity Generation.

● ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

The binding elements used by the Fund are:

- a carbon intensity target lower than benchmark and
- targeting an ESG rating better than or equal to benchmark.

Binary exclusions are applied to exclude the particular areas of investment related to the UN Global Compact, Norges Bank Investment Management (NBIM), State Owned Enterprises (SOE), Weapons, Tobacco, Gambling, Thermal Coal, Oil &

Prospectus – abrdn SICAV I

**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.



Gas and Electricity Generation. These screening criteria apply in a binding manner and on an ongoing basis.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

The Fund also targets to exclude at least 20% of the Fund's benchmark investable universe, through a combination of in-house proprietary scoring tools and the use of negative criteria to avoid investing in certain industries and activities that abrdn customers are concerned with.

- ***What is the policy to assess good governance practices of the investee companies?***

For this Fund, the investee company needs to follow good governance practices in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance. This can be demonstrated by the monitoring of certain PAI indicators, for example corruption, tax compliance and diversity. In addition, by using abrdn's proprietary ESG scores within the investment process abrdn screen out any investments with low governance scores. Our governance scores assess a company's corporate governance and management structure (including remuneration of staff policies) and the quality and behaviour of its leadership and management. A low score will typically be given where there are concerns in relation to financially material controversies, poor tax compliance or governance concerns, or poor treatment of employees or minority shareholders.

The investment must further be aligned with OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human rights. Breaches and violations of these international norms are flagged by an event-driven controversy and are captured in the investment process.

## **What is the asset allocation planned for this financial product?**

A minimum of 90% of the Fund's assets are aligned with E/S characteristics. Environmental and social safeguards are met by applying certain PAI's, where relevant, to these underlying assets. Within these assets, the Fund commits to a minimum of 20% in Sustainable Investments.

The Fund invests a maximum of 10% of assets in the "Other" category, which include cash, money market instruments and derivatives.

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.



**Asset allocation** describes the share of investments in specific assets.

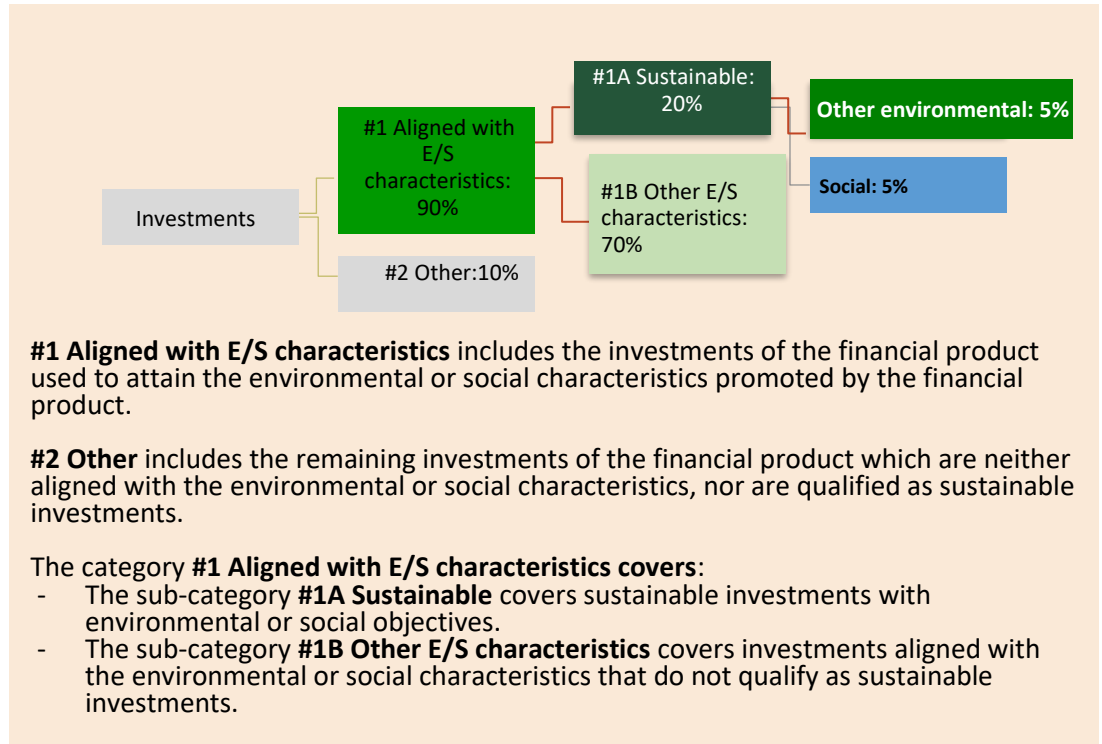


Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies

- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



● **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

The Fund will not use derivatives to attain any environmental or social characteristics.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best



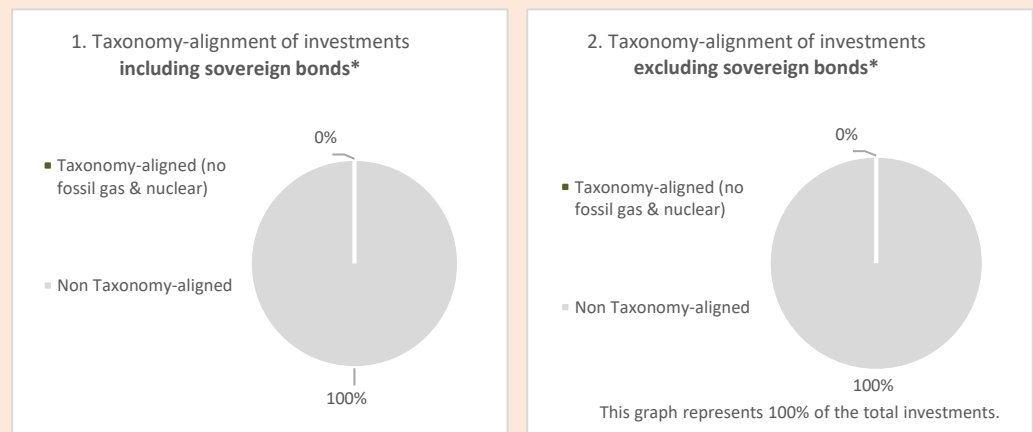
## To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The Fund has not set a minimum proportion of investments in Taxonomy aligned economic activities. This graph represents 100% of the total investment.

### Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>15</sup> ?

- Yes
- In fossil gas
  - In nuclear energy
- No

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.




\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

### ● What is the minimum share of investments in transitional and enabling activities?

Not applicable.

<sup>15</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm and EU Taxonomy objective – see explanation note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy



### **What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The Fund contains high-quality companies that have been identified through our bottom-up equity research process which takes into consideration the sustainability of the business in its broadest sense and the company's environmental, social and governance (ESG) performance. Within our equity investment process, every company that we invest in is given, via a qualitative assessment, a proprietary overall Quality rating. A key component of this is the ESG Quality rating, which enables the portfolio managers to identify sustainable leaders and improvers and to build well- diversified, risk-adjusted portfolios.

To complement our bottom-up research, the portfolio managers also use our proprietary ESG House Score, which is primarily a quantitative assessment, to identify and exclude those companies exposed to the highest ESG risks. Finally, binary exclusions are applied to exclude the particular areas of investment.

This process results in the Fund committing to a minimum of 90% in securities with environment and social characteristics and a minimum of 20% to sustainable investments which are inclusive of both environmental and social objectives that aren't explicitly taxonomy aligned. The minimum share of sustainable investments with an environmental objective is 5%.



### **What is the minimum share of socially sustainable investments?**

The Fund contains high-quality companies that have been identified through our bottom-up equity research process which takes into consideration the sustainability of the business in its broadest sense and the company's environmental, social and governance (ESG) performance. Within our equity investment process, every company that we invest in is given, via a qualitative assessment, a proprietary overall Quality rating. A key component of this is the ESG Quality rating, which enables the portfolio managers to identify sustainable leaders and improvers and to build well- diversified, risk-adjusted portfolios.

To complement our bottom-up research, the portfolio managers also use our proprietary ESG House Score, which is primarily a quantitative assessment, to identify and exclude those companies exposed to the highest ESG risks. Finally, binary exclusions are applied to exclude the particular areas of investment.

This process results in the Fund committing to a minimum of 90% in securities with environment and social characteristics and a minimum of 20% to sustainable investments which are inclusive of both environmental and social objectives that aren't explicitly taxonomy aligned. The minimum share of sustainable investments with a social objective is 5%.



## What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?

The investments included under "other" are cash, money market instruments & derivatives. The purpose of these assets are to meet liquidity, target return or manage risk and may not contribute to the environmental or social aspects of the Fund.

There are certain environmental and social safeguards that are met by applying PAI's. Where relevant, these are applied to the underlying securities.



## Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes? No

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***  
Not applicable
- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***  
Not applicable
- ***How does the designated index differ from a relevant broad market index?***  
Not applicable
- ***Where can the methodology used for the calculation of the designated index be found***  
Not applicable



## Where can I find more product specific information online?

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### **More product-specific information can be found on the website:**

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**Pre-contractual disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph of Regulation (EU) 2020/852**

**Product Name:** abrdn SICAV I - Emerging Markets SDG Equity Fund

**Legal entity identifier:** 213800G9VXZZAEETMY47

## Sustainable investment objective

### Does this financial product have a sustainable investment objective?

**Yes**

**No**

- It will make a minimum of **sustainable investments with an environmental objective: 15%**
  - in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

- It will make a minimum of **sustainable investments with a social objective: 15%**

- It promotes **Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of \_\_\_% of sustainable investments
  - with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
  - with a social objective
- It promotes E/S characteristics, but **will not make any sustainable investments**

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



**Sustainability indicators** measure how the sustainable objectives of this financial product are attained.

## What is the sustainable investment objective of this financial product?

The Investment objective of the Fund aims to achieve long term growth by investing in companies in Emerging Market countries which in abrdn's view will make a positive contribution to society through their alignment achieving the United Nation's Sustainable Development Goals ('SDGs').

Our Sustainable Development Equity strategies will follow a fundamental, bottom-up investment research process in which ESG analysis and company engagement are integral parts of our assessment of the investment potential of all companies.

The Emerging Markets SDG Equity Fund follows the abrdn "Emerging Markets SDG Equity Investment Approach." This approach identifies companies which are aligned to the Sustainable Development Goals. These goals are designed to address the world's major long-term challenges. These include climate change, growing social inequality, and unsustainable production and consumption.

The Fund will invest in companies with minimum of 20% of their revenue, profit, capital or operating expenditure or research and development linked to the UN's SDGs. For companies classified in the benchmark as "Financials", alternative measures of materiality are used based on loans and customer base. The Fund will also invest up to 20% in SDG leaders.

Within the equity investment process, we analyse for all companies the foundations of each business to ensure proper context for our investments. This includes the durability of its business model, the attractiveness of its industry, the strength of its financials and the sustainability of its economic moat. We also consider the quality of its management team and analyse the environmental, social and governance (ESG) opportunities and risks impacting the business and appraise how well these are managed. The ESG Quality rating is important consideration in assessing if a stock is a sustainable leader or improver.

This Fund has a financial benchmark that is used for portfolio construction but does not incorporate any sustainable criteria and is not selected for the purpose of attaining these characteristics. This financial benchmark is used as a comparator for Fund performance and as a comparison for the Fund's binding commitments.

- ***What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?***

The Fund will invest in companies with minimum of 20% of their revenue, profit, capital or operating expenditure or research and development linked to the UN's SDGs. For companies classified in the benchmark as "Financials", alternative measures of materiality are used based on loans and customer base. The Fund will also invest up to 20% in SDG leaders.

The Fund targets a lower carbon intensity than the benchmark.

The Fund also targets to exclude at least 20% of the Fund's investment universe.

***How do the sustainable investments not cause significant harm to any environmental or social sustainable investment objective?***

As required by the SFDR Delegated Regulation, the investment does not cause Significant Harm ("Do No Significant Harm"/ "DNSH") to any of the sustainable investment objectives.

abrdrn have created a 3-step process to ensure consideration of DNSH:

**i. Sector Exclusions**

abrdrn have identified a number of sectors which automatically do not qualify for inclusion as a Sustainable Investment as they are considered to be causing significant harm. These include but are not limited to: (1) Defence, (2) Coal, (3) Oil & Gas Exploration, Production and associated activities, (4) tobacco, (5) gambling and (6) alcohol.

**ii. DNSH Binary Test**

The DNSH test, is a binary pass/fail test which signals if the company passes or fails criteria for the SFDR Article 2 (17) "do no significant harm".

Pass indicates under abrdrn's methodology the company has no ties to controversial weapons, less than 1% of revenue from thermal coal, less than 5% of revenue from tobacco related activities, is not a tobacco producer, and has no red/severe ESG Controversies. If the company fails this test, it cannot be considered a Sustainable Investment. Abrdrn's approach is aligned with the SFDR PAIs included within tables 1, 2 & 3 of the SFDR Delegated Regulation and is based on external data sources and abrdrn internal insights.

**iii. DNSH Materiality Flag**

Using a number of additional screens and flags, abrdrn consider the additional SFDR PAI's indicators as defined by the SFDR Delegated Regulation to identify areas for improvement or potential future concern. These indicators are not considered to cause significant harm and therefore a company with active DNSH materiality flags may still be considered to be a Sustainable Investment. abrdrn aim to enhance the engagement activities to focus on these areas and seek to deliver better outcomes by resolving the issue.

***How have the indicators for adverse impacts on sustainability factors been taken into account?***

The fund considers Principal Adverse Impact Indicators defined by the SFDR Delegated Regulation.

Pre investment, abrdrn applies a number of norms and activity-based screens related to PAIs, including but not limited to: UN Global Compact, controversial weapons, and thermal coal extraction.

UNGC: The Fund uses norms-based screens and controversy filters to exclude companies that may be in breach of international norms described in the OECD

guidelines for multinational enterprises and the UN guiding principles on business and human rights, as well as state owned entities in countries which violate norms. Controversial Weapons: The Fund excludes companies with business activities related to controversial weapons (cluster munitions, anti-personnel landmines, nuclear weapons, chemical and biological weapons, white phosphorus, non-detectable fragments, incendiary devices, depleted uranium ammunition or blinding lasers).

Thermal Coal Extraction: The Fund excludes companies with exposure to the fossil fuels sector based on percentage of revenue from thermal coal extraction.

abrdrn apply a fund specific set of company exclusions, more detail on these and the overall process is captured within the Investment Approach, which is published at [www.abrdrn.com](http://www.abrdrn.com) under "Fund Centre".

Post-investment the following PAI indicators are considered:

- abrdrn monitors all mandatory and additional PAI indicators via our ESG integration investment process using a combination of our proprietary house score and 3rd party data feeds. PAI indicators that either fail a specific binary test or are considered above typical are flagged for review and may be selected for company engagement.
- Consideration of portfolio carbon intensity and GHG emissions via our Climate tools and risk analysis
- Governance indicators via our proprietary governance scores and risk framework, including consideration of sound management structures, employee relations, remuneration of staff and tax compliance
- On an on-going basis the investment universe is scanned for companies that may be in breach of international norms described in the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights, as well as state owned entities in countries which violate norms.

*How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?*

The Fund uses norms-based screens and controversy filters to exclude companies that may be in breach of international norms described in the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights.





## Does this financial product consider principal adverse impacts on sustainability factors?

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.



Yes, this Fund considers Principal Adverse Impacts (PAI) on sustainability factors.

Principal Adverse Impact Indicators are metrics that measure the negative effects on environmental and social matters. abrdn consider PAIs within the investment process for the Fund, this may include considering whether to make an investment, or they may be used as an engagement tool for example where there is no policy in place and this would be beneficial, or where carbon emissions are considered to be high, abrdn may engage to seek the creation of a long-term target and reduction plan. abrdn assess PAIs by using, amongst others, the PAI indicators referred to in the SFDR Delegated Regulation; however, dependent on data availability, quality and relevance to the investments not all SFDR PAI indicators may be considered. Where Funds consider PAIs, information on that consideration will be made available in annual reports.



No



## What investment strategy does this financial product follow?

The Fund seeks to generate strong long-term performance by allocating capital to companies that may deliver a strong financial return and demonstrate – via their products, services, and actions – a clear and material alignment to one or more of the United Nation’s (UN) Sustainable Development Goals (SDGs).

There are three core principles which underpin the abrdn Emerging Markets SDG Equity investment approach and the time we dedicate to ESG analysis as part of our overall equity research process:

- ESG factors are financially material and impact corporate performance
- Understanding ESG risks and opportunities alongside other financial metrics allows us to make better investment decisions.
- Informed and constructive engagement helps foster better companies, enhancing the value of our clients’ investments.

The Emerging Market SDG Equity Fund follows the abrdn “Emerging Markets SDG Equity Investment Approach.” This approach identifies companies which are aligned to the Sustainable Development Goals. These goals are designed to address the world’s major long-term challenges. These include climate change, growing social inequality, and unsustainable production and consumption.

The Fund will invest in companies with minimum of 20% of their revenue, profit, capital or operating expenditure or research and development linked to the UN’s SDGs.

For companies classified in the benchmark as “Financials”, alternative measures of materiality may be used. We require 20% materiality as measured by (i) new or existing loans to underserved clients if those target loans are growing on an annualised basis over three years; or (ii) new or existing underserved customers if those target customer numbers are growing on an annualised basis over three years; or (iii) pre-provision operating profits generated by underserved clients. The Fund will also invest up to 20% in SDG leaders. These are companies that are considered to be integral to the supply chain for progressing towards the UN’s SDG’s, but may not currently meet the 20% materiality requirement. Distinct company research notes for each stock in the Sustainable Development funds capture and formally document the SDG impact made by each company and the needs they meet.

Within our equity investment process, we analyse for all companies the foundations of each business to ensure proper context for our investments. This includes the durability of its business model, the attractiveness of its industry, the strength of its financials and the sustainability of its economic moat. We also consider the quality of its management team and analyse the environmental, social and governance (ESG) opportunities and risks impacting the business and appraise how well these are managed. The ESG Quality rating is important consideration in assessing if a stock is a sustainable leader or improver.

In addition, abrdn apply a set of company exclusion which are related to normative screening (UN Global Compact, ILO and OECD), Norges Bank Investment Management (NBIM), State Owned Enterprises (SOE), Weapons, Tobacco, Gambling, Alcohol, Thermal Coal, Oil & Gas, and Electricity Generation.

● ***What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?***

The Fund approach identifies companies which are aligned to the UN Sustainable Development Goals. These goals are designed to address the world’s major long-term challenges. These include binding elements such as climate change, growing social inequality, and unsustainable production and consumption. The Fund will invest in companies with minimum of 20% of their revenue, profit, capital or operating expenditure or research and development linked to the UN’s SDGs. For companies classified in the benchmark as "Financials", alternative measures of materiality are used based on loans and customer base. The Fund will also invest up to 20% in SDG leaders.

Distinct company research notes for each stock in the Sustainable Development funds capture and formally document the SDG impact made by each company and the needs they meet across the SDG pillars:

- Circular economy

- Sustainable energy
- Food and agriculture
- Water and sanitation
- Health and social care
- Financial inclusion
- Sustainable real estate and infrastructure
- Education and employment
- SDG leader

Additionally, we satisfy the three binding criteria for Sustainable Investment:

- Economic contribution
- Do no significant harm
- Good Governance

The Fund also has a binding commitment to a carbon intensity target lower than the benchmark.

abrdn apply a set of company exclusion which are related to normative screening (UN Global Compact, ILO and OECD), Norges Bank Investment Management (NBIM), State Owned Enterprises (SOE), Weapons, Tobacco, Gambling, Alcohol, Thermal Coal, Oil & Gas, and Electricity Generation. These criteria are applied in a binding manner and on an ongoing basis.

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

● ***What is the policy to assess good governance practices of the investee companies?***

For this Fund, the investee company needs to follow good governance practices in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance. This can be demonstrated by the monitoring of certain PAI indicators, for example corruption, tax compliance and diversity. In addition, by using abrdn's proprietary ESG scores within the investment process abrdn screen out any investments with low governance scores. Our governance scores assess a company's corporate governance and management structure (including remuneration of staff policies) and the quality and behaviour of its leadership and management. A low score will typically be given where there are concerns in relation to financially materially controversies, poor tax compliance or governance concerns, or poor treatment of employees or minority shareholders.

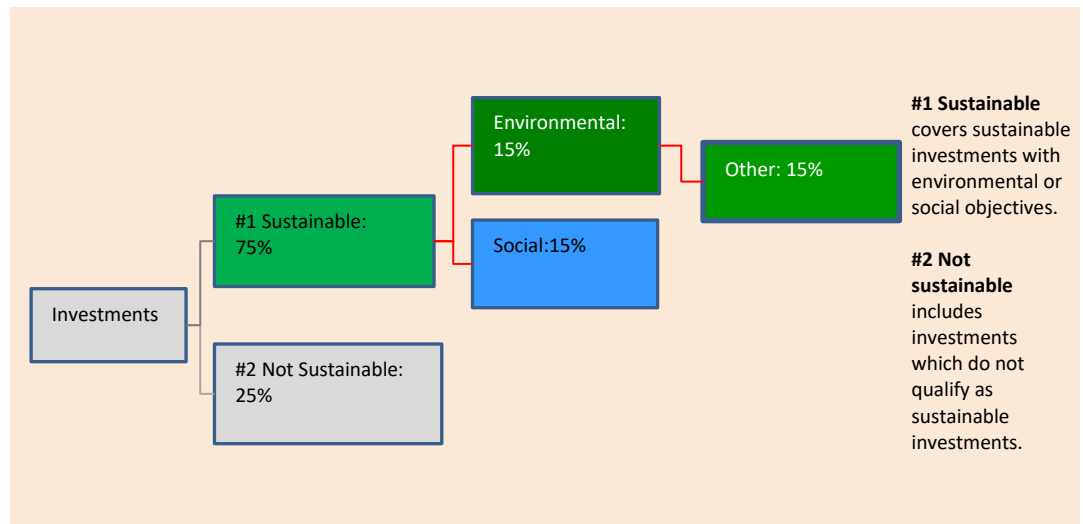
The investment must further be aligned with OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human rights. Breaches and violations of these international norms are flagged by an event-driven controversy and are captured in the investment process.



## What is the asset allocation and the minimum share of sustainable investments?

The Fund commits to a minimum of 75% in Sustainable Investments, including a minimum commitment of 15% to assets with an environmental objective and 15% to social objectives.

The Fund invests a maximum of 25% of assets in the “Non Sustainable” category, which is mainly made up of cash, money market instruments and derivatives.



### ● How does the use of derivatives attain the sustainable investment objective?

The Fund will not use derivatives to attain any sustainable investment objective.



### To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The Fund has not set a minimum proportion of investments in Taxonomy aligned economic activities. This graph represents 100% of the total investment.

### Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>16</sup> ?

Yes

In fossil gas

In nuclear energy

**No**

<sup>16</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm and EU Taxonomy objective – see explanation note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

**Asset allocation** describes the share of investments in specific asset classes.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies

- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

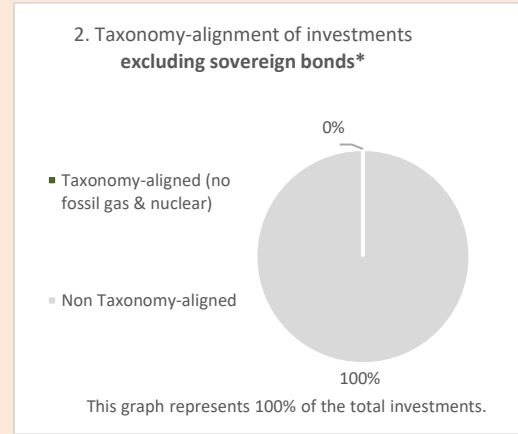
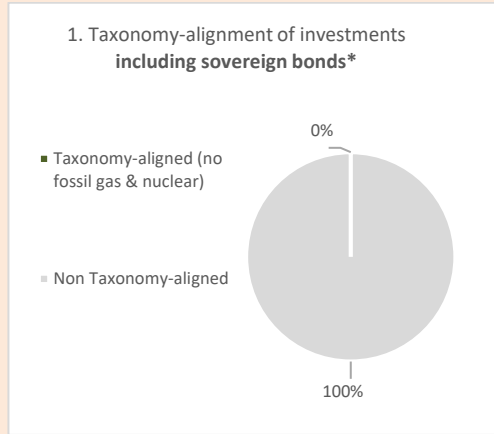
### Enabling activities

directly enable other activities to make a substantial contribution to an environmental objective.

### Transitional activities are

activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

### What is the minimum share of investments in transitional and enabling activities?

Not applicable.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



### What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The Fund makes investments on the basis of the abrdn Emerging Markets SDG Equity investment approach, allocating capital to companies that may deliver a strong financial return and demonstrate – via their products, services, and actions – a clear and material alignment to one or more of the United Nation's (UN) Sustainable Development Goals (SDGs). The SDGs are designed to address the world's major long-term challenges. These include climate change, growing social inequality and unsustainable production and consumption.

abrdn believe alignment with the SDGs creates tangible opportunities for companies to contribute positively to society and the environment, while simultaneously enhancing the long-term financial value of the business, which result in the Fund committing to a minimum 75% to sustainable investments which are inclusive of both environmental and social objectives that aren't explicitly taxonomy aligned. The minimum share of sustainable investments with an environmental objective is 15%.



### **What is the minimum share of sustainable investments with a social objective?**

The Fund makes investments on the basis of the abrdn Emerging Markets SDG Equity investment approach, allocating capital to companies that may deliver a strong financial return and demonstrate – via their products, services, and actions – a clear and material alignment to one or more of the United Nation’s (UN) Sustainable Development Goals (SDGs). The SDGs are designed to address the world’s major long-term challenges. These include climate change, growing social inequality and unsustainable production and consumption.

abrdn believe alignment with the SDGs creates tangible opportunities for companies to contribute positively to society and the environment, while simultaneously enhancing the long-term financial value of the business, which result in the Fund committing to a minimum 75% to sustainable investments which are inclusive of both environmental and social objectives that aren’t explicitly taxonomy aligned. The minimum share of sustainable investments with a social objective is 15%.



### **What investments are included under “#2 Not sustainable”, what is their purpose and are there any minimum environmental or social safeguards?**

The Fund may invest in securities that are not deemed sustainable including cash, money market instruments and derivatives but only for the purpose of hedging and liquidity management.

There are certain environmental and social safeguards that are met by applying PAI’s. Where relevant, these are applied to the underlying securities. Many pre-investment PAI indicators are considered but below are the ongoing post-investment PAI indicators that continue to be considered:

- abrdn monitors all mandatory and additional PAI indicators via our ESG integration investment process using a combination of our proprietary house score and 3rd party data feeds. PAI indicators that either fail a specific binary test or are considered above typical are flagged for review and may be selected for company engagement.
- Consideration of portfolio carbon intensity and GHG emissions via our Climate tools and risk analysis
- Governance indicators via our proprietary governance scores and risk framework, including consideration of sound management structures, employee relations, remuneration of staff and tax compliance
- On an on-going basis the investment universe is scanned for companies that may be in breach of international norms described in the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights, as well as state owned entities in countries which violate norms.



Is a specific index designated as a reference benchmark to meet the sustainable investment objective? No

**Reference benchmarks** are indexes to measure whether the financial product attains the sustainable investment objective.

- ***How does the reference benchmark take into account sustainability factors in a way that is continuously aligned with the sustainable investment objective?***  
Not applicable
- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***  
Not applicable
- ***How does the designated index differ from a relevant broad market index?***  
Not applicable
- ***Where can the methodology used for the calculation of the designated index be found?***  
Not applicable



**Where can I find more product specific information online?**

Fund specific documentation, including Sustainability Related Disclosures, are published at [www.abrdn.com](http://www.abrdn.com) under Fund Centre.

**More product-specific information can be found on the website:**

Fund specific documentation, including Sustainability Related Disclosures, are published at [www.abrdn.com](http://www.abrdn.com) under Fund Centre.



**Pre-contractual disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph of Regulation (EU) 2020/852**

**Product Name:** abrdn SICAV I - Emerging Markets SDG Corporate Bond Fund

**Legal entity identifier:** 213800ZA6YFUJIKUV566

## Sustainable investment objective

### Does this financial product have a sustainable investment objective?

**Yes**

**No**

- It will make a minimum of **sustainable investments with an environmental objective: 15%**
  - in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

- It will make a minimum of **sustainable investments with a social objective: 15%**

- It promotes **Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of \_\_\_% of sustainable investments
  - with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
  - with a social objective
- It promotes E/S characteristics, but **will not make any sustainable investments**

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.





**Sustainability indicators** measure how the sustainable objectives of this financial product are attained.

## What is the sustainable investment objective of this financial product?

Our Emerging Markets SDG Corporate Bond Fund seeks to generate strong long-term performance by allocating capital to companies that may deliver a strong financial return and demonstrate – via their products, services, and actions – a clear and material alignment to one or more of the United Nation’s (UN) Sustainable Development Goals (SDGs).

In doing so, companies reflect a commitment to help address the world’s most pressing problems and support a shift to a more sustainable economy. The SDGs are designed to address the world’s major long-term challenges. These include climate change, growing social inequality, and unsustainable production and consumption. We believe alignment with the SDGs creates tangible opportunities for companies to contribute positively to society and the environment, while simultaneously enhancing the long-term financial value of the business.

The Fund seeks to:

- Invest in a portfolio of companies that we believe can deliver strong financial returns, while actively contributing towards the UN SDGs and delivering positive and sustainable change.
- Build a diversified portfolio of high-quality companies by country and sector, aiming to deliver both positive societal outcomes and attractive financial returns.
- Benefit from our proactive company engagement to drive positive change in corporate behaviour.
- Leverage abrdn’s long history and extensive resources in emerging markets with local offices and over 100 investment professionals covering 80 countries and over 1,000 companies.

The Fund incorporates our Sustainable Development Assessment, which is a supplement to the investment process specific to the sustainable development product suite. These funds will combine the expert analysis of our fixed income and equity teams with the insights of our ESG specialists, both on-desk and the centralised ESG Research team, to determine alignment to the SDGs. Alignment to sustainable development will be determined against abrdn’s established eight-pillar investment framework for the SDGs.

The Fund’s reference benchmark is the JPM ESG CEMBI Broad Diversified Index. The index is representative of the investment opportunities we explore for the Fund and applies ESG exclusions. Index construction takes into account the environmental and socio-ethical factors by excluding issuers operating in certain sectors, namely thermal coal, tobacco and weapons. The exclusion criteria also encompass a corporate sustainability aspect by filtering issuers in violation of the UN Global Compact principles. Issuers with JESG scores less than 20 are also excluded. Full index methodology can be found at J.P. Morgan Markets.

● **What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?**

The measure used by the Fund is a carbon intensity target lower than the benchmark. The Fund will invest in companies with minimum of 20% of their revenue, profit, capital or operating expenditure or research and development linked to the UN's SDGs. For companies classified in the benchmark as "Financials", alternative measures of materiality are used based on loans and customer base. The Fund will also invest up to 20% in SDG leaders.

The Fund also reduces the investment universe by a minimum of 20%.

● **How do the sustainable investments not cause significant harm to any environmental or social sustainable investment objective?**

As required by the SFDR Delegated Regulation, the investment does not cause Significant Harm ("Do No Significant Harm"/ "DNSH") to any of the sustainable investment objectives.

abrdn have created a 3-step process to ensure consideration of DNSH:

i. Sector Exclusions

abrdn have identified a number of sectors which automatically do not qualify for inclusion as a Sustainable Investment as they are considered to be causing significant harm. These include but are not limited to: (1) Defence, (2) Coal, (3) Oil & Gas Exploration, Production and associated activities, (4) tobacco, (5) gambling and (6) alcohol.

ii. DNSH Binary Test

The DNSH test, is a binary pass/fail test which signals if the company passes or fails criteria for the SFDR Article 2 (17) "do no significant harm". Pass indicates under abrdn's methodology the company has no ties to controversial weapons, less than 1% of revenue from thermal coal, less than 5% of revenue from tobacco related activities, is not a tobacco producer, and has no red/severe ESG Controversies. If the company fails this test, it cannot be considered a Sustainable Investment. Abrdn's approach is aligned with the SFDR PAIs included within tables 1, 2 & 3 of the SFDR Delegated Regulation and is based on external data sources and abrdn internal insights.

iii. DNSH Materiality Flag

Using a number of additional screens and flags, abrdn consider the additional SFDR PAI's indicators as defined by the SFDR Delegated Regulation to identify areas for improvement or potential future concern. These indicators are not considered to cause significant harm and therefore a company with active DNSH materiality flags may still be considered to be a Sustainable Investment. abrdn aim to enhance the engagement activities to focus on these areas and seek to deliver better outcomes by resolving the issue.

*How have the indicators for adverse impacts on sustainability factors been taken into account?*

The fund considers Principal Adverse Impact Indicators defined by the SFDR Delegated Regulation.

Pre investment, abrdn applies a number of norms and activity-based screens related to PAIs, including but not limited to: UN Global Compact, controversial weapons, and thermal coal extraction.

UNGC: The Fund uses norms-based screens and controversy filters to exclude companies that may be in breach of international norms described in the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights, as well as state owned entities in countries which violate norms. Controversial Weapons: The Fund excludes companies with business activities related to controversial weapons (cluster munitions, anti-personnel landmines, nuclear weapons, chemical and biological weapons, white phosphorus, non-detectable fragments, incendiary devices, depleted uranium ammunition or blinding lasers).

Thermal Coal Extraction: The Fund excludes companies with exposure to the fossil fuels sector based on percentage of revenue from thermal coal extraction.

abrdn apply a fund specific set of company exclusions, more detail on these and the overall process is captured within the Investment Approach, which is published at [www.abrdn.com](http://www.abrdn.com) under "Fund Centre".

Post-investment the following PAI indicators are considered:

- abrdn monitors all mandatory and additional PAI indicators via our ESG integration investment process using a combination of our proprietary house score and 3rd party data feeds. PAI indicators that either fail a specific binary test or are considered above typical are flagged for review and may be selected for company engagement.
- Consideration of portfolio carbon intensity and GHG emissions via our Climate tools and risk analysis
- Governance indicators via our proprietary governance scores and risk framework, including consideration of sound management structures, employee relations, remuneration of staff and tax compliance
- On an on-going basis the investment universe is scanned for companies that may be in breach of international norms described in the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights, as well as state owned entities in countries which violate norms.

*How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?*

The Fund uses norms-based screens and controversy filters to exclude companies that may be in breach of international norms described in the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights.



## Does this financial product consider principal adverse impacts on sustainability factors?

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- Yes, this Fund considers Principal Adverse Impacts (PAI) on sustainability factors.

Principal Adverse Impact Indicators are metrics that measure the negative effects on environmental and social matters. abrdn consider PAIs within the investment process for the Fund, this may include considering whether to make an investment, or they may be used as an engagement tool for example where there is no policy in place and this would be beneficial, or where carbon emissions are considered to be high, abrdn may engage to seek the creation of a long-term target and reduction plan. abrdn assess PAIs by using, amongst others, the PAI indicators referred to in the SFDR Delegated Regulation; however, dependent on data availability, quality and relevance to the investments not all SFDR PAI indicators may be considered. Where Funds consider PAIs, information on that consideration will be made available in annual reports.

- No



## What investment strategy does this financial product follow?

The Fund seeks to generate strong long-term performance by allocating capital to companies that may deliver a strong financial return and demonstrate – via their products, services, and actions – an active and material alignment to one or more of the United Nation’s (UN) Sustainable Development Goals (SDGs)

In doing so, companies reflect a commitment to help address the world’s most pressing problems and support a shift to a more sustainable economy. The SDGs are designed to address the world’s major long-term challenges. These include climate change, growing social inequality, and unsustainable production and consumption. We believe alignment with the SDGs creates tangible opportunities for companies to contribute positively to society and the environment, while simultaneously enhancing the long-term financial value of the business.

The Fund seeks to:

- Invest in a portfolio of companies that we believe can deliver strong financial returns, while actively contributing towards the UN SDGs and delivering positive and sustainable change.
- Build a diversified portfolio of high-quality companies by country and sector, aiming to deliver both positive societal outcomes and attractive financial returns.
- Benefit from our proactive company engagement to drive positive change in corporate behaviour.
- Leverage abrdn’s long history and extensive resources in emerging markets with local offices and over 100 investment professionals covering 80 countries and over 1,000 companies.

**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

The Fund incorporates our Sustainable Development Assessment, which is a supplement to the investment process specific to the sustainable development product suite. These funds will combine the expert analysis of our fixed income and equity teams with the insights of our ESG specialists, both on-desk and the centralised ESG Research team, to determine alignment to the SDGs. Alignment to sustainable development will be determined against abrdn's established eight-pillar investment framework for the SDGs.

In addition, abrdn apply a set of company exclusions, which are related to normative screening (UN Global Compact, ILO and OECD), Tobacco, Thermal Coal, Oil & Gas, Electricity Generation, Gambling, Alcohol, Adult Entertainment and Weapons.

● ***What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?***

The Fund approach identifies companies which are aligned to the UN Sustainable Development Goals. These goals are designed to address the world's major long-term challenges. These include climate change, growing social inequality, and unsustainable production and consumption. For companies classified in the benchmark as "Financials", alternative measures of materiality are used based on loans and customer base. The Fund will also invest up to 20% in SDG leaders.

Distinct company research notes for each stock in the Sustainable Development funds capture and formally document the SDG impact made by each company and the needs they meet across the SDG pillars:

- Circular economy
- Sustainable energy
- Food and agriculture
- Water and sanitation
- Health and social care
- Financial inclusion
- Sustainable real estate and infrastructure
- Education and employment
- SDG leader

Additionally, we satisfy the three binding criteria for Sustainable Investment:

- Economic contribution
- Do no significant harm
- Good Governance

The Fund also has a binding commitment to a carbon intensity target lower than the benchmark.

abrdn apply a set of company exclusions, which are related to normative screening (UN Global Compact, ILO and OECD), Tobacco, Thermal Coal, Oil & Gas, Electricity Generation, Gambling, Alcohol, Adult Entertainment and

Weapons. These screening criteria apply in a binding manner and on an ongoing basis.

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

● ***What is the policy to assess good governance practices of the investee companies?***

For this Fund, the investee company needs to follow good governance practices in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance. This can be demonstrated by the monitoring of certain PAI indicators, for example corruption, tax compliance and diversity. In addition, by using abrdn's proprietary ESG scores within the investment process abrdn screen out any investments with low governance scores. Our governance scores assess a company's corporate governance and management structure (including remuneration of staff policies) and the quality and behaviour of its leadership and management. A low score will typically be given where there are concerns in relation to financially material controversies, poor tax compliance or governance concerns, or poor treatment of employees or minority shareholders.

The investment must further be aligned with OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human rights. Breaches and violations of these international norms are flagged by an event-driven controversy and are captured in the investment process.



**Asset allocation** describes the share of investments in specific asset classes.

**What is the asset allocation and the minimum share of sustainable investments?**

The Fund commits to a minimum of 75% in Sustainable Investments, including a minimum commitment of 15% to assets with an environmental objective and 15% to social objectives.

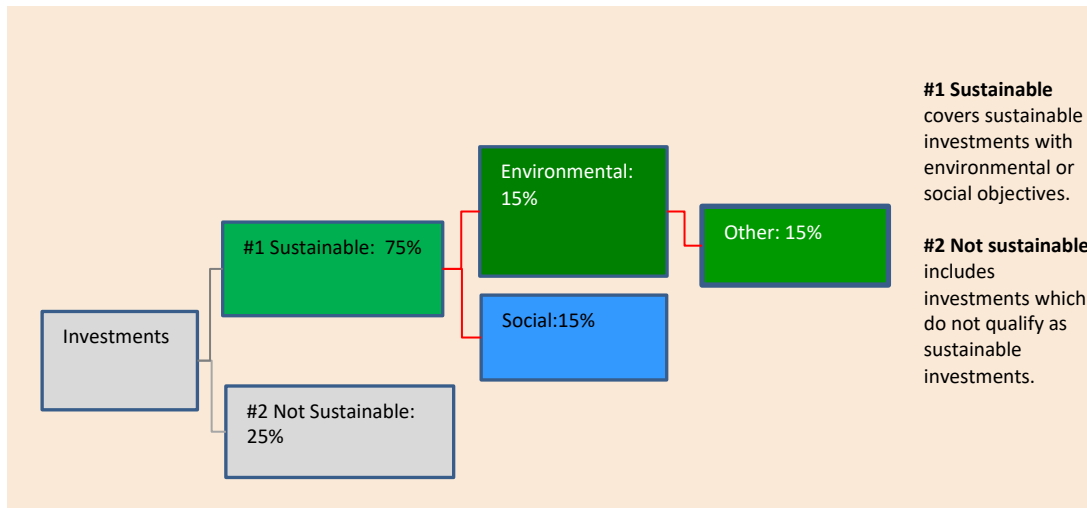
The Fund invests a maximum of 25% of assets in the "Non Sustainable" category, which is mainly made up of cash, money market instruments and derivatives.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies

- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

- **operational expenditure** (OpEx) reflecting green operational activities of investee



● **How does the use of derivatives attain the sustainable investment objective?**

The Fund will not use derivatives to attain any sustainable investment objective.



**To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

The Fund has not set a minimum proportion of investments in Taxonomy aligned economic activities. This graph represents 100% of the total investment.

**Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>17</sup> ?**


- Yes
  - In fossil gas
  - In nuclear energy
- No

<sup>17</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm and EU Taxonomy objective – see explanation note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

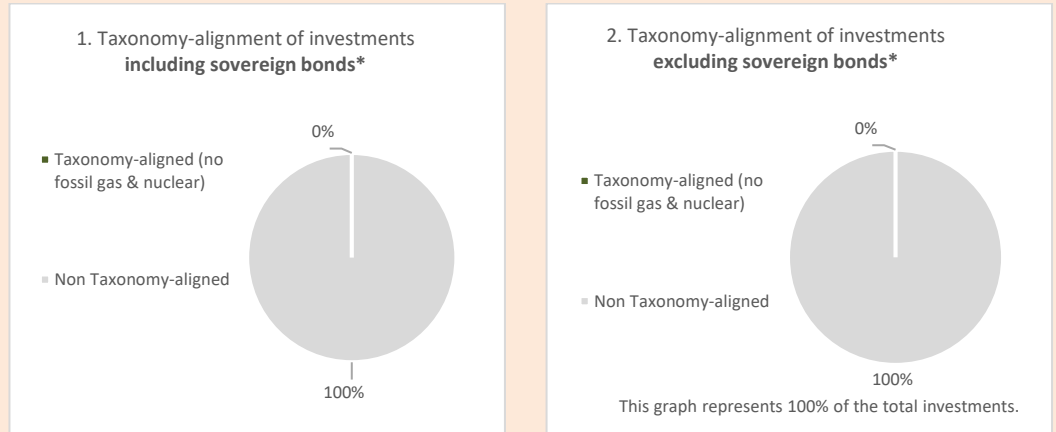
To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

● **What is the minimum share of investments in transitional and enabling activities?**

Not applicable.



**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The Fund makes investments on the basis of the SDG investment approach, allocating capital to companies that may deliver a strong financial return and demonstrate – via their products, services, and actions – a clear and material alignment to one or more of the United Nation’s (UN) Sustainable Development Goals (SDGs). The SDGs are designed to address the world’s major long-term challenges. These include climate change, growing social inequality and unsustainable production and consumption.



abrdn believe alignment with the SDGs creates tangible opportunities for companies to contribute positively to society and the environment, while simultaneously enhancing the long-term financial value of the business, which result in the Fund committing to a minimum 75% to sustainable investments which are inclusive of both environmental and social objectives that aren't explicitly taxonomy aligned. The minimum share of sustainable investments with an environmental objective is 15%.



### **What is the minimum share of sustainable investments with a social objective?**

The Fund makes investments on the basis of the SDG investment approach, allocating capital to companies that may deliver a strong financial return and demonstrate – via their products, services, and actions – a clear and material alignment to one or more of the United Nation's (UN) Sustainable Development Goals (SDGs). The SDGs are designed to address the world's major long-term challenges. These include climate change, growing social inequality and unsustainable production and consumption.

abrdn believe alignment with the SDGs creates tangible opportunities for companies to contribute positively to society and the environment, while simultaneously enhancing the long-term financial value of the business, which result in the Fund committing to a minimum 75% to sustainable investments which are inclusive of both environmental and social objectives that aren't explicitly taxonomy aligned. The minimum share of sustainable investments with a social objective is 15%.



### **What investments are included under “#2 Not sustainable”, what is their purpose and are there any minimum environmental or social safeguards?**

The Fund may invest in securities that are not deemed sustainable including cash, money market instruments and derivatives but only for the purpose of hedging and liquidity management.

There are certain environmental and social safeguards that are met by applying PAI's. Where relevant, these are applied to the underlying securities. Many pre-investment PAI indicators are considered but below are the ongoing post-investment PAI indicators that continue to be considered:

- abrdn monitors all mandatory and additional PAI indicators via our ESG integration investment process using a combination of our proprietary house score and 3rd party data feeds. PAI indicators that either fail a specific binary test or are considered above typical are flagged for review and may be selected for company engagement.
- Consideration of portfolio carbon intensity and GHG emissions via our Climate tools and risk analysis
- Governance indicators via our proprietary governance scores and risk framework, including consideration of sound management structures, employee relations, remuneration of staff and tax compliance

- On an on-going basis the investment universe is scanned for companies that may be in breach of international norms described in the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights, as well as state owned entities in countries which violate norms.



## Is a specific index designated as a reference benchmark to meet the sustainable investment objective? Yes

**Reference benchmarks** are indexes to measure whether the financial product attains the sustainable investment objective.

### ***How does the reference benchmark take into account sustainability factors in a way that is continuously aligned with the sustainable investment objective?***

The J.P. Morgan ESG CEMBI Broad Diversified Index (USD) tracks liquid, US Dollar emerging market fixed and floating-rate debt instruments issued by corporate entities. The index applies an ESG scoring and screening methodology to tilt toward issuers ranked higher on ESG criteria and green bond issues, and to underweight and remove issuers that rank lower. The J.P. Morgan ESG CEMBI Broad Diversified Index (USD) is based on the flagship J.P. Morgan CEMBI Broad Diversified Index. The ESG scoring incorporates a 3-month rolling average and is refreshed on a quarterly basis.

### ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

N/A

### ***How does the designated index differ from a relevant broad market index?***

The index applies an ESG scoring and screening methodology to tilt toward issuers ranked higher on ESG criteria and green bond issues, and to underweight and remove issuers that rank lower. The J.P. Morgan ESG CEMBI Broad Diversified Index (USD) is based on the flagship J.P. Morgan CEMBI Broad Diversified Index

Details can be found at:

<https://www.jpmorgan.com/content/dam/jpm/cib/complex/content/markets/composition-docs/jp-morgan-esg-cembi-broad-diversified-index.pdf>

### ***Where can the methodology used for the calculation of the designated index be found?***

Details can be found at:

<https://www.jpmorgan.com/content/dam/jpm/cib/complex/content/markets/composition-docs/jp-morgan-esg-cembi-broad-diversified-index.pdf>



### **Where can I find more Product specific Information online?**

Fund specific documentation, including Sustainability Related Disclosures, are published at [www.abrdn.com](http://www.abrdn.com) under Fund Centre.

### **More product-specific information can be found on the website:**

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**Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph of Regulation (EU) 2020/852**

**Product Name:** abrdn SICAV I - European Sustainable Equity Fund

**Legal entity identifier:** 549300S9LZDBGNKR0127

## Environmental and/or social characteristics

### Does this financial product have a sustainable investment objective?

**Yes**

**No**

- It will make a minimum of **sustainable investments with an environmental objective: \_\_\_\_%**
  - in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

- It promotes **Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 20% of sustainable investments
  - with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
  - with a social objective

- It will make a minimum of **sustainable investments with a social objective: \_\_\_\_%**

- It promotes E/S characteristics, but **will not make any sustainable investments**

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



### Sustainability

**indicators** measure how the sustainable objectives of this financial product are attained.

## What environmental and/or social characteristics are promoted by this financial product?

To promote the environmental and social characteristics, the Fund applies ESG assessment criteria, ESG screening criteria and promotes good governance including social factors.

We use our proprietary research framework to identify companies which we believe to be sustainable leaders or improvers. Sustainable leaders are viewed as companies with the best in class ESG credentials or products and services which address global environmental and societal challenges, whilst improvers are typically companies with average governance, ESG management practices and disclosure with potential for improvement.

Within our equity investment process, for all companies under coverage we analyse the foundations of each business to ensure proper context for our investments. This includes the durability of its business model, the attractiveness of its industry, the strength of its financials and the sustainability of its economic moat. We also consider the quality of its management team and analyse the environmental, social and governance (ESG) opportunities and risks impacting the business and appraise how well these are managed. We assign a proprietary score to articulate the quality attributes of each company, one of which is the ESG Quality rating. This enables the portfolio managers to exclude companies with material ESG risks and positively skew the portfolio towards ESG opportunities and to build well-diversified, risk-adjusted portfolios.

Additionally, our proprietary ESG House Score, developed by our central ESG investment team in collaboration with the Quantitative investment team, is used to identify companies with potentially high or poorly managed ESG risks. The score is calculated by combining a variety of data inputs within a proprietary framework in which different ESG factors are weighted according to how material they are for each sector. This allows us to see how companies rank in a global context.

The abrdn ESG House Score was designed so that it can be broken down into specific themes and categories. The ESG score comprises of two scores; the Operational score and Governance score. This allows a quick view of a company's relative positioning on its management of ESG issues at a granular level.

- The Governance score assesses the corporate governance structure and the quality and behaviour of corporate leadership and executive management.
- The Operational score assesses the ability of the company's leadership team to implement effective environmental and social risk reduction and mitigation strategies in its operations.

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

To complement this, we also utilise our active stewardship and engagement activities.

This Fund has a financial benchmark that is used for portfolio construction but does not incorporate any sustainable criteria and is not selected for the purpose of attaining these characteristics. This financial benchmark is used as a comparator for Fund performance and as a comparison for the Fund's binding commitments.

● ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

The measures applied by the Fund are:

- ESG assessment criteria,
- ESG screening criteria,
- a carbon intensity targeting lower than benchmark,
- targets an ESG rating better than or equal to benchmark and
- promotes good governance including social factors.

To complement this, we also utilise our active stewardship and engagement activities.

The Fund also targets to exclude at least 20% of the Fund's benchmark investable universe, through a combination of in-house proprietary scoring tools and the use of negative criteria to avoid investing in certain industries and activities.

● ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

The objective of the sustainable investment is to make a contribution to solving an environmental or social challenge, in addition to not causing significant harm, and being well governed. Each sustainable investment may make a contribution to Environmental or Social issues. In fact, many companies will make a positive contribution to both. abrdn use the six environmental objectives of the Taxonomy to inform Environmental contributions, including: (1) climate change mitigation, (2) climate change adaptation, (3) sustainable use and protection of water and marine resources, (4) transition to a circular economy, (5) pollution prevention and control, and (6) protection and restoration of biodiversity and ecosystems. In addition, abrdn use the 17 Sustainable Development Goals and their sub-goals to supplement the EU Taxonomy topics and provide a framework for considering Social objectives

An economic activity must have a positive economic contribution to qualify as a Sustainable investment, this includes consideration of Environmental or Socially aligned revenues, Capex, Opex or sustainable operations. abrdn seek to establish or estimate the share of the investee company's economic activities/contribution towards a sustainable objective and it is this element that is weighted and counted towards the Sub-fund's total aggregated proportion of Sustainable Investments.

abrdn uses a combination of the following approaches:

- i. a quantitative methodology based on a combination of publicly available data sources; and
- ii. using abrdn's own insight and engagement outcomes abrdn overlay the quantitative methodology with a qualitative assessment to calculate an overall percentage of economic contribution towards a sustainable objective for each holding in a Fund.

● ***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

As required by the SFDR Delegated Regulation, the investment does not cause Significant Harm ("Do No Significant Harm"/ "DNSH") to any of the sustainable investment objectives.

abrdn have created a 3-step process to ensure consideration of DNSH:

i. Sector Exclusions

abrdn have identified a number of sectors which automatically do not qualify for inclusion as a Sustainable Investment as they are considered to be causing significant harm. These include but are not limited to: (1) Defence, (2) Coal, (3) Oil & Gas Exploration, Production and associated activities, (4) tobacco, (5) gambling and (6) alcohol.

ii. DNSH Binary Test

The DNSH test, is a binary pass/fail test which signals if the company passes or fails criteria for the SFDR Article 2 (17) "do no significant harm".

Pass indicates under abrdn's methodology the company has no ties to controversial weapons, less than 1% of revenue from thermal coal, less than 5% of revenue from tobacco related activities, is not a tobacco producer, and has no red/severe ESG Controversies. If the company fails this test, it cannot be considered a Sustainable Investment. Abrdn's approach is aligned with the SFDR PAIs included within tables 1, 2 & 3 of the SFDR Delegated Regulation and is based on external data sources and abrdn internal insights.

iii. DNSH Materiality Flag

Using a number of additional screens and flags, abrdn consider the additional SFDR PAI's indicators as defined by the SFDR Delegated Regulation to identify areas for improvement or potential future concern. These indicators are not considered to cause significant harm and therefore a company with active DNSH materiality flags may still be considered to be a Sustainable Investment. abrdn aim to enhance the engagement activities to focus on these areas and seek to deliver better outcomes by resolving the issue.

*Have the indicators for adverse impacts on sustainability factors been taken into account?*

The fund considers Principal Adverse Impact Indicators defined by the SFDR Delegated Regulation.

Pre investment, abrdn applies a number of norms and activity-based screens related to PAIs, including but not limited to: UN Global Compact, controversial weapons, and thermal coal extraction.

UNGC: The Fund uses norms-based screens and controversy filters to exclude companies that may be in breach of international norms described in the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights, as well as state owned entities in countries which violate norms.

Controversial Weapons: The Fund excludes companies with business activities related to controversial weapons (cluster munitions, anti-personnel landmines, nuclear weapons, chemical and biological weapons, white phosphorus, non-detectable fragments, incendiary devices, depleted uranium ammunition or blinding lasers).

Thermal Coal Extraction: The Fund excludes companies with exposure to the fossil fuels sector based on percentage of revenue from thermal coal extraction.

abrdn apply a fund specific set of company exclusions, more detail on these and the overall process is captured within the Investment Approach, which is published at [www.abrdn.com](http://www.abrdn.com) under "Fund Centre".

Post-investment the following PAI indicators are considered:

- abrdn monitors all mandatory and additional PAI indicators via our ESG integration investment process using a combination of our proprietary house score and 3rd party data feeds. PAI indicators that either fail a specific binary test or are considered above typical are flagged for review and may be selected for company engagement.
- Consideration of portfolio carbon intensity and GHG emissions via our Climate tools and risk analysis
- Governance indicators via our proprietary governance scores and risk framework, including consideration of sound management structures, employee relations, remuneration of staff and tax compliance
- On an on-going basis the investment universe is scanned for companies that may be in breach of international norms described in the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights, as well as state owned entities in countries which violate norms.

*How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

The Fund uses norms-based screens and controversy filters to exclude companies that may be in breach of international norms described in the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights.



*The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

*The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities.*

*The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.*

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



### **Does this financial product consider principal adverse impacts on sustainability factors?**

- Yes, this Fund considers Principal Adverse Impacts (PAI) on sustainability factors.

Principal Adverse Impact Indicators are metrics that measure the negative effects on environmental and social matters. abrdn consider PAIs within the investment process for the Fund, this may include considering whether to make an investment, or they may be used as an engagement tool for example where there is no policy in place and this would be beneficial, or where carbon emissions are considered to be high, abrdn may engage to seek the creation of a long-term target and reduction plan. abrdn assess PAIs by using, amongst others, the PAI indicators referred to in the SFDR Delegated Regulation; however, dependent on data availability, quality and relevance to the investments not all SFDR PAI indicators may be considered. Where Funds consider PAIs, information on that consideration will be made available in annual reports.

- No



### **What investment strategy does this financial product follow?**

The Fund contains high-quality companies that have been identified through the bottom-up equity research process which takes into consideration the sustainability of the business in its broadest sense and the company’s environmental, social and governance (ESG) performance.

There are three core principles which underpin our Sustainable investment approach and the time we dedicate to ESG analysis as part of our overall equity research process:

- Informed and constructive engagement helps foster better companies, enhancing the value of our clients’ investments.
- ESG factors are financially material, and impact corporate performance
- Understanding ESG risks and opportunities alongside other financial metrics allows us to make better investment decisions.

Within our equity investment process, for all companies under coverage we analyse the foundations of each business to ensure proper context for our investments. This

includes the durability of its business model, the attractiveness of its industry, the strength of its financials and the sustainability of its economic moat. We also consider the quality of its management team and analyse the environmental, social and governance (ESG) opportunities and risks impacting the business and appraise how well these are managed. We assign a proprietary score to articulate the quality attributes of each company, one of which is the ESG Quality rating. This enables the portfolio managers to exclude companies with material ESG risks and positively skew the portfolio towards ESG opportunities and to build well-diversified, risk-adjusted portfolios.

Our proprietary ESG House Score, developed by our central ESG investment team in collaboration with the Quantitative investment team, is used to identify companies with potentially high or poorly managed ESG risks. The score is calculated by combining a variety of data inputs within a proprietary framework in which different ESG factors are weighted according to how material they are for each sector. This allows us to see how companies rank in a global context.

The abrdn ESG House Score was designed so that it can be broken down into specific themes and categories. The ESG score comprises of two scores; the Operational score and Governance score. This allows a quick view of a company's relative positioning on its management of ESG issues at a granular level.

- The Governance score assesses the corporate governance structure and the quality and behaviour of corporate leadership and executive management.
- The Operational score assesses the ability of the company's leadership team to implement effective environmental and social risk reduction and mitigation strategies in its operations.

To complement this, we also utilise our active stewardship and engagement activities.

To complement the bottom-up research, the portfolio managers also use abrdn's proprietary ESG House Score, which is primarily a quantitative assessment, to identify and exclude those companies exposed to the highest ESG risks. Finally, binary exclusions are applied to exclude the particular areas of investment related to the UN Global Compact, Norges Bank Investment Management (NBIM), State Owned Enterprises (SOE), Weapons, Tobacco, Gambling, Thermal Coal, Oil & Gas and Electricity Generation.

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

● ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

The binding elements used by the Fund are:

- a carbon intensity target lower than benchmark and
- targeting an ESG rating better than or equal to benchmark.

Binary exclusions are applied to exclude the particular areas of investment related to the UN Global Compact, Norges Bank Investment Management (NBIM), State Owned Enterprises (SOE), Weapons, Tobacco, Gambling, Thermal Coal, Oil & Gas and Electricity Generation. These screening criteria apply in a binding manner and on an ongoing basis.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

The Fund also targets to exclude at least 20% of the Fund's benchmark investable universe, through a combination of in-house proprietary scoring tools and the use of negative criteria to avoid investing in certain industries and activities that abrdn customers are concerned with.

- ***What is the policy to assess good governance practices of the investee companies?***

For this Fund, the investee company needs to follow good governance practices in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance. This can be demonstrated by the monitoring of certain PAI indicators, for example corruption, tax compliance and diversity. In addition, by using abrdn's proprietary ESG scores within the investment process abrdn screen out any investments with low governance scores. Our governance scores assess a company's corporate governance and management structure (including remuneration of staff policies) and the quality and behaviour of its leadership and management. A low score will typically be given where there are concerns in relation to financially materially controversies, poor tax compliance or governance concerns, or poor treatment of employees or minority shareholders.

The investment must further be aligned with OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human rights. Breaches and violations of these international norms are flagged by an event-driven controversy and are captured in the investment process.

### **What is the asset allocation planned for this financial product?**

A minimum of 90% of the Fund's assets are aligned with E/S characteristics. Environmental and social safeguards are met by applying certain PAI's, where relevant, to these underlying assets. Within these assets, the Fund commits to a minimum of 20% in Sustainable Investments.

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.



**Asset allocation** describes the share of investments in specific assets.

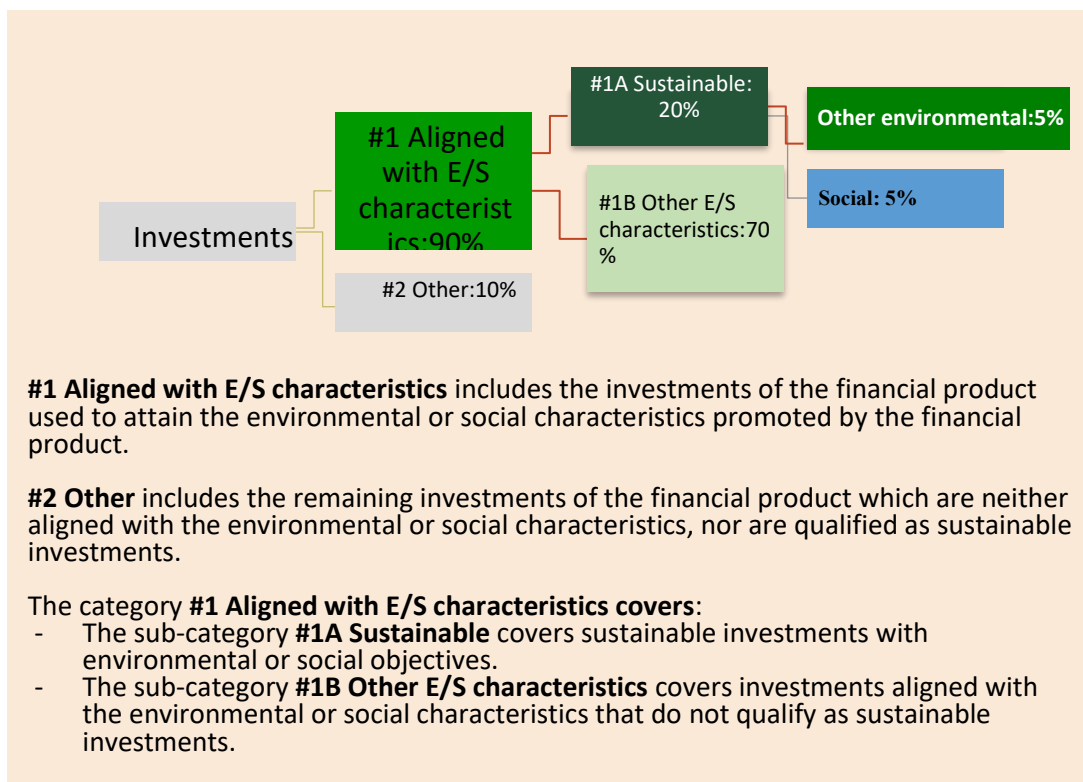
The Fund invests a maximum of 10% of assets in the “Other” category, which include cash, money market instruments and derivatives.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies

- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

- **operational expenditure** (OpEx) reflecting green operational activities of investee companies



● **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

The Fund will not use derivatives to attain any environmental or social characteristics.



**To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

The Fund has not set a minimum proportion of investments in Taxonomy aligned economic activities. This graph represents 100% of the total investment.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

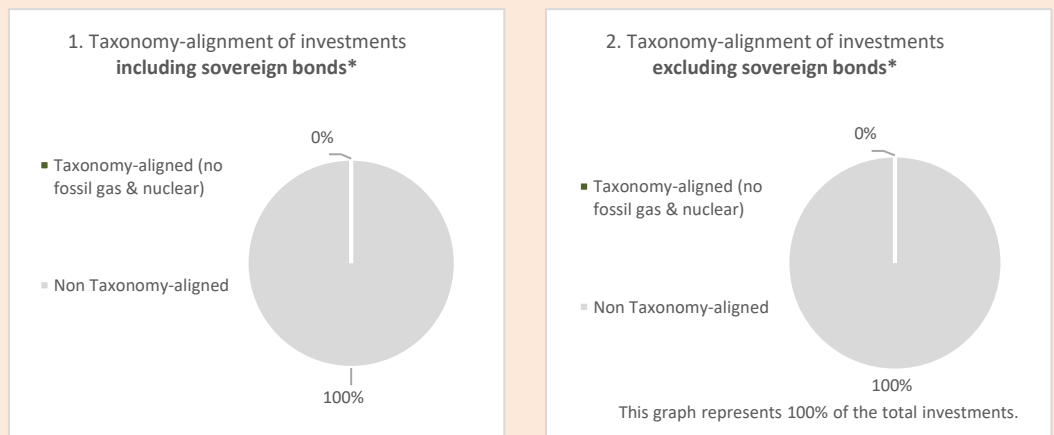
**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to

● **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>18</sup> ?**

- Yes
  - In fossil gas
  - In nuclear energy
- No

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.




\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

● **What is the minimum share of investments in transitional and enabling activities?**

Not applicable.

● **What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The Fund contains high-quality companies that have been identified through our bottom-up equity research process which takes into consideration the sustainability of the business in its broadest sense and the company's environmental, social and governance (ESG) performance. Within our equity investment process, every company that we invest in is given, via a qualitative assessment, a proprietary overall

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

<sup>18</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm and EU Taxonomy objective – see explanation note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Quality rating. A key component of this is the ESG Quality rating, which enables the portfolio managers to identify sustainable leaders and improvers and to build well-diversified, risk-adjusted portfolios.

To complement our bottom-up research, the portfolio managers also use our proprietary ESG House Score, which is primarily a quantitative assessment, to identify and exclude those companies exposed to the highest ESG risks. Finally, binary exclusions are applied to exclude the particular areas of investment.

This process results in the Fund committing to a minimum of 90% in securities with environment and social characteristics and a minimum of 20% to sustainable investments which are inclusive of both environmental and social objectives that aren't explicitly taxonomy aligned. The minimum share of sustainable investments with an environmental objective is 5%.



### **What is the minimum share of socially sustainable investments?**

The Fund contains high-quality companies that have been identified through our bottom-up equity research process which takes into consideration the sustainability of the business in its broadest sense and the company's environmental, social and governance (ESG) performance. Within our equity investment process, every company that we invest in is given, via a qualitative assessment, a proprietary overall Quality rating. A key component of this is the ESG Quality rating, which enables the portfolio managers to identify sustainable leaders and improvers and to build well-diversified, risk-adjusted portfolios.

To complement our bottom-up research, the portfolio managers also use our proprietary ESG House Score, which is primarily a quantitative assessment, to identify and exclude those companies exposed to the highest ESG risks. Finally, binary exclusions are applied to exclude the particular areas of investment.

This process results in the Fund committing to a minimum of 90% in securities with environment and social characteristics and a minimum of 20% to sustainable investments which are inclusive of both environmental and social objectives that aren't explicitly taxonomy aligned. The minimum share of sustainable investments with a social objective is 5%.



### **What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?**

The investments included under "other" are cash, money market instruments & derivatives. The purpose of these assets are to meet liquidity, target return or manage risk and may not contribute to the environmental or social aspects of the Fund.

There are certain environmental and social safeguards that are met by applying PAI's. Where relevant, these are applied to the underlying securities.



**Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes? No**

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***  
Not applicable
- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***  
Not applicable
- ***How does the designated index differ from a relevant broad market index?***  
Not applicable
- ***Where can the methodology used for the calculation of the designated index be found***  
Not applicable



**Where can I find more product specific information online?**

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**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.



**Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph of Regulation (EU) 2020/852**

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Product Name:** abrdn SICAV I - Europe ex UK Sustainable Equity Fund

**Legal entity identifier:** 549300D74Z5SB5ZIUN31

## Environmental and/or social characteristics

### Does this financial product have a sustainable investment objective?

**Yes**

**No**

- It will make a minimum of **sustainable investments with an environmental objective: \_\_\_%**
  - in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

- It promotes **Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 20% of sustainable investments
  - with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
  - with a social objective

- It will make a minimum of **sustainable investments with a social objective: \_\_\_%**

- It promotes E/S characteristics, but **will not make any sustainable investments**





### **Sustainability**

**indicators** measure how the sustainable objectives of this financial product are attained.

## **What environmental and/or social characteristics are promoted by this financial product?**

To promote the environmental and social characteristics, the Fund applies ESG assessment criteria, ESG screening criteria and promotes good governance including social factors.

We use our proprietary research framework to identify companies which we believe to be sustainable leaders or improvers. Sustainable leaders are viewed as companies with the best in class ESG credentials or products and services which address global environmental and societal challenges, whilst improvers are typically companies with average governance, ESG management practices and disclosure with potential for improvement.

Within our equity investment process, for all companies under coverage we analyse the foundations of each business to ensure proper context for our investments. This includes the durability of its business model, the attractiveness of its industry, the strength of its financials and the sustainability of its economic moat. We also consider the quality of its management team and analyse the environmental, social and governance (ESG) opportunities and risks impacting the business and appraise how well these are managed. We assign a proprietary score to articulate the quality attributes of each company, one of which is the ESG Quality rating. This enables the portfolio managers to exclude companies with material ESG risks and positively skew the portfolio towards ESG opportunities and to build well-diversified, risk-adjusted portfolios.

Additionally, our proprietary ESG House Score, developed by our central ESG investment team in collaboration with the Quantitative investment team, is used to identify companies with potentially high or poorly managed ESG risks. The score is calculated by combining a variety of data inputs within a proprietary framework in which different ESG factors are weighted according to how material they are for each sector. This allows us to see how companies rank in a global context.

The abrdn ESG House Score was designed so that it can be broken down into specific themes and categories. The ESG score comprises of two scores; the Operational score and Governance score. This allows a quick view of a company's relative positioning on its management of ESG issues at a granular level.

- The Governance score assesses the corporate governance structure and the quality and behaviour of corporate leadership and executive management.
- The Operational score assesses the ability of the company's leadership team to implement effective environmental and social risk reduction and mitigation strategies in its operations.

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

To complement this, we also utilise our active stewardship and engagement activities.

This Fund has a financial benchmark that is used for portfolio construction but does not incorporate any sustainable criteria and is not selected for the purpose of attaining these characteristics. This financial benchmark is used as a comparator for Fund performance and as a comparison for the Fund's binding commitments.

● ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

The measures applied by the Fund are:

- ESG assessment criteria,
- ESG screening criteria,
- a carbon intensity targeting lower than benchmark,
- targets an ESG rating better than or equal to benchmark and
- promotes good governance including social factors.

To complement this, we also utilise our active stewardship and engagement activities.

The Fund also targets to exclude at least 20% of the Fund's benchmark investable universe, through a combination of in-house proprietary scoring tools and the use of negative criteria to avoid investing in certain industries and activities.

● ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

The objective of the sustainable investment is to make a contribution to solving an environmental or social challenge, in addition to not causing significant harm, and being well governed. Each sustainable investment may make a contribution to Environmental or Social issues. In fact, many companies will make a positive contribution to both. abrdn use the six environmental objectives of the Taxonomy to inform Environmental contributions, including: (1) climate change mitigation, (2) climate change adaptation, (3) sustainable use and protection of water and marine resources, (4) transition to a circular economy, (5) pollution prevention and control, and (6) protection and restoration of biodiversity and ecosystems. In addition, abrdn use the 17 Sustainable Development Goals and their sub-goals to supplement the EU Taxonomy topics and provide a framework for considering Social objectives

An economic activity must have a positive economic contribution to qualify as a Sustainable investment, this includes consideration of Environmental or Socially aligned revenues, Capex, Opex or sustainable operations. abrdn seek to establish or estimate the share of the investee company's economic activities/contribution towards a sustainable objective and it is this element that is weighted and counted towards the Sub-fund's total aggregated proportion of Sustainable Investments.

abrdn uses a combination of the following approaches:

- i. a quantitative methodology based on a combination of publicly available data sources; and
- ii. using abrdn's own insight and engagement outcomes abrdn overlay the quantitative methodology with a qualitative assessment to calculate an overall percentage of economic contribution towards a sustainable objective for each holding in a Fund.

● ***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

As required by the SFDR Delegated Regulation, the investment does not cause Significant Harm ("Do No Significant Harm"/ "DNSH") to any of the sustainable investment objectives.

abrdn have created a 3-step process to ensure consideration of DNSH:

i. **Sector Exclusions**

abrdn have identified a number of sectors which automatically do not qualify for inclusion as a Sustainable Investment as they are considered to be causing significant harm. These include but are not limited to: (1) Defence, (2) Coal, (3) Oil & Gas Exploration, Production and associated activities, (4) tobacco, (5) gambling and (6) alcohol.

ii. **DNSH Binary Test**

The DNSH test, is a binary pass/fail test which signals if the company passes or fails criteria for the SFDR Article 2 (17) "do no significant harm".

Pass indicates under abrdn's methodology the company has no ties to controversial weapons, less than 1% of revenue from thermal coal, less than 5% of revenue from tobacco related activities, is not a tobacco producer, and has no red/severe ESG Controversies. If the company fails this test, it cannot be considered a Sustainable Investment. Abrdn's approach is aligned with the SFDR PAIs included within tables 1, 2 & 3 of the SFDR Delegated Regulation and is based on external data sources and abrdn internal insights.

iii. **DNSH Materiality Flag**

Using a number of additional screens and flags, abrdn consider the additional SFDR PAI's indicators as defined by the SFDR Delegated Regulation to identify areas for improvement or potential future concern. These indicators are not considered to cause significant harm and therefore a company with active DNSH materiality flags may still be considered to be a Sustainable Investment. abrdn aim to enhance the engagement activities to focus on these areas and seek to deliver better outcomes by resolving the issue.

***Have the indicators for adverse impacts on sustainability factors been taken into account?***

The fund considers Principal Adverse Impact Indicators defined by the SFDR Delegated Regulation.

Pre investment, abrdn applies a number of norms and activity-based screens related to PAIs, including but not limited to: UN Global Compact, controversial weapons, and thermal coal extraction.

UNGC: The Fund uses norms-based screens and controversy filters to exclude companies that may be in breach of international norms described in the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights, as well as state owned entities in countries which violate norms.

Controversial Weapons: The Fund excludes companies with business activities related to controversial weapons (cluster munitions, anti-personnel landmines, nuclear weapons, chemical and biological weapons, white phosphorus, non-detectable fragments, incendiary devices, depleted uranium ammunition or blinding lasers).

Thermal Coal Extraction: The Fund excludes companies with exposure to the fossil fuels sector based on percentage of revenue from thermal coal extraction.

abrdn apply a fund specific set of company exclusions, more detail on these and the overall process is captured within the Investment Approach, which is published at [www.abrdn.com](http://www.abrdn.com) under "Fund Centre".

Post-investment the following PAI indicators are considered:

- abrdn monitors all mandatory and additional PAI indicators via our ESG integration investment process using a combination of our proprietary house score and 3rd party data feeds. PAI indicators that either fail a specific binary test or are considered above typical are flagged for review and may be selected for company engagement.
- Consideration of portfolio carbon intensity and GHG emissions via our Climate tools and risk analysis
- Governance indicators via our proprietary governance scores and risk framework, including consideration of sound management structures, employee relations, remuneration of staff and tax compliance
- On an on-going basis the investment universe is scanned for companies that may be in breach of international norms described in the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights, as well as state owned entities in countries which violate norms.

*How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

The Fund uses norms-based screens and controversy filters to exclude companies that may be in breach of international norms described in the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights.

*The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

*The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities.*

*The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.*

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



### **Does this financial product consider principal adverse impacts on sustainability factors?**

- Yes, this Fund considers Principal Adverse Impacts (PAI) on sustainability factors.

Principal Adverse Impact Indicators are metrics that measure the negative effects on environmental and social matters. abrdn consider PAIs within the investment process for the Fund, this may include considering whether to make an investment, or they may be used as an engagement tool for example where there is no policy in place and this would be beneficial, or where carbon emissions are considered to be high, abrdn may engage to seek the creation of a long-term target and reduction plan. abrdn assess PAIs by using, amongst others, the PAI indicators referred to in the SFDR Delegated Regulation; however, dependent on data availability, quality and relevance to the investments not all SFDR PAI indicators may be considered. Where Funds consider PAIs, information on that consideration will be made available in annual reports.

- No



### **What investment strategy does this financial product follow?**

The Fund contains high-quality companies that have been identified through the bottom-up equity research process which takes into consideration the sustainability of the business in its broadest sense and the company’s environmental, social and governance (ESG) performance.

There are three core principles which underpin our Sustainable investment approach and the time we dedicate to ESG analysis as part of our overall equity research process:

- Informed and constructive engagement helps foster better companies, enhancing the value of our clients’ investments.
- ESG factors are financially material, and impact corporate performance
- Understanding ESG risks and opportunities alongside other financial metrics allows us to make better investment decisions.

Within our equity investment process, for all companies under coverage we analyse the foundations of each business to ensure proper context for our investments. This includes the durability of its business model, the attractiveness of its industry, the strength of its

financials and the sustainability of its economic moat. We also consider the quality of its management team and analyse the environmental, social and governance (ESG) opportunities and risks impacting the business and appraise how well these are managed. We assign a proprietary score to articulate the quality attributes of each company, one of which is the ESG Quality rating. This enables the portfolio managers to exclude companies with material ESG risks and positively skew the portfolio towards ESG opportunities and to build well-diversified, risk-adjusted portfolios.

Our proprietary ESG House Score, developed by our central ESG investment team in collaboration with the Quantitative investment team, is used to identify companies with potentially high or poorly managed ESG risks. The score is calculated by combining a variety of data inputs within a proprietary framework in which different ESG factors are weighted according to how material they are for each sector. This allows us to see how companies rank in a global context.

The abrdn ESG House Score was designed so that it can be broken down into specific themes and categories. The ESG score comprises of two scores; the Operational score and Governance score. This allows a quick view of a company's relative positioning on its management of ESG issues at a granular level.

- The Governance score assesses the corporate governance structure and the quality and behaviour of corporate leadership and executive management.
- The Operational score assesses the ability of the company's leadership team to implement effective environmental and social risk reduction and mitigation strategies in its operations.

To complement this, we also utilise our active stewardship and engagement activities

To complement the bottom-up research, the portfolio managers also use abrdn's proprietary ESG House Score, which is primarily a quantitative assessment, to identify and exclude those companies exposed to the highest ESG risks. Finally, binary exclusions are applied to exclude the particular areas of investment related to the UN Global Compact, Norges Bank Investment Management (NBIM), State Owned Enterprises (SOE), Weapons, Tobacco, Gambling, Thermal Coal, Oil & Gas and Electricity Generation.

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

● ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

The binding elements used by the Fund are:

- a carbon intensity target lower than benchmark and
- targeting an ESG rating better than or equal to benchmark.

Binary exclusions are applied to exclude the particular areas of investment related to the UN Global Compact, Norges Bank Investment Management (NBIM), State Owned Enterprises (SOE), Weapons, Tobacco, Gambling, Thermal Coal, Oil & Gas and Electricity Generation. These screening criteria apply in a binding manner and on an ongoing basis.

- **What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?**

The Fund also targets to exclude at least 20% of the Fund's benchmark investable universe, through a combination of in-house proprietary scoring tools and the use of negative criteria to avoid investing in certain industries and activities that abrdn customers are concerned with.

- **What is the policy to assess good governance practices of the investee companies?**

For this Fund, the investee company needs to follow good governance practices in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance. This can be demonstrated by the monitoring of certain PAI indicators, for example corruption, tax compliance and diversity. In addition, by using abrdn's proprietary ESG scores within the investment process abrdn screen out any investments with low governance scores. Our governance scores assess a company's corporate governance and management structure (including remuneration of staff policies) and the quality and behaviour of its leadership and management. A low score will typically be given where there are concerns in relation to financially materially controversies, poor tax compliance or governance concerns, or poor treatment of employees or minority shareholders.

The investment must further be aligned with OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human rights. Breaches and violations of these international norms are flagged by an event-driven controversy and are captured in the investment process.

### **What is the asset allocation planned for this financial product?**

A minimum of 90% of the Fund's assets are aligned with E/S characteristics. Environmental and social safeguards are met by applying certain PAI's, where relevant, to these underlying assets. Within these assets, the Fund commits to a minimum of 20% in Sustainable Investments.

The Fund invests a maximum of 10% of assets in the "Other" category, which include cash, money market instruments and derivatives.

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.



**Asset allocation** describes the share of investments in specific assets.

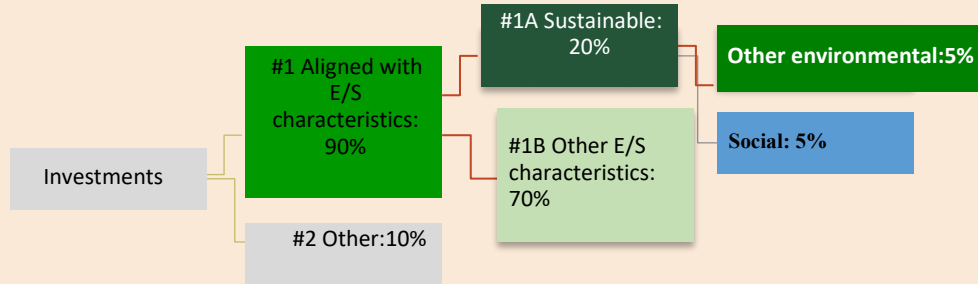


Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies

- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

- **operational expenditure** (OpEx) reflecting green operational activities of investee companies



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

● **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

The Fund will not use derivatives to attain any environmental or social characteristics.





## To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The Fund has not set a minimum proportion of investments in Taxonomy aligned economic activities. This graph represents 100% of the total investment.

### Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>19</sup> ?

Yes

In fossil gas

In nuclear energy

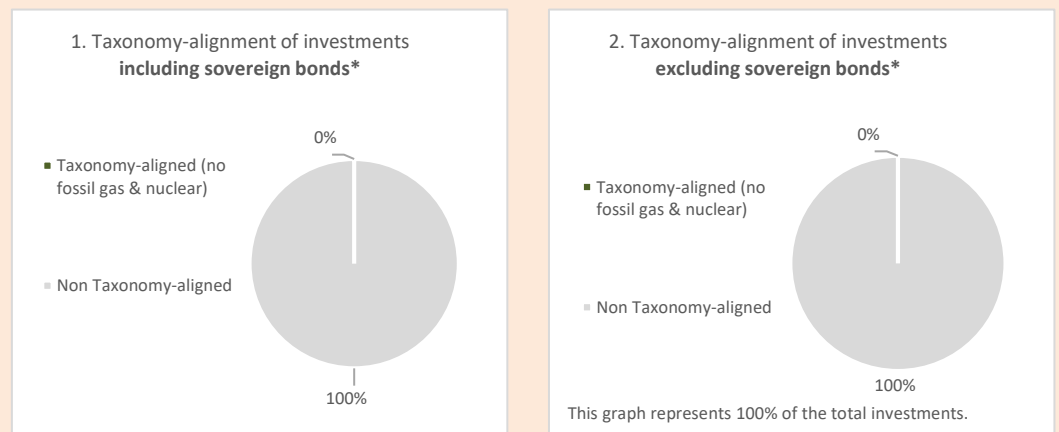
No

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

<sup>19</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm and EU Taxonomy objective – see explanation note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

● **What is the minimum share of investments in transitional and enabling activities?**

Not applicable.



**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The Fund contains high-quality companies that have been identified through our bottom-up equity research process which takes into consideration the sustainability of the business in its broadest sense and the company's environmental, social and governance (ESG) performance. Within our equity investment process, every company that we invest in is given, via a qualitative assessment, a proprietary overall Quality rating. A key component of this is the ESG Quality rating, which enables the portfolio managers to identify sustainable leaders and improvers and to build well- diversified, risk-adjusted portfolios.

To complement our bottom-up research, the portfolio managers also use our proprietary ESG House Score, which is primarily a quantitative assessment, to identify and exclude those companies exposed to the highest ESG risks. Finally, binary exclusions are applied to exclude the particular areas of investment.

This process results in the Fund committing to a minimum of 90% in securities with environment and social characteristics and a minimum of 20% to sustainable investments which are inclusive of both environmental and social objectives that aren't explicitly taxonomy aligned. The minimum share of sustainable investments with an environmental objective is 5%.




**What is the minimum share of socially sustainable investments?**

The Fund contains high-quality companies that have been identified through our bottom-up equity research process which takes into consideration the sustainability of the business in its broadest sense and the company's environmental, social and governance (ESG) performance. Within our equity investment process, every company that we invest in is given, via a qualitative assessment, a proprietary overall Quality rating. A key component of this is the ESG Quality rating, which enables the portfolio managers to identify sustainable leaders and improvers and to build well- diversified, risk-adjusted portfolios.

To complement our bottom-up research, the portfolio managers also use our proprietary ESG House Score, which is primarily a quantitative assessment, to identify and exclude those companies exposed to the highest ESG risks. Finally, binary exclusions are applied to exclude the particular areas of investment.

This process results in the Fund committing to a minimum of 90% in securities with environment and social characteristics and a minimum of 20% to

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

sustainable investments which are inclusive of both environmental and social objectives that aren't explicitly taxonomy aligned. The minimum share of sustainable investments with a social objective is 5%.



### **What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?**

The investments included under "other" are cash, money market instruments & derivatives. The purpose of these assets are to meet liquidity, target return or manage risk and may not contribute to the environmental or social aspects of the Fund.

There are certain environmental and social safeguards that are met by applying PAI's. Where relevant, these are applied to the underlying securities.



### **Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes? No**

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***  
Not applicable
- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***  
Not applicable
- ***How does the designated index differ from a relevant broad market index?***  
Not applicable
- ***Where can the methodology used for the calculation of the designated index be found***  
Not applicable



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**Pre-contractual disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph of Regulation (EU) 2020/852**

**Product Name: abrdn SICAV I - Global Climate and Environment Equity Fund**      **Legal entity identifier: 213800IA6FFNPXL5L927**

## Sustainable investment objective

### Does this financial product have a sustainable investment objective?

**Yes**

**No**

- It will make a minimum of **sustainable investments with an environmental objective: 20%**
  - in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

- It will make a minimum of **sustainable investments with a social objective: 5%**

- It promotes **Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of \_\_\_% of sustainable investments
  - with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
  - with a social objective
- It promotes E/S characteristics, but **will not make any sustainable investments**

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



#### Sustainability

**indicators** measure how the sustainable objectives of this financial product are attained.

### What is the sustainable investment objective of this financial product?

The Investment objective of the Fund aims to provide long term growth to be achieved by investing in global equity and equity-related securities including Emerging Market countries that develop or use products and services designed to maximize resource efficiency, support the transition to a low carbon economy and address wider environmental challenges.

The Fund draws on abrdn's deep resources and understanding of climate and environmental issues to help our clients benefit from the long-term shift towards greater sustainability. The fund seeks to generate strong long-term performance by investing in companies that develop or use products and services designed to drive resource efficiency, support the transition to a low-carbon economy and address the wider environmental challenges we face.

Our climate and environment proposition:

- Focus on the areas in the market with strong long-term growth potential driven by the economy and society's ability to address its impact on the climate and environmental issues.
- Invest in companies generating attractive returns by delivering environmental solutions or leadership that supports the transition to a more sustainable future.
- Driving enhanced investment decisions by leveraging the strength, depth and diversity of abrdn's global research platform and integrated approach to ESG.

The transformation to a low-carbon, more sustainable environment will touch all aspects of society and economic activity. The Global Climate and Environment Equity Fund aims to support and benefit from these growing long-term structural dynamics by investing in companies across five key pillars, structured to reflect the key areas where society and the economy can positively address our impact on the climate and environment.

This Fund has a financial benchmark that is used for portfolio construction but does not incorporate any sustainable criteria and is not selected for the purpose of attaining these characteristics. This financial benchmark is used as a comparator for Fund performance and as a comparison for the Fund's binding commitments.

#### ● *What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?*

This approach identifies companies delivering a positive change through the products and services they provide in those areas of the economy that directly influence the environment and emissions, and also identifies companies delivering a positive impact through leading operational performance with respect to emissions, resource efficiency or waste-minimisation compared to peers.

The approach also reduces the investment universe by a minimum of 20%.

***How do the sustainable investments not cause significant harm to any environmental or social sustainable investment objective?***

As required by the SFDR Delegated Regulation, the investment does not cause Significant Harm (“Do No Significant Harm”/ “DNSH”) to any of the sustainable investment objectives.

abrdn have created a 3-step process to ensure consideration of DNSH:

i. Sector Exclusions

abrdn have identified a number of sectors which automatically do not qualify for inclusion as a Sustainable Investment as they are considered to be causing significant harm. These include but are not limited to: (1) Defence, (2) Coal, (3) Oil & Gas Exploration, Production and associated activities, (4) tobacco, (5) gambling and (6) alcohol.

ii. DNSH Binary Test

The DNSH test, is a binary pass/fail test which signals if the company passes or fails criteria for the SFDR Article 2 (17) “do no significant harm”.

Pass indicates under abrdn’s methodology the company has no ties to controversial weapons, less than 1% of revenue from thermal coal, less than 5% of revenue from tobacco related activities, is not a tobacco producer, and has no red/severe ESG Controversies. If the company fails this test, it cannot be considered a Sustainable Investment. Abdrn’s approach is aligned with the SFDR PAIs included within tables 1, 2 & 3 of the SFDR Delegated Regulation and is based on external data sources and abrdn internal insights.

iii. DNSH Materiality Flag

Using a number of additional screens and flags, abrdn consider the additional SFDR PAI’s indicators as defined by the SFDR Delegated Regulation to identify areas for improvement or potential future concern. These indicators are not considered to cause significant harm and therefore a company with active DNSH materiality flags may still be considered to be a Sustainable Investment. abrdn aim to enhance the engagement activities to focus on these areas and seek to deliver better outcomes by resolving the issue.

*How have the indicators for adverse impacts on sustainability factors been taken into account?*

The fund considers Principal Adverse Impact Indicators defined by the SFDR Delegated Regulation.

Pre investment, abrdn applies a number of norms and activity-based screens related to PAIs, including but not limited to: UN Global Compact, controversial weapons, and thermal coal extraction.

UNGC: The Fund uses norms-based screens and controversy filters to exclude companies that may be in breach of international norms described in the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights, as well as state owned entities in countries which violate norms. Controversial Weapons: The Fund excludes companies with business activities related to controversial weapons (cluster munitions, anti-personnel landmines,



nuclear weapons, chemical and biological weapons, white phosphorus, non-detectable fragments, incendiary devices, depleted uranium ammunition or blinding lasers).

Thermal Coal Extraction: The Fund excludes companies with exposure to the fossil fuels sector based on percentage of revenue from thermal coal extraction.

abrdrn apply a fund specific set of company exclusions, more detail on these and the overall process is captured within the Investment Approach, which is published at [www.abrdrn.com](http://www.abrdrn.com) under "Fund Centre".

Post-investment the following PAI indicators are considered:

- abrdrn monitors all mandatory and additional PAI indicators via our ESG integration investment process using a combination of our proprietary house score and 3rd party data feeds. PAI indicators that either fail a specific binary test or are considered above typical are flagged for review and may be selected for company engagement.
- Consideration of portfolio carbon intensity and GHG emissions via our Climate tools and risk analysis
- Governance indicators via our proprietary governance scores and risk framework, including consideration of sound management structures, employee relations, remuneration of staff and tax compliance
- On an on-going basis the investment universe is scanned for companies that may be in breach of international norms described in the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights, as well as state owned entities in countries which violate norms.

*How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?*

The Fund uses norms-based screens and controversy filters to exclude companies that may be in breach of international norms described in the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights.



**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

### **Does this financial product consider principal adverse impacts on sustainability factors?**

Yes, this Fund considers Principal Adverse Impacts (PAI) on sustainability factors.

Principal Adverse Impact Indicators are metrics that measure the negative effects on environmental and social matters. abrdrn consider PAIs within the investment process for the Fund, this may include considering whether to make an investment, or they may be used as an engagement tool for example where there is no policy in place and this would be beneficial, or where carbon emissions are considered to be high, abrdrn may engage to seek the creation of a long-term target and reduction plan. abrdrn assess PAIs by using, amongst others, the PAI indicators referred to in the SFDR Delegated Regulation; however, dependent on data availability, quality and relevance to the investments not all SFDR PAI indicators may be considered. Where Funds consider PAIs, information on that consideration will be made available in annual reports.

No



### **What investment strategy does this financial product follow?**

The Fund draws on abrdrn's deep resources and understanding of climate and environmental issues to help clients benefit from the long-term shift towards greater sustainability. The Fund seeks to generate strong long-term performance by investing in companies that develop or use products and services designed to drive resource efficiency, support the transition to a low-carbon economy and address the wider environmental challenges faced.

Our climate and environment proposition:

- Focus on the areas in the market with strong long-term growth potential driven by the economy and society's ability to address its impact on the climate and environmental issues.
- Invest in companies generating attractive returns by delivering environmental solutions or leadership that supports the transition to a more sustainable future.
- Driving enhanced investment decisions by leveraging the strength, depth and diversity of abrdrn's global research platform and integrated approach to ESG.

The transformation to a low-carbon, more sustainable environment will touch all aspects of society and economic activity. The Global Climate and Environment Equity Fund aims to support and benefit from these growing long-term structural dynamics by investing in companies across five key pillars, structured to reflect the key areas where society and the economy can positively address our impact on the climate and environment.

In addition, abrdrn apply a set of company exclusion which are related to normative screening (UN Global Compact, ILO and OECD), Norges Bank Investment Management (NBIM), State Owned Enterprises (SOE), Weapons, Tobacco, Gambling, Alcohol, Thermal Coal, Oil & Gas and Electricity Generation.

### ***What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?***

The approach identifies companies delivering a positive change through the products and services they provide in those areas of the economy that directly influence the environment and emissions, and also identifies companies delivering a positive impact through leading operational performance with respect to emissions, resource efficiency or waste-minimisation compared to peers.

Our five key pillars are divided into two broad groups of companies: those delivering solutions and those providing leadership:

1. How we source and power  
Environmental solutions in power generation and sourcing of key resources
2. How we build  
Sustainable urbanisation and infrastructure

**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.



3. How we transport  
Sustainable and efficient Transportation
4. How we make and use  
Environmental solutions in the life cycle of a product or service
5. How companies operate  
Companies leading the drive for environmental efficiency among their peer group

Our first four pillars focus on identifying companies delivering a positive change through the products and services they provide in those areas of the economy that most directly influence the environment and emissions. Core to each of these pillars is the ability of the products and services to assist in either reducing emissions, improving resource efficiency or cutting waste and pollution – ultimately enabling society to transition to a lower carbon, more environmentally sustainable economy.

Our fifth pillar, ‘How companies operate’, provides a crucial link in addressing society’s influence on the environment. If society and the economy are to successfully shape our future relationship with the planet, environmental sustainability must be embraced across industries.

By identifying companies that deliver a positive impact through leading operational performance with respect to emissions, resource efficiency or waste-minimisation compared with peers, the fund completes that circle. Such companies not only play a key role in lowering society’s impact on the environment, but they also create new market opportunities, lower operational costs, reduce the threat of tail risks, build positive reputation and brand awareness, and potentially lower their cost of capital – a powerful and financially beneficial combination.

abrdrn apply a set of company exclusion which are related to normative screening (UN Global Compact, ILO and OECD), Norges Bank Investment Management (NBIM), State Owned Enterprises (SOE), Weapons, Tobacco, Gambling, Alcohol, Thermal Coal, Oil & Gas and Electricity Generation.

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

● ***What is the policy to assess good governance practices of the investee companies?***

For this Fund, the investee company needs to follow good governance practices in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance. This can be demonstrated by the monitoring of certain PAI indicators, for example corruption, tax compliance and diversity. In addition, by using abrdrn’s proprietary ESG scores within the investment process abrdrn screen out any investments with low governance scores. Our governance scores assess a company’s corporate governance and management structure (including remuneration of staff policies) and the quality and behaviour of its leadership and management. A low score will typically be given where there are concerns in relation to financially materially controversies, poor

tax compliance or governance concerns, or poor treatment of employees or minority shareholders.

The investment must further be aligned with OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human rights. Breaches and violations of these international norms are flagged by an event-driven controversy and are captured in the investment process.



## What is the asset allocation and the minimum share of sustainable investments?

The Fund commits to a minimum of 75% in Sustainable Investments, including a minimum commitment of 20% to assets with an environmental objective and 5% to social objectives.

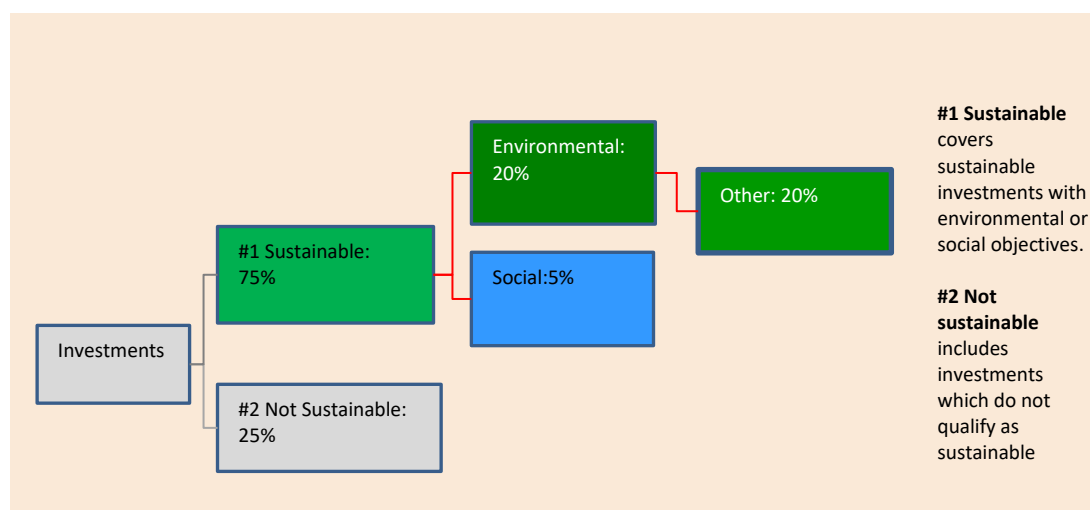
The Fund invests a maximum of 25% of assets in the “Non Sustainable” category, which is mainly made up of cash, money market instruments and derivatives.

### Asset allocation

describes the share of investments in specific asset classes. investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee



## ● How does the use of derivatives attain the sustainable investment objective?

The Fund will not use derivatives to attain any sustainable investment objective.



## To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The Fund has not set a minimum proportion of investments in Taxonomy aligned economic activities. This graph represents 100% of the total investment.

### Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>20</sup> ?

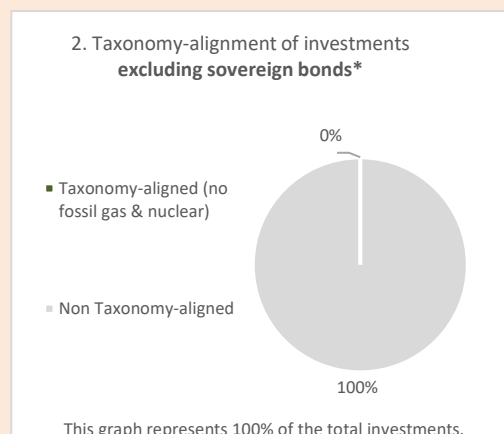
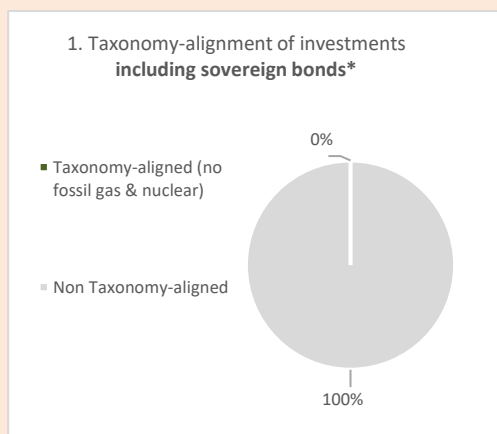
- Yes
- In fossil gas
- In nuclear energy
- No

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

## What is the minimum share of investments in transitional and enabling activities?

Not applicable.

<sup>20</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm and EU Taxonomy objective – see explanation note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.



### **What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

Fund draws on abrdn’s deep resources and understanding of climate and environmental issues to help our clients benefit from the long-term shift towards greater sustainability. The fund seeks to generate strong long-term performance by investing in companies that develop or use products and services designed to drive resource efficiency, support the transition to a low-carbon economy and address the wider environmental challenges we face.

The transformation to a low-carbon, more sustainable environment will touch all aspects of society and economic activity. The Fund aims to support and benefit from these growing long-term structural dynamics by investing in companies across five key pillars, structured to reflect the key areas where society and the economy can positively address our impact on the climate and environment, which result in the Fund committing to a minimum 75% to sustainable investments which are inclusive of both environmental and social objectives that aren’t explicitly taxonomy aligned. The minimum share of sustainable investments with an environmental objective is 20%.



### **What is the minimum share of sustainable investments with a social objective?**

Fund draws on abrdn’s deep resources and understanding of climate and environmental issues to help our clients benefit from the long-term shift towards greater sustainability. The fund seeks to generate strong long-term performance by investing in companies that develop or use products and services designed to drive resource efficiency, support the transition to a low-carbon economy and address the wider environmental challenges we face.

The transformation to a low-carbon, more sustainable environment will touch all aspects of society and economic activity. The Fund aims to support and benefit from these growing long-term structural dynamics by investing in companies across five key pillars, structured to reflect the key areas where society and the economy can positively address our impact on the climate and environment, which result in the Fund committing to a minimum 75% to sustainable investments which are inclusive of both environmental and social objectives that aren’t explicitly taxonomy aligned. The minimum share of sustainable investments with a social objective is 5%.



### **What investments are included under “#2 Not sustainable”, what is their purpose and are there any minimum environmental or social safeguards?**

The Fund may invest in securities that are not deemed sustainable including cash, money market instruments and derivatives but only for the purpose of hedging and liquidity management.

There are certain environmental and social safeguards that are met by applying PAI’s. Where relevant, these are applied to the underlying securities. Many pre-investment PAI indicators are considered but below are the ongoing post-investment PAI indicators that continue to be considered:

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

- abrdn monitors all mandatory and additional PAI indicators via our ESG integration investment process using a combination of our proprietary house score and 3rd party data feeds. PAI indicators that either fail a specific binary test or are considered above typical are flagged for review and may be selected for company engagement.
- Consideration of portfolio carbon intensity and GHG emissions via our Climate tools and risk analysis
- Governance indicators via our proprietary governance scores and risk framework, including consideration of sound management structures, employee relations, remuneration of staff and tax compliance
- On an on-going basis the investment universe is scanned for companies that may be in breach of international norms described in the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights, as well as state owned entities in countries which violate norms.



### Is a specific index designated as a reference benchmark to meet the sustainable investment objective?

No.

- ***How does the reference benchmark take into account sustainability factors in a way that is continuously aligned with the sustainable investment objective?***  
Not applicable
- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***  
Not applicable
- ***How does the designated index differ from a relevant broad market index?***  
Not applicable
- ***Where can the methodology used for the calculation of the designated index be found?***  
Not applicable

### Where can I find more product specific information online?

Fund specific documentation, including Sustainability Related Disclosures, are published at [www.abrdn.com](http://www.abrdn.com) under Fund Centre.

#### **More product-specific information can be found on the website:**

Fund specific documentation, including Sustainability Related Disclosures, are published at [www.abrdn.com](http://www.abrdn.com) under Fund Centre.



**Reference benchmarks** are indexes to measure whether the financial product attains the sustainable investment objective.

**Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph of Regulation (EU) 2020/852**

**Product Name:** abrdn SICAV I - Global Corporate Sustainable Bond Fund

**Legal entity identifier:** 213800WIYPEVSD685504

## Environmental and/or social characteristics

### Does this financial product have a sustainable investment objective?

**Yes**

**No**

- It will make a minimum of **sustainable investments with an environmental objective: \_\_\_\_%**
  - in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

- It promotes **Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 15% of sustainable investments
  - with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
  - with a social objective

- It will make a minimum of **sustainable investments with a social objective: \_\_\_\_%**

- It promotes E/S characteristics, but **will not make any sustainable investments**

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



**Sustainability indicators** measure how the sustainable objectives of this financial product are attained.

## What environmental and/or social characteristics are promoted by this financial product?

To promote the environmental and social characteristics, the Fund applies ESG assessment criteria, ESG screening criteria and promotes good governance including social factors.

We use our proprietary research framework to analyse the foundations of each business to ensure proper context for our investments. This includes the durability of its business model, the attractiveness of its industry, the strength of its financials and the sustainability of its economic moat.

The Fund is underpinned by our well-established active management approach of security selection tailored to the overall environment, which combines fundamental and environmental, social and governance (ESG) considerations into our individual name, sector and top-down portfolio construction decisions. An assessment of a company's sustainability is supported by proprietary company rating models and a deeply embedded ESG framework utilising on-desk Fixed Income and central ESG resources.

The Fund will:

- Target at least a 15% reduction of the benchmark investable universe by excluding companies identified as not having sustainable business practices. This is achieved through a set of exclusions, which identify controversial business activities and ESG laggards i.e. companies rated poorly based on their management of ESG risks within their business.
- Engage with companies to gather a forward-looking insight into management of ESG risks, opportunities and actively influence the management of these factors in line with best practice standards.
- Target an equal or better ESG score compared to the benchmark.
- Target a lower carbon intensity than the benchmark.

The Fund seeks to:

- Generate consistent risk-adjusted outperformance using our active management approach of stock selection tailored to the overall environment.
- Benefit from our active engagement with companies, where we encourage positive changes in corporate behaviour.
- Construct a portfolio that invests in companies with strong Environmental, Social and Governance practices.
- Leverage the support and insights of our large, dedicated Fixed Income team and embedded ESG specialist resources.

We also apply an ESG Risk Rating of Low, Medium, High (Low is better) to each issuer. This is credit profile-specific and represents how impactful we believe ESG risks are likely to be to the credit quality of the issuer now and in the future. The key



**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

areas of focus are the materiality of the inherent Environmental and Social risks of the sector of operation (e.g. extraction, water usage, cyber security) and how specific companies manage these risks, combined with the quality and sustainability of their corporate governance. This materiality assessment is combined with a judgement on the timeframe over which these ESG risks may have an impact. Our analysts utilise an ESG Risk Rating Framework to support making these assessments. This is a proprietary tool designed to help focus the knowledge and expertise of credit analysts in a systematic way to substantiate the overall ESG Risk Rating (Low/Medium/High) assigned to debt issuers.

Additionally, our proprietary ESG House Score, developed by our central ESG investment team in collaboration with the Quantitative investment team, is used to identify companies with potentially high or poorly managed ESG risks. The score is calculated by combining a variety of data inputs within a proprietary framework in which different ESG factors are weighted according to how material they are for each sector. This allows us to see how companies rank in a global context.

To complement this, we also utilise our active stewardship and engagement activities.

This Fund has a financial benchmark that is used for portfolio construction but does not incorporate any sustainable criteria and is not selected for the purpose of attaining these characteristics. This financial benchmark is used as a comparator for Fund performance and as a comparison for the Fund's binding commitments.

● ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

The measures applied by the Fund are:

- ESG assessment criteria,
- ESG screening criteria,
- a carbon intensity targeting lower than the benchmark,
- targeting an ESG rating better than or equal to the benchmark,
- promoting good governance, including social factors.

To complement this, we also utilise our active stewardship and engagement activities.

The Fund also excludes companies with the highest ESG risks, as identified by the ESG House Score. This is implemented by excluding the bottom 10% of issuers with an ESG House Score that are in the benchmark.

● ***What are the objectives of the sustainable investments that the financial***

Prospectus – abrdn SICAV I



***product partially intends to make and how does the sustainable investment contribute to such objectives?***

The objective of the sustainable investment is to make a contribution to solving an environmental or social challenge, in addition to not causing significant harm, and being well governed. Each sustainable investment may make a contribution to Environmental or Social issues. In fact, many companies will make a positive contribution to both. abrdn use the six environmental objectives of the Taxonomy to inform Environmental contributions, including: (1) climate change mitigation, (2) climate change adaptation, (3) sustainable use and protection of water and marine resources, (4) transition to a circular economy, (5) pollution prevention and control, and (6) protection and restoration of biodiversity and ecosystems. In addition, abrdn use the 17 Sustainable Development Goals and their sub-goals to supplement the EU Taxonomy topics and provide a framework for considering Social objectives

An economic activity must have a positive economic contribution to qualify as a Sustainable investment, this includes consideration of Environmental or Socially aligned revenues, Capex, Opex or sustainable operations. abrdn seek to establish or estimate the share of the investee company's economic activities/contribution towards a sustainable objective and it is this element that is weighted and counted towards the Sub-fund's total aggregated proportion of Sustainable Investments.

abrdn uses a combination of the following approaches:

- i. a quantitative methodology based on a combination of publicly available data sources; and
- ii. using abrdn's own insight and engagement outcomes abrdn overlay the quantitative methodology with a qualitative assessment to calculate an overall percentage of economic contribution towards a sustainable objective for each holding in a Fund.

● ***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

As required by the SFDR Delegated Regulation, the investment does not cause Significant Harm ("Do No Significant Harm"/ "DNSH") to any of the sustainable investment objectives.

abrdn have created a 3-step process to ensure consideration of DNSH:

i. Sector Exclusions

abrdn have identified a number of sectors which automatically do not qualify for inclusion as a Sustainable Investment as they are considered to be causing significant harm. These include but are not limited to: (1) Defence, (2) Coal, (3) Oil & Gas Exploration, Production and associated activities, (4) tobacco, (5) gambling and (6) alcohol.

ii. DNSH Binary Test

The DNSH test, is a binary pass/fail test which signals if the company passes or fails criteria for the SFDR Article 2 (17) "do no significant harm".

Pass indicates under abrdn's methodology the company has no ties to controversial weapons, less than 1% of revenue from thermal coal, less than 5% of revenue from tobacco related activities, is not a tobacco producer, and has no red/severe ESG Controversies. If the company fails this test, it cannot be considered a Sustainable Investment. Abrdn's approach is aligned with the SFDR PAIs included within tables 1, 2 & 3 of the SFDR Delegated Regulation and is based on external data sources and abrdn internal insights.

### iii. DNSH Materiality Flag

Using a number of additional screens and flags, abrdn consider the additional SFDR PAI's indicators as defined by the SFDR Delegated Regulation to identify areas for improvement or potential future concern. These indicators are not considered to cause significant harm and therefore a company with active DNSH materiality flags may still be considered to be a Sustainable Investment. abrdn aim to enhance the engagement activities to focus on these areas and seek to deliver better outcomes by resolving the issue.

*Have the indicators for adverse impacts on sustainability factors been taken into account?*

The fund considers Principal Adverse Impact Indicators defined by the SFDR Delegated Regulation.

Pre investment, abrdn applies a number of norms and activity-based screens related to PAIs, including but not limited to: UN Global Compact, controversial weapons, and thermal coal extraction.

UNGC: The Fund uses norms-based screens and controversy filters to exclude companies that may be in breach of international norms described in the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights, as well as state owned entities in countries which violate norms.

Controversial Weapons: The Fund excludes companies with business activities related to controversial weapons (cluster munitions, anti-personnel landmines, nuclear weapons, chemical and biological weapons, white phosphorus, non-detectable fragments, incendiary devices, depleted uranium ammunition or blinding lasers).

Thermal Coal Extraction: The Fund excludes companies with exposure to the fossil fuels sector based on percentage of revenue from thermal coal extraction.

abrdn apply a fund specific set of company exclusions, more detail on these and the overall process is captured within the Investment Approach, which is published at [www.abrdn.com](http://www.abrdn.com) under "Fund Centre".

Post-investment the following PAI indicators are considered:

- abrdn monitors all mandatory and additional PAI indicators via our ESG integration investment process using a combination of our proprietary house score and 3rd party data feeds. PAI indicators that either fail a specific binary test or are considered above typical are flagged for review and may be selected for company engagement.
- Consideration of portfolio carbon intensity and GHG emissions via our Climate tools and risk analysis

- Governance indicators via our proprietary governance scores and risk framework, including consideration of sound management structures, employee relations, remuneration of staff and tax compliance
- On an on-going basis the investment universe is scanned for companies that may be in breach of international norms described in the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights, as well as state owned entities in countries which violate norms.

*How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?*

The Fund uses norms-based screens and controversy filters to exclude companies that may be in breach of international norms described in the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights.

*The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

*The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities.*

*The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.*

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



**Does this financial product consider principal adverse impacts on sustainability factors?**

- Yes, this Fund considers Principal Adverse Impacts (PAI) on sustainability factors.

Principal Adverse Impact Indicators are metrics that measure the negative effects on environmental and social matters. abrdn consider PAIs within the investment process for the Fund, this may include considering whether to make an investment, or they may be used as an engagement tool for example where there is no policy in place and this would be beneficial, or where carbon emissions are considered to be high, abrdn may engage to seek the creation of a long-term target and reduction plan. abrdn assess PAIs by using, amongst others, the PAI indicators referred to in the SFDR Delegated Regulation; however, dependent on data availability, quality and relevance to the investments not all SFDR PAI indicators may be considered. Where Funds consider PAIs, information on that consideration will be made available in annual reports.

- No

**What investment strategy does this financial product follow?**

The Fund seeks to deliver long-term performance by allocating capital to companies



**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti- corruption and anti- bribery matters.

which demonstrate strong management of their environmental, social and governance (ESG) risks and opportunities. This follows the abrdn Global Corporate Sustainable Bond Investment Approach.

The portfolio is underpinned by abrdn's well-established active management approach of security selection tailored to the overall environment, which combines fundamental and ESG considerations into the individual name, sector and top-down portfolio construction decisions. An assessment of a company's sustainability is supported by proprietary company rating models and a deeply embedded ESG framework utilising on-desk Fixed Income and central ESG resources.

The Fund will:

- Target at least a 15% reduction of the benchmark investable universe by excluding companies identified as not having sustainable business practices. This is achieved through a set of exclusions, which identify controversial business activities and ESG laggards i.e. companies rated poorly based on their management of ESG risks within their business.
- Engage with companies to gather a forward-looking insight into management of ESG risks, opportunities and actively influence the management of these factors in line with best practice standards.
- Target an equal or better ESG score compared to the benchmark.
- Target a lower carbon intensity than the benchmark.

The Fund seeks to:

- Generate consistent risk-adjusted outperformance using our active management approach of stock selection tailored to the overall environment.
- Benefit from our active engagement with companies, where we encourage positive changes in corporate behaviour.
- Construct a portfolio that invests in companies with strong Environmental, Social and Governance practices.
- Leverage the support and insights of our large, dedicated Fixed Income team and embedded ESG specialist resources.

We also apply an ESG Risk Rating of Low, Medium, High (Low is better) to each issuer. This is credit profile-specific and represents how impactful we believe ESG risks are likely to be to the credit quality of the issuer now and in the future. The key areas of focus are the materiality of the inherent Environmental and Social risks of the sector of operation (e.g. extraction, water usage, cyber security) and how specific companies manage these risks, combined with the quality and sustainability of its corporate governance. This materiality assessment is combined with a judgement on the timeframe over which these ESG risks may have an impact. Our analysts utilise an ESG Risk Rating Framework to support making these assessments. This is a proprietary tool designed to help focus the knowledge and expertise of credit analysts in a systematic way to substantiate the overall ESG Risk Rating (Low/Medium/High) assigned to debt issuers.

Our proprietary ESG House Score, developed by our central ESG investment team in collaboration with the Quantitative investment team, is used to identify companies with potentially high or poorly managed ESG risks. The score is calculated by combining a variety of data inputs within a proprietary framework in which different ESG factors are weighted according to how material they are for each sector. This allows us to see how companies rank in a global context.

The abrdn ESG House Score was designed so that it can be broken down into specific themes and categories. The ESG score comprises of two scores; the Operational score and Governance score. This allows a quick view of a company's relative positioning on its management of ESG issues at a granular level.

- The Governance score assesses the corporate governance structure and the quality and behaviour of corporate leadership and executive management.
- The Operational score assesses the ability of the company's leadership team to implement effective environmental and social risk reduction and mitigation strategies in its operations.

To complement this, we also utilise our active stewardship and engagement activities.

The Fund excludes companies identified as not having sustainable business practices. This is achieved through a set of exclusions, which identify controversial business activities and ESG laggards i.e. companies rated poorly based on their management of ESG risks within their business. We engage with companies to gather a forward-looking insight into management of ESG risks, opportunities and actively influence the management of these factors in line with best practice standards.

Additionally, abrdn apply a set of company exclusions, which are related to the UN Global Compact, State Owned Enterprises (SOE), Weapons, Tobacco, Thermal Coal, Oil & Gas and Electricity Generation.

● ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

The binding elements used by the Fund are:

- a carbon intensity target lower than the benchmark and
- targeting an ESG rating better than or equal to the benchmark.

Binary exclusions are applied to exclude particular areas of investment related to the UN Global Compact, State Owned Enterprises (SOE), Weapons, Tobacco, Thermal Coal, Oil & Gas and Electricity Generation. These screening criteria apply in a binding manner and on an ongoing basis.

● ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment***

**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

## **strategy?**

The Fund excludes companies with the highest ESG risks, as identified by the ESG House Score. This is implemented by excluding the bottom 10% of issuers with an ESG House Score that are in the benchmark. The Fund also aims to reduce the investment universe by a minimum of 15%.

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

### ● **What is the policy to assess good governance practices of the investee companies?**

For this Fund, the investee company needs to follow good governance practices in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance. This can be demonstrated by the monitoring of certain PAI indicators, for example corruption, tax compliance and diversity. In addition, by using abrdn's proprietary ESG scores within the investment process abrdn screen out any investments with low governance scores. Our governance scores assess a company's corporate governance and management structure (including remuneration of staff policies) and the quality and behaviour of its leadership and management. A low score will typically be given where there are concerns in relation to financially materially controversies, poor tax compliance or governance concerns, or poor treatment of employees or minority shareholders.

The investment must further be aligned with OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human rights. Breaches and violations of these international norms are flagged by an event-driven controversy and are captured in the investment process.

### **What is the asset allocation planned for this financial product?**

A minimum of 90% of the Fund's assets are aligned with E/S characteristics. Environmental and social safeguards are met by applying certain PAI's, where relevant, to these underlying assets. Within these assets, the Fund commits to a minimum of 15% in Sustainable Investments.

The Fund invests a maximum of 10% of assets in the "Other" category, which include cash, money market instruments and derivatives.

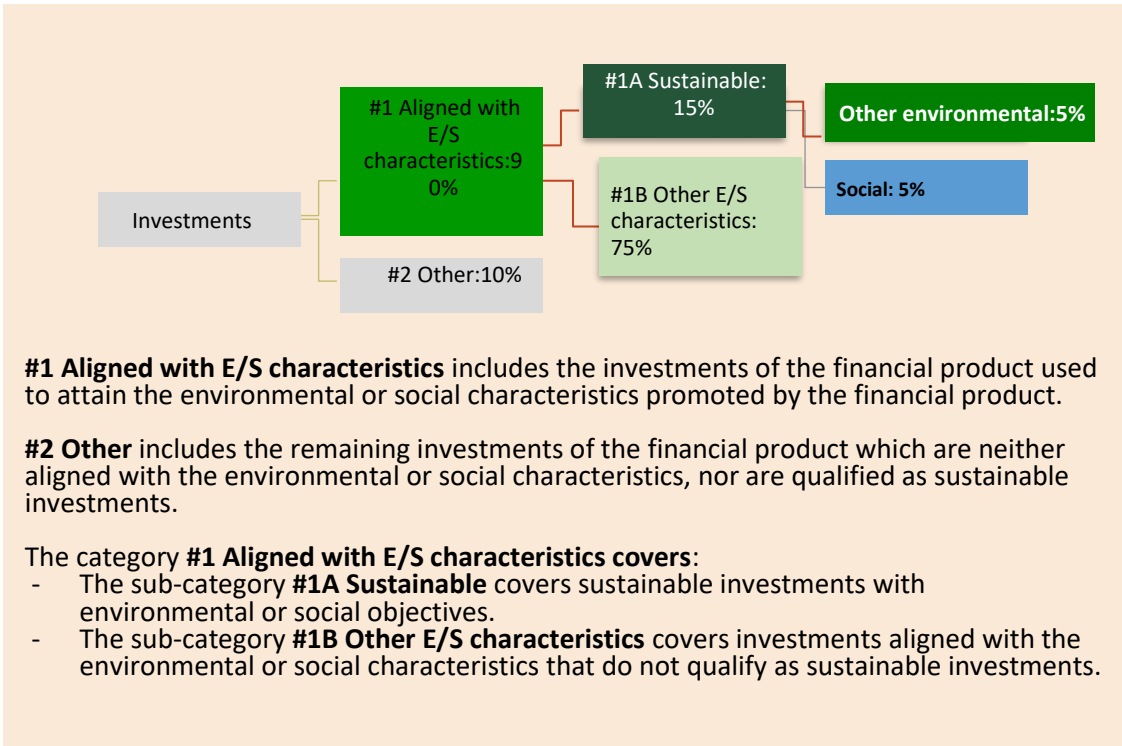


**Asset allocation** describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:  
 - **turnover** reflecting the share of revenue from green activities of investee companies

- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

- **operational expenditure** (OpEx) reflecting green operational activities of investee



● **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

The Fund will not use derivatives to attain any environmental or social characteristics.



**To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

The Fund has not set a minimum proportion of investments in Taxonomy aligned economic activities. This graph represents 100% of the total investment.

**Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>21</sup> ?**

- Yes
  - In fossil gas
  - In nuclear energy
- No

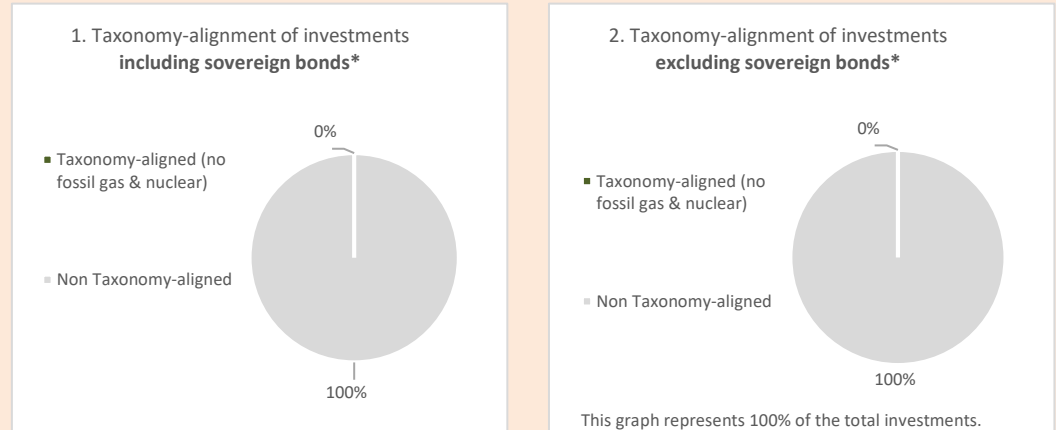
<sup>21</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm and EU Taxonomy objective – see explanation note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.



**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

● **What is the minimum share of investments in transitional and enabling activities?**

Not applicable.




**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The Fund is underpinned by our well-established active management approach of security selection tailored to the overall environment, which combines fundamental and ESG considerations into our individual name, sector and top down portfolio construction decisions. An assessment of a company's sustainability is supported by proprietary company rating models and a deeply embedded ESG framework utilising on-desk Fixed Income and central ESG resources.

To complement this research, the portfolio managers also use our proprietary ESG House Score, which is primarily a quantitative assessment, to identify and exclude companies with potentially high or poorly managed ESG risks. Finally, binary exclusions are applied to exclude the particular areas of investment.

This process results in the Fund committing to a minimum of 90% in securities with environment and social characteristics and a minimum of 15% to sustainable investments which are inclusive of both environmental and social objectives that aren't

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



explicitly taxonomy aligned. The minimum share of sustainable investments with an environmental objective is 5%.



### **What is the minimum share of socially sustainable investments?**

The Fund is underpinned by our well-established active management approach of security selection tailored to the overall environment, which combines fundamental and ESG considerations into our individual name, sector and top down portfolio construction decisions. An assessment of a company's sustainability is supported by proprietary company rating models and a deeply embedded ESG framework utilising on-desk Fixed Income and central ESG resources.

To complement this research, the portfolio managers also use our proprietary ESG House Score, which is primarily a quantitative assessment, to identify and exclude companies with potentially high or poorly managed ESG risks. Finally, binary exclusions are applied to exclude the particular areas of investment.

This process results in the Fund committing to a minimum of 90% in securities with environment and social characteristics and a minimum of 15% to sustainable investments which are inclusive of both environmental and social objectives that aren't explicitly taxonomy aligned. The minimum share of sustainable investments with a social objective is 5%.



### **What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?**

The investments included under "other" are cash, money market instruments, derivatives and may also include sovereign bonds. The purpose of these assets are to meet liquidity, target return or manage risk and may not contribute to the environmental or social aspects of the Fund.

There are certain environmental and social safeguards that are met by applying PAI's. Where relevant, these are applied to the underlying securities.



### **Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes? No**

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

Not applicable

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***  
Not applicable
- ***How does the designated index differ from a relevant broad market index?***  
Not applicable
- ***Where can the methodology used for the calculation of the designated index be found***  
Not applicable

### **Where can I find more product specific information online?**

Fund specific documentation, including Sustainability Related Disclosures, are published at [www.abrdn.com](http://www.abrdn.com) under Fund Centre.



### **More product-specific information can be found on the website:**

Fund specific documentation, including Sustainability Related Disclosures, are published at [www.abrdn.com](http://www.abrdn.com) under Fund Centre.

**Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph of Regulation (EU) 2020/852**

**Product Name:** abrdn SICAV I - Global Innovation Equity Fund

**Legal entity identifier:** 549300GBR2SRIZXLXY34

## Environmental and/or social characteristics

### Does this financial product have a sustainable investment objective?

Yes

No

- It will make a minimum of **sustainable investments with an environmental objective: \_\_\_\_%**
  - in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

- It promotes **Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of \_\_\_\_% of sustainable investments
  - with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
  - with a social objective

- It will make a minimum of **sustainable investments with a social objective: \_\_\_\_%**

- It promotes E/S characteristics, but **will not make any sustainable investments**

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



**Sustainability indicators** measure how the sustainable objectives of this financial product are attained.

## **What environmental and/or social characteristics are promoted by this financial product?**

To promote the environmental and social characteristics, the Fund applies ESG assessment criteria, ESG screening criteria and promotes good governance including social factors.

We use our proprietary research framework to analyse the foundations of each business to ensure proper context for our investments. This includes the durability of its business model, the attractiveness of its industry, the strength of its financials and the sustainability of its economic moat.

We also consider the quality of its management team and analyse the environmental, social and governance (ESG) opportunities and risks impacting the business and appraise how well these are managed. We assign a proprietary score to articulate the quality attributes of each company, one of which is the ESG Quality rating. This enables the portfolio managers to exclude companies with material ESG risks and positively skew the portfolio towards ESG opportunities and to build well-diversified, risk-adjusted portfolios.

Additionally, our proprietary ESG House Score, developed by our central ESG investment team in collaboration with the Quantitative investment team, is used to identify companies with potentially high or poorly managed ESG risks. The score is calculated by combining a variety of data inputs within a proprietary framework in which different ESG factors are weighted according to how material they are for each sector. This allows us to see how companies rank in a global context.

To complement this, we also utilise our active stewardship and engagement activities.

This Fund has a financial benchmark that is used for portfolio construction but does not incorporate any sustainable criteria and is not selected for the purpose of attaining these characteristics. This financial benchmark is used as a comparator for Fund performance and as a comparison for the Fund's binding commitments.

### ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

The measures applied by the Fund are:

- ESG assessment criteria,
- ESG screening criteria,
- a carbon intensity targeting lower than benchmark,
- targets an ESG rating better than or equal to benchmark and
- promotes good governance including social factors.

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

To complement this, we also utilise our active stewardship and engagement activities.

The Fund also looks to exclude at least the bottom 5% of companies with the lowest ESG House Score in the benchmark.

- ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

The Fund has not set a minimum proportion of sustainable investments.

- ***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

The Fund has not set a minimum proportion of sustainable investments.

- ***Have the indicators for adverse impacts on sustainability factors been taken into account?***

The Fund has not set a minimum proportion of sustainable investments.

- ***How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?***

The Fund has not set a minimum proportion of sustainable investments.

*The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

*The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities.*

*The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.*

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



### **Does this financial product consider principal adverse impacts on sustainability factors?**

- Yes, this Fund considers Principal Adverse Impacts (PAI) on sustainability factors.

Principal Adverse Impact Indicators are metrics that measure the negative effects on environmental and social matters. abrdn consider PAIs within the investment process for the Fund, this may include considering whether to make an investment, or they may be used as an engagement tool for example where there is no policy in place and this would

be beneficial, or where carbon emissions are considered to be high, abrdn may engage to seek the creation of a long-term target and reduction plan. abrdn assess PAIs by using, amongst others, the PAI indicators referred to in the SFDR Delegated Regulation; however, dependent on data availability, quality and relevance to the investments not all SFDR PAI indicators may be considered. Where Funds consider PAIs, information on that consideration will be made available in annual reports.

No



### **What investment strategy does this financial product follow?**

The Fund contains high-quality companies that have been identified through the bottom-up equity research process which takes into consideration both environmental, social and governance (ESG) risks and opportunities.

ESG analysis is a key element of our overall equity research process and has three core principles:

- Informed and constructive engagement helps foster better companies, enhancing the value of our clients' investments.
- ESG factors are financially material, and impact corporate performance
- Understanding ESG risks and opportunities alongside other financial metrics allows us to make better investment decisions.

We use our proprietary research framework to analyse the foundations of each business to ensure proper context for our investments. This includes the durability of its business model, the attractiveness of its industry, the strength of its financials and the sustainability of its economic moat.

We also consider the quality of its management team and analyse the environmental, social and governance (ESG) opportunities and risks impacting the business and appraise how well these are managed. We assign a proprietary score to articulate the quality attributes of each company, one of which is the ESG Quality rating. This enables the portfolio managers to exclude companies with material ESG risks and positively skew the portfolio towards ESG opportunities and to build well-diversified, risk-adjusted portfolios.

Our proprietary ESG House Score, developed by our central ESG investment team in collaboration with the Quantitative investment team, is used to identify companies with potentially high or poorly managed ESG risks. The score is calculated by combining a variety of data inputs within a proprietary framework in which different ESG factors are weighted according to how material they are for each sector. This allows us to see how companies rank in a global context.

The abrdn ESG House Score was designed so that it can be broken down into specific themes and categories. The ESG score comprises of two scores; the Operational score and Governance score. This allows a quick view of a company's relative positioning on its management of ESG issues at a granular level.

- The Governance score assesses the corporate governance structure and the quality and behaviour of corporate leadership and executive management.
- The Operational score assesses the ability of the company's leadership team to implement effective environmental and social risk reduction and mitigation strategies

in its operations.

To complement this, we also utilise our active stewardship and engagement activities.

To further complement the bottom-up research, the portfolio managers also use abrdn's proprietary ESG House Score, which is primarily a quantitative assessment, to identify and exclude those companies exposed to the highest ESG risks. Finally, binary exclusions are applied to exclude the particular areas of investment related to UN Global Compact, Controversial Weapons, Tobacco Manufacturing and Thermal Coal.

**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

- ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

The binding elements used by the Fund are:

- a carbon intensity target lower than benchmark and
- targeting an ESG rating better than or equal to benchmark.

Binary exclusions are applied to exclude the particular areas of investment related to UN Global Compact, Controversial Weapons, Tobacco Manufacturing and Thermal Coal. These screening criteria apply in a binding manner and on an ongoing basis.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

The Fund excludes at least the bottom 5% of companies with the lowest ESG House Score in the benchmark.

- ***What is the policy to assess good governance practices of the investee companies?***

For this Fund, the investee company needs to follow good governance practices in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance. This can be demonstrated by the monitoring of certain PAI indicators, for example corruption, tax compliance and diversity. In addition, by using abrdn's proprietary ESG scores within the investment process abrdn screen out any investments with low governance scores. Our governance scores assess a company's corporate governance and management structure (including remuneration of staff policies) and the quality and behaviour of its leadership and management. A low score will typically be given where there are concerns in relation to financially materially controversies, poor tax compliance or governance concerns, or poor treatment of employees or minority shareholders.

The investment must further be aligned with OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human rights. Breaches and violations of these international norms are flagged by an event-driven controversy and are captured in the investment process.

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.





**Asset allocation** describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

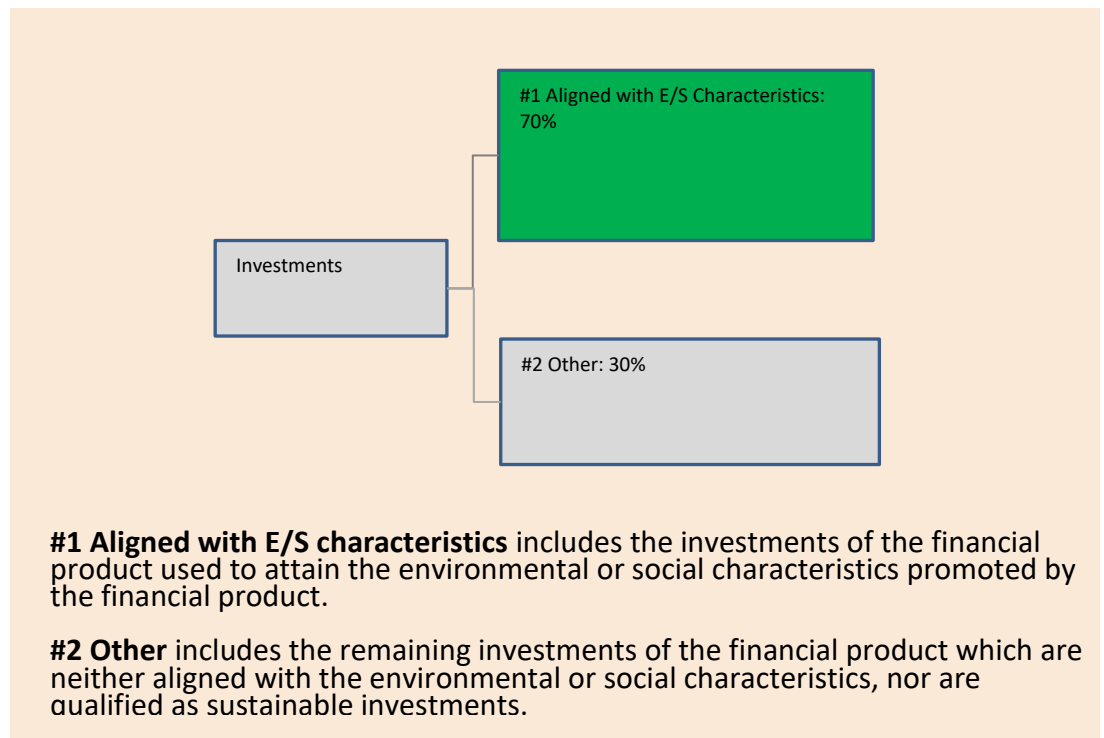
- **turnover** reflecting the share of revenue from green activities of investee companies

- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

- **operational expenditure** (OpEx) reflecting green operational activities of investee

## What is the asset allocation planned for this financial product?

A minimum of 70% of the Fund's assets are aligned with E/S characteristics. Environmental and social safeguards are met by applying certain PAI's, where relevant, to these underlying assets. The Fund invests a maximum of 30% of assets in the "Other" category, which include cash, money market instruments and derivatives.



### ● **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

The Fund will not use derivatives to attain any environmental or social characteristics.



To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance



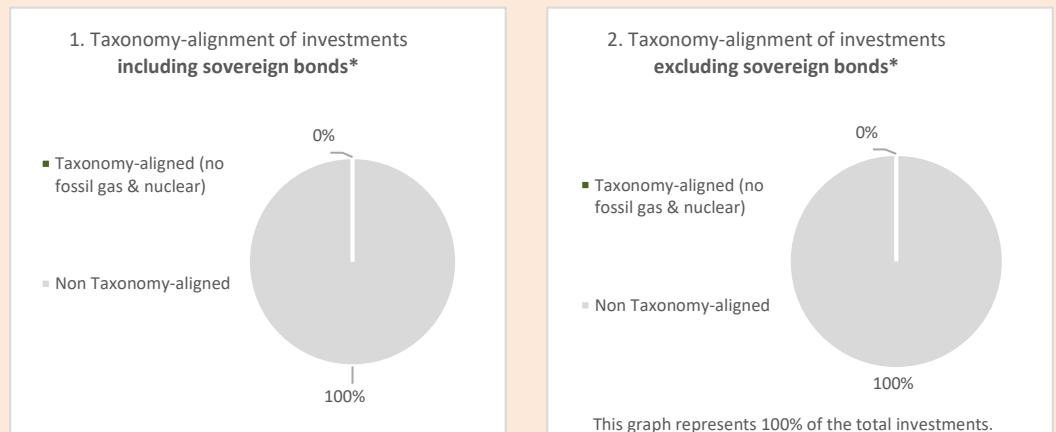
## To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The Fund has not set a minimum proportion of investments in Taxonomy aligned economic activities. This graph represents 100% of the total investment.

### Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>22</sup> ?

- Yes
- In fossil gas
  - In nuclear energy
- No

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

### ● What is the minimum share of investments in transitional and enabling activities?

Not applicable.

<sup>22</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm and EU Taxonomy objective – see explanation note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

Not applicable



**What is the minimum share of socially sustainable investments?**

Not applicable



**What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?**

The investments included under "other" are cash, money market instruments & derivatives. The purpose of these assets are to meet liquidity, target return or manage risk and may not contribute to the environmental or social aspects of the Fund.

There are certain environmental and social safeguards that are met by applying PAI's. Where relevant, these are applied to the underlying securities.



**Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes? No**

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***  
Not applicable
- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***  
Not applicable
- ***How does the designated index differ from a relevant broad market index?***  
Not applicable
- ***Where can the methodology used for the calculation of the designated index be found***  
Not applicable



### **Where can I find more product specific information online?**

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### **More product-specific information can be found on the website:**

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**Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph of Regulation (EU) 2020/852**

**Product Name:** abrdn SICAV I - Global Mid-Cap Equity Fund

**Legal entity identifier:** 2138003METNPGPTOXG39

## Environmental and/or social characteristics

### Does this financial product have a sustainable investment objective?

**Yes**

**No**

- It will make a minimum of **sustainable investments with an environmental objective: \_\_\_%**
  - in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

- It promotes **Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of \_\_\_% of sustainable investments
  - with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
  - with a social objective

- It will make a minimum of **sustainable investments with a social objective: \_\_\_%**

- It promotes E/S characteristics, but **will not make any sustainable investments**

**Sustainable investment**

means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



**Sustainability indicators** measure how the sustainable objectives of this financial product are attained.

## **What environmental and/or social characteristics are promoted by this financial product?**

To promote the environmental and social characteristics, the Fund applies ESG assessment criteria, ESG screening criteria and promotes good governance including social factors.

We use our proprietary research framework to analyse the foundations of each business to ensure proper context for our investments. This includes the durability of its business model, the attractiveness of its industry, the strength of its financials and the sustainability of its economic moat.

We also consider the quality of its management team and analyse the environmental, social and governance (ESG) opportunities and risks impacting the business and appraise how well these are managed. We assign a proprietary score to articulate the quality attributes of each company, one of which is the ESG Quality rating. This enables the portfolio managers to exclude companies with material ESG risks and positively skew the portfolio towards ESG opportunities and to build well-diversified, risk-adjusted portfolios.

Additionally, our proprietary ESG House Score, developed by our central ESG investment team in collaboration with the Quantitative investment team, is used to identify companies with potentially high or poorly managed ESG risks. The score is calculated by combining a variety of data inputs within a proprietary framework in which different ESG factors are weighted according to how material they are for each sector. This allows us to see how companies rank in a global context.

To complement this, we also utilise our active stewardship and engagement activities.

This Fund has a financial benchmark that is used for portfolio construction but does not incorporate any sustainable criteria and is not selected for the purpose of attaining these characteristics. This financial benchmark is used as a comparator for Fund performance and as a comparison for the Fund's binding commitments.

### ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

The measures applied by the Fund are:

- ESG assessment criteria,
- ESG screening criteria,
- a carbon intensity targeting lower than benchmark,
- targets an ESG rating better than or equal to benchmark and
- promotes good governance including social factors.

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

To complement this, we also utilise our active stewardship and engagement activities.

The Fund also looks to exclude at least the bottom 5% of companies with the lowest ESG House Score in the benchmark.

- ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

The Fund has not set a minimum proportion of sustainable investments.

- ***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

The Fund has not set a minimum proportion of sustainable investments.

- ***Have the indicators for adverse impacts on sustainability factors been taken into account?***

The Fund has not set a minimum proportion of sustainable investments.

- ***How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:***

The Fund has not set a minimum proportion of sustainable investments.

*The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

*The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities.*

*The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.*

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



### **Does this financial product consider principal adverse impacts on sustainability factors?**

- Yes, this Fund considers Principal Adverse Impacts (PAI) on sustainability factors.

Principal Adverse Impact Indicators are metrics that measure the negative effects on environmental and social matters. abrdn consider PAIs within the investment process for the

Fund, this may include considering whether to make an investment, or they may be used as an engagement tool for example where there is no policy in place and this would be beneficial, or where carbon emissions are considered to be high, abrdn may engage to seek the creation of a long-term target and reduction plan. abrdn assess PAIs by using, amongst others, the PAI indicators referred to in the SFDR Delegated Regulation; however, dependent on data availability, quality and relevance to the investments not all SFDR PAI indicators may be considered. Where Funds consider PAIs, information on that consideration will be made available in annual reports.

No



### **What investment strategy does this financial product follow?**

The Fund contains high-quality companies that have been identified through the bottom-up equity research process which takes into consideration both environmental, social and governance (ESG) risks and opportunities.

ESG analysis is a key element of our overall equity research process and has three core principles:

- Informed and constructive engagement helps foster better companies, enhancing the value of our clients' investments.
- ESG factors are financially material, and impact corporate performance
- Understanding ESG risks and opportunities alongside other financial metrics allows us to make better investment decisions.

We use our proprietary research framework to analyse the foundations of each business to ensure proper context for our investments. This includes the durability of its business model, the attractiveness of its industry, the strength of its financials and the sustainability of its economic moat.

We also consider the quality of its management team and analyse the environmental, social and governance (ESG) opportunities and risks impacting the business and appraise how well these are managed. We assign a proprietary score to articulate the quality attributes of each company, one of which is the ESG Quality rating. This enables the portfolio managers to exclude companies with material ESG risks and positively skew the portfolio towards ESG opportunities and to build well-diversified, risk-adjusted portfolios.

Our proprietary ESG House Score, developed by our central ESG investment team in collaboration with the Quantitative investment team, is used to identify companies with potentially high or poorly managed ESG risks. The score is calculated by combining a variety of data inputs within a proprietary framework in which different ESG factors are weighted according to how material they are for each sector. This allows us to see how companies rank in a global context.

The abrdn ESG House Score was designed so that it can be broken down into specific themes and categories. The ESG score comprises of two scores: the Operational score and Governance score. This allows a quick view

of a company's relative positioning on its management of ESG issues at a granular level.

- The Governance score assesses the corporate governance structure and the quality



and behaviour of corporate leadership and executive management.

- The Operational score assesses the ability of the company's leadership team to implement effective environmental and social risk reduction and mitigation strategies in its operations.

To complement this, we also utilise our active stewardship and engagement activities.

To further complement the bottom-up research, the portfolio managers also use abrdn's proprietary ESG House Score, which is primarily a quantitative assessment, to identify and exclude those companies exposed to the highest ESG risks. Finally, binary exclusions are applied to exclude the particular areas of investment related to UN Global Compact, Controversial Weapons, Tobacco Manufacturing and Thermal Coal.

**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

- ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

The binding elements used by the Fund are:

- a carbon intensity target lower than benchmark and
- targeting an ESG rating better than or equal to benchmark.

Binary exclusions are applied to exclude the particular areas of investment related to UN Global Compact, Controversial Weapons, Tobacco Manufacturing and Thermal Coal. These screening criteria apply in a binding manner and on an ongoing basis.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

The Fund excludes at least the bottom 5% of companies with the lowest ESG House Score in the benchmark.

- ***What is the policy to assess good governance practices of the investee companies?***

For this Fund, the investee company needs to follow good governance practices in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance. This can be demonstrated by the monitoring of certain PAI indicators, for example corruption, tax compliance and diversity. In addition, by using abrdn's proprietary ESG scores within the investment process abrdn screen out any investments with low governance scores. Our governance scores assess a company's corporate governance and management structure (including remuneration of staff policies) and the quality and behaviour of its leadership and management. A low score will typically be given where there are concerns in relation to financially materially controversies, poor tax compliance or governance concerns, or poor treatment of employees or minority shareholders.

The investment must further be aligned with OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.



Human rights. Breaches and violations of these international norms are flagged by an event-driven controversy and are captured in the investment process.



**Asset allocation** describes the share of investments in specific assets.

### What is the asset allocation planned for this financial product?

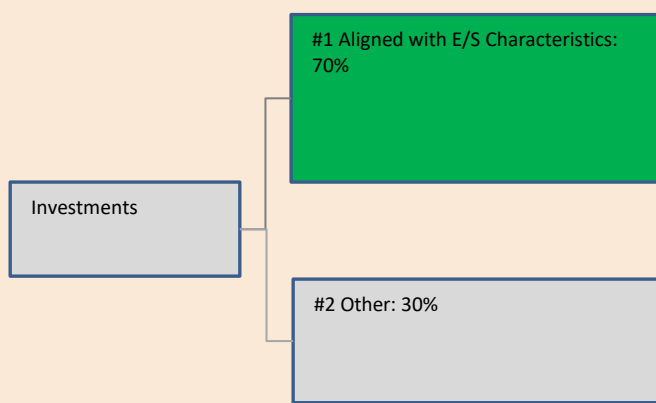
A minimum of 70% of the Fund's assets are aligned with E/S characteristics. Environmental and social safeguards are met by applying certain PAI's, where relevant, to these underlying assets. The Fund invests a maximum of 30% of assets in the "Other" category, which include cash, money market instruments and derivatives.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies

- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

### ● **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

The Fund will not use derivatives to attain any environmental or social characteristics.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best



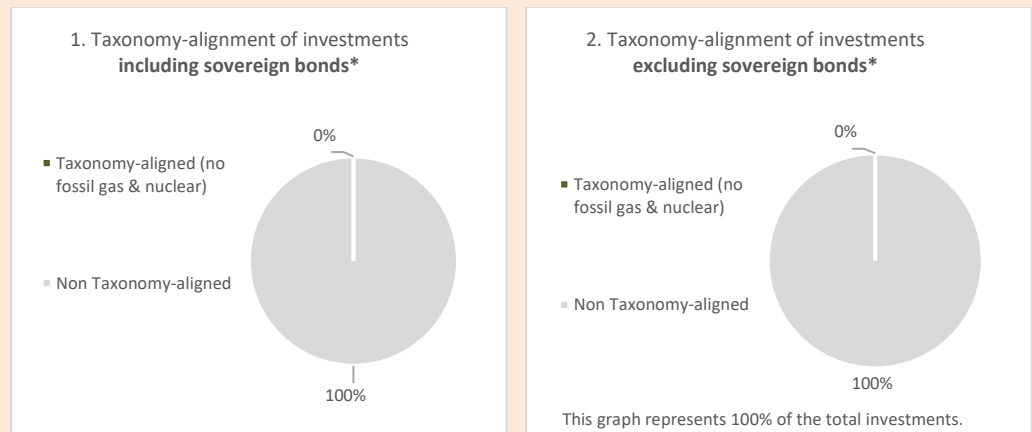
## To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The Fund has not set a minimum proportion of investments in Taxonomy aligned economic activities. This graph represents 100% of the total investment.

### Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>23</sup> ?

- Yes
- In fossil gas
  - In nuclear energy
- No

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

### ● What is the minimum share of investments in transitional and enabling activities?

Not applicable.

<sup>23</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm and EU Taxonomy objective – see explanation note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

Not applicable



**What is the minimum share of socially sustainable investments?**

Not applicable



**What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?**

The investments included under "other" are cash, money market instruments & derivatives. The purpose of these assets are to meet liquidity, target return or manage risk and may not contribute to the environmental or social aspects of the Fund.

There are certain environmental and social safeguards that are met by applying PAI's. Where relevant, these are applied to the underlying securities.



**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

**Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes? No**

● ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

Not applicable

● ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

Not applicable

● ***How does the designated index differ from a relevant broad market index?***

Not applicable

- ***Where can the methodology used for the calculation of the designated index be found***  
Not applicable



### **Where can I find more product specific information online?**

Fund specific documentation, including Sustainability Related Disclosures, are published at [www.abrdn.com](http://www.abrdn.com) under Fund Centre.

### **More product-specific information can be found on the website:**

Fund specific documentation, including Sustainability Related Disclosures, are published at [www.abrdn.com](http://www.abrdn.com) under Fund Centre.

**Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph of Regulation (EU) 2020/852**

**Product Name:** abrdn SICAV I - Indian Equity Fund

**Legal entity identifier:** 5493007UVTAIT743FV49

## Environmental and/or social characteristics

### Does this financial product have a sustainable investment objective?

**Yes**

**No**

- It will make a minimum of **sustainable investments with an environmental objective: \_\_\_\_%**
  - in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

- It promotes **Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of \_\_\_\_% of sustainable investments
  - with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
  - with a social objective

- It will make a minimum of **sustainable investments with a social objective: \_\_\_\_%**

- It promotes E/S characteristics, but **will not make any sustainable investments**

#### **Sustainable investment**

means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



**Sustainability indicators** measure how the sustainable objectives of this financial product are attained.

## **What environmental and/or social characteristics are promoted by this financial product?**

To promote the environmental and social characteristics, the Fund applies ESG assessment criteria, ESG screening criteria and promotes good governance including social factors.

We use our proprietary research framework to analyse the foundations of each business to ensure proper context for our investments. This includes the durability of its business model, the attractiveness of its industry, the strength of its financials and the sustainability of its economic moat.

We also consider the quality of its management team and analyse the environmental, social and governance (ESG) opportunities and risks impacting the business and appraise how well these are managed. We assign a proprietary score to articulate the quality attributes of each company, one of which is the ESG Quality rating. This enables the portfolio managers to exclude companies with material ESG risks and positively skew the portfolio towards ESG opportunities and to build well-diversified, risk-adjusted portfolios.

Additionally, our proprietary ESG House Score, developed by our central ESG investment team in collaboration with the Quantitative investment team, is used to identify companies with potentially high or poorly managed ESG risks. The score is calculated by combining a variety of data inputs within a proprietary framework in which different ESG factors are weighted according to how material they are for each sector. This allows us to see how companies rank in a global context.

To complement this, we also utilise our active stewardship and engagement activities.

This Fund has a financial benchmark that is used for portfolio construction but does not incorporate any sustainable criteria and is not selected for the purpose of attaining these characteristics. This financial benchmark is used as a comparator for Fund performance and as a comparison for the Fund's binding commitments.

### ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

The measures applied by the Fund are:

- ESG assessment criteria,
- ESG screening criteria,
- a carbon intensity targeting lower than benchmark,
- targets an ESG rating better than or equal to benchmark and

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- promotes good governance including social factors. To complement this, we also utilise our active stewardship and engagement activities.

The Fund also looks to exclude at least the bottom 5% of companies with the lowest ESG House Score in the benchmark.

- ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

The Fund has not set a minimum proportion of sustainable investments.

- ***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

The Fund has not set a minimum proportion of sustainable investments.

- ***Have the indicators for adverse impacts on sustainability factors been taken into account?***

The Fund has not set a minimum proportion of sustainable investments.

- ***How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?***

The Fund has not set a minimum proportion of sustainable investments.

*The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

*The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities.*

*The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.*

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



## Does this financial product consider principal adverse impacts on sustainability factors?

- Yes, this Fund considers Principal Adverse Impacts (PAI) on sustainability factors.

Principal Adverse Impact Indicators are metrics that measure the negative effects on environmental and social matters. abrdn consider PAIs within the investment process for the Fund, this may include considering whether to make an investment, or they may be used as an engagement tool for example where there is no policy in place and this would be beneficial, or where carbon emissions are considered to be high, abrdn may engage to seek the creation of a long-term target and reduction plan. abrdn assess PAIs by using, amongst others, the PAI indicators referred to in the SFDR Delegated Regulation; however, dependent on data availability, quality and relevance to the investments not all SFDR PAI indicators may be considered. Where Funds consider PAIs, information on that consideration will be made available in annual reports.

- No



## What investment strategy does this financial product follow?

The Fund contains high-quality companies that have been identified through the bottom-up equity research process which takes into consideration both environmental, social and governance (ESG) risks and opportunities.

ESG analysis is a key element of our overall equity research process and has three core principles:

- Informed and constructive engagement helps foster better companies, enhancing the value of our clients' investments.
- ESG factors are financially material, and impact corporate performance
- Understanding ESG risks and opportunities alongside other financial metrics allows us to make better investment decisions.

We use our proprietary research framework to analyse the foundations of each business to ensure proper context for our investments. This includes the durability of its business model, the attractiveness of its industry, the strength of its financials and the sustainability of its economic moat.

We also consider the quality of its management team and analyse the environmental, social and governance (ESG) opportunities and risks impacting the business and appraise how well these are managed. We assign a proprietary score to articulate the quality attributes of each company, one of which is the ESG Quality rating. This enables the portfolio managers to exclude companies with material ESG risks and positively skew the portfolio towards ESG opportunities and to build well-diversified, risk-adjusted portfolios.

Our proprietary ESG House Score, developed by our central ESG investment team in collaboration with the Quantitative investment team, is used to identify companies with potentially high or poorly managed ESG risks. The score is calculated by combining a variety of data inputs within a proprietary framework in which different ESG factors are weighted according to how material they are for each sector. This allows us to see how companies rank in a global context.



The abrdn ESG House Score was designed so that it can be broken down into specific themes and categories. The ESG score comprises of two scores; the Operational score and Governance score. This allows a quick view of a company's relative positioning on its management of ESG issues at a granular level.

- The Governance score assesses the corporate governance structure and the quality and behaviour of corporate leadership and executive management.
- The Operational score assesses the ability of the company's leadership team to implement effective environmental and social risk reduction and mitigation strategies in its operations.

To complement this, we also utilise our active stewardship and engagement activities.

To further complement the bottom-up research, the portfolio managers also use abrdn's proprietary ESG House Score, which is primarily a quantitative assessment, to identify and exclude those companies exposed to the highest ESG risks. Finally, binary exclusions are applied to exclude the particular areas of investment related to UN Global Compact, Controversial Weapons, Tobacco Manufacturing and Thermal Coal.

**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

- ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

The binding elements used by the Fund are:

- a carbon intensity target lower than benchmark and
- targeting an ESG rating better than or equal to benchmark.

Binary exclusions are applied to exclude the particular areas of investment related to UN Global Compact, Controversial Weapons, Tobacco Manufacturing and Thermal Coal. These screening criteria apply in a binding manner and on an ongoing basis.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

The Fund excludes at least the bottom 5% of companies with the lowest ESG House Score in the benchmark.

- ***What is the policy to assess good governance practices of the investee companies?***

For this Fund, the investee company needs to follow good governance practices in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance. This can be demonstrated by the monitoring of certain PAI indicators, for example corruption, tax compliance and diversity. In addition, by using abrdn's proprietary ESG scores within the investment process abrdn screen out any investments with low governance scores. Our governance scores assess a company's corporate governance and management structure (including remuneration of staff policies) and the quality and behaviour of its leadership and management. A low score will typically be given where

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

there are concerns in relation to financially materially controversies, poor tax compliance or governance concerns, or poor treatment of employees or minority shareholders.

The investment must further be aligned with OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human rights. Breaches and violations of these international norms are flagged by an event-driven controversy and are captured in the investment process.



**Asset allocation** describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

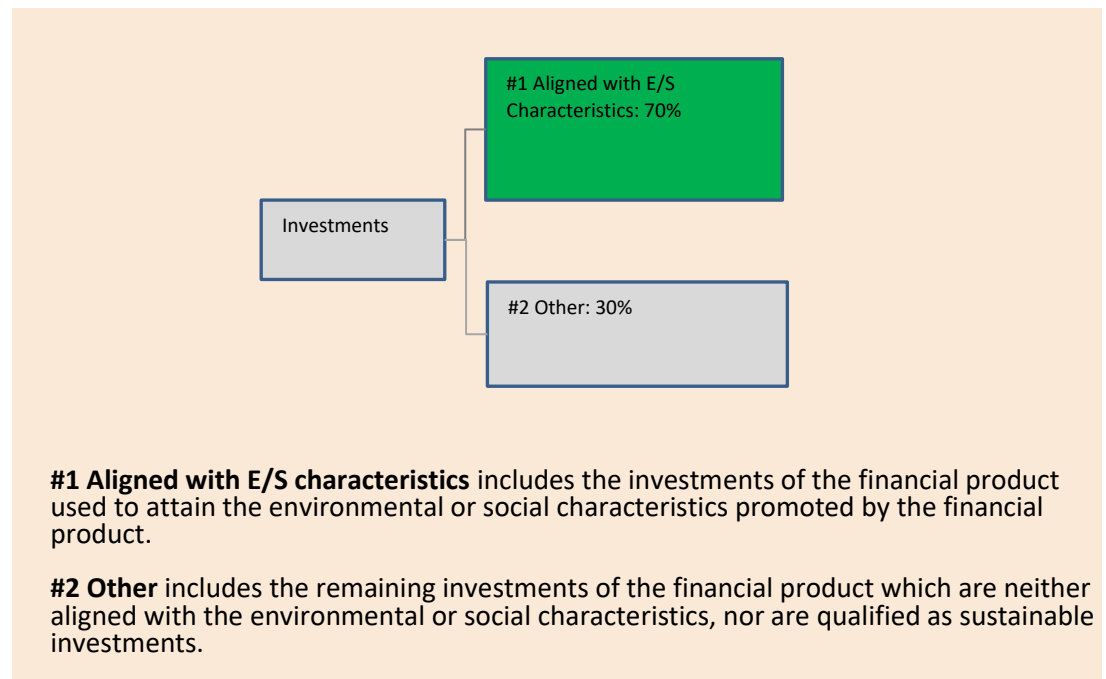
- **turnover** reflecting the share of revenue from green activities of investee companies

- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

### What is the asset allocation planned for this financial product?

A minimum of 70% of the Fund's assets are aligned with E/S characteristics. Environmental and social safeguards are met by applying certain PAI's, where relevant, to these underlying assets. The Fund invests a maximum of 30% of assets in the "Other" category, which include cash, money market instruments and derivatives.



### ● **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

The Fund will not use derivatives to attain any environmental or social characteristics.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.



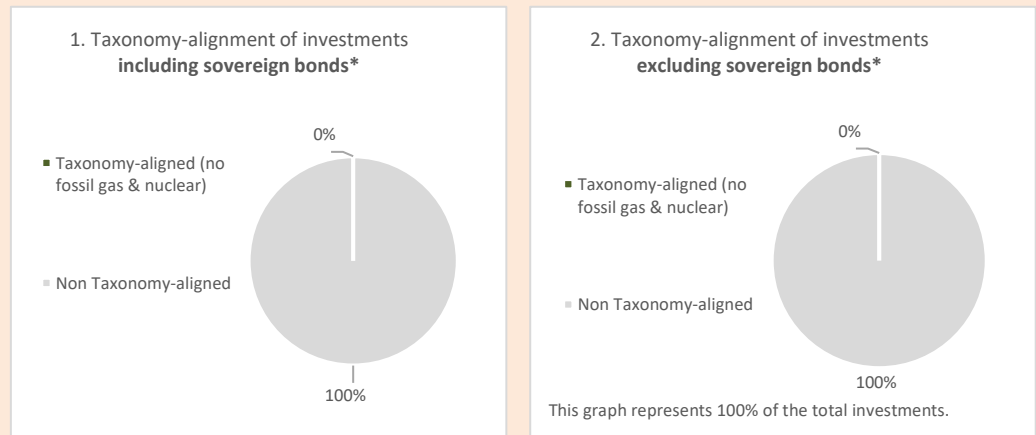
## To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The Fund has not set a minimum proportion of investments in Taxonomy aligned economic activities. This graph represents 100% of the total investment.

### Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>24</sup> ?

- Yes
- In fossil gas
- In nuclear energy
- No

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

### What is the minimum share of investments in transitional and enabling activities?

Not applicable.

<sup>24</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm EU Taxonomy objective – see explanation note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

Not applicable



**What is the minimum share of socially sustainable investments?**

Not applicable



**What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?**

The investments included under "other" are cash, money market instruments & derivatives. The purpose of these assets are to meet liquidity, target return or manage risk and may not contribute to the environmental or social aspects of the Fund.

There are certain environmental and social safeguards that are met by applying PAI's. Where relevant, these are applied to the underlying securities.



**Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes? No**

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.



- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

Not applicable

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

Not applicable

- ***How does the designated index differ from a relevant broad market index?***

Not applicable

- ***Where can the methodology used for the calculation of the designated index be found***

Not applicable

**Where can I find more product specific information online?**

Fund specific documentation, including Sustainability Related Disclosures, are published at [www.abrdn.com](http://www.abrdn.com) under Fund Centre.

**More product-specific information can be found on the website:**

Fund specific documentation, including Sustainability Related Disclosures, are published at [www.abrdn.com](http://www.abrdn.com) under Fund Centre.

**Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph of Regulation (EU) 2020/852**

**Product Name:** abrdn SICAV I - Japanese Sustainable Equity Fund

**Legal entity identifier:** 5493007G0SOE2SJAK375

## Environmental and/or social characteristics

### Does this financial product have a sustainable investment objective?

**Yes**

**No**

- It will make a minimum of **sustainable investments with an environmental objective: \_\_\_%**
  - in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

- It promotes **Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 15% of sustainable investments
  - with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
  - with a social objective

- It will make a minimum of **sustainable investments with a social objective: \_\_\_%**

- It promotes E/S characteristics, but **will not make any sustainable investments**

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



**Sustainability indicators** measure how the sustainable objectives of this financial product are attained.

## **What environmental and/or social characteristics are promoted by this financial product?**

To promote the environmental and social characteristics, the Fund applies ESG assessment criteria, ESG screening criteria and promotes good governance including social factors.

We use our proprietary research framework to identify companies which we believe to be sustainable leaders or improvers. Sustainable leaders are viewed as companies with the best in class ESG credentials or products and services which address global environmental and societal challenges, whilst improvers are typically companies with average governance, ESG management practices and disclosure with potential for improvement.

Within our equity investment process, for all companies under coverage we analyse the foundations of each business to ensure proper context for our investments. This includes the durability of its business model, the attractiveness of its industry, the strength of its financials and the sustainability of its economic moat. We also consider the quality of its management team and analyse the environmental, social and governance (ESG) opportunities and risks impacting the business and appraise how well these are managed. We assign a proprietary score to articulate the quality attributes of each company, one of which is the ESG Quality rating. This enables the portfolio managers to exclude companies with material ESG risks and positively skew the portfolio towards ESG opportunities and to build well-diversified, risk-adjusted portfolios.

Additionally, our proprietary ESG House Score, developed by our central ESG investment team in collaboration with the Quantitative investment team, is used to identify companies with potentially high or poorly managed ESG risks. The score is calculated by combining a variety of data inputs within a proprietary framework in which different ESG factors are weighted according to how material they are for each sector. This allows us to see how companies rank in a global context.

The abrdn ESG House Score was designed so that it can be broken down into specific themes and categories. The ESG score comprises of two scores; the Operational score and Governance score. This allows a quick view of a company's relative positioning on its management of ESG issues at a granular level.

- The Governance score assesses the corporate governance structure and the quality and behaviour of corporate leadership and executive management.
- The Operational score assesses the ability of the company's leadership team to implement effective environmental and social risk reduction and mitigation strategies in its operations.



**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

To complement this, we also utilise our active stewardship and engagement activities.

This Fund has a financial benchmark that is used for portfolio construction but does not incorporate any sustainable criteria and is not selected for the purpose of attaining these characteristics. This financial benchmark is used as a comparator for Fund performance and as a comparison for the Fund's binding commitments.

● ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

The measures applied by the Fund are:

- ESG assessment criteria,
- ESG screening criteria,
- a carbon intensity targeting lower than benchmark,
- targets an ESG rating better than or equal to benchmark and
- promotes good governance including social factors.

To complement this, we also utilise our active stewardship and engagement activities.

The Fund also targets to exclude at least 20% of the Fund's benchmark investable universe, through a combination of in-house proprietary scoring tools and the use of negative criteria to avoid investing in certain industries and activities.

● ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

The objective of the sustainable investment is to make a contribution to solving an environmental or social challenge, in addition to not causing significant harm, and being well governed. Each sustainable investment may make a contribution to Environmental or Social issues. In fact, many companies will make a positive contribution to both. abrdn use the six environmental objectives of the Taxonomy to inform Environmental contributions, including: (1) climate change mitigation, (2) climate change adaptation, (3) sustainable use and protection of water and marine resources, (4) transition to a circular economy, (5) pollution prevention and control, and (6) protection and restoration of biodiversity and ecosystems. In addition, abrdn use the 17 Sustainable Development Goals and their sub-goals to supplement the EU Taxonomy topics and provide a framework for considering Social objectives

An economic activity must have a positive economic contribution to qualify as a Sustainable investment, this includes consideration of Environmental or Socially aligned revenues, Capex, Opex or sustainable operations. abrdn seek to establish or estimate the share of the investee company's economic activities/contribution towards a sustainable objective and it is this element that is weighted and counted towards the Sub-fund's total aggregated proportion of Sustainable Investments.



abrdn uses a combination of the following approaches:

- i. a quantitative methodology based on a combination of publicly available data sources; and
- ii. using abrdn's own insight and engagement outcomes abrdn overlay the quantitative methodology with a qualitative assessment to calculate an overall percentage of economic contribution towards a sustainable objective for each holding in a Fund.

● ***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

As required by the SFDR Delegated Regulation, the investment does not cause Significant Harm ("Do No Significant Harm"/ "DNSH") to any of the sustainable investment objectives.

abrdn have created a 3-step process to ensure consideration of DNSH:

i. **Sector Exclusions**

abrdn have identified a number of sectors which automatically do not qualify for inclusion as a Sustainable Investment as they are considered to be causing significant harm. These include but are not limited to: (1) Defence, (2) Coal, (3) Oil & Gas Exploration, Production and associated activities, (4) tobacco, (5) gambling and (6) alcohol.

ii. **DNSH Binary Test**

The DNSH test, is a binary pass/fail test which signals if the company passes or fails criteria for the SFDR Article 2 (17) "do no significant harm".

Pass indicates under abrdn's methodology the company has no ties to controversial weapons, less than 1% of revenue from thermal coal, less than 5% of revenue from tobacco related activities, is not a tobacco producer, and has no red/severe ESG Controversies. If the company fails this test, it cannot be considered a Sustainable Investment. Abrdn's approach is aligned with the SFDR PAIs included within tables 1, 2 & 3 of the SFDR Delegated Regulation and is based on external data sources and abrdn internal insights.

iii. **DNSH Materiality Flag**

Using a number of additional screens and flags, abrdn consider the additional SFDR PAI's indicators as defined by the SFDR Delegated Regulation to identify areas for improvement or potential future concern. These indicators are not considered to cause significant harm and therefore a company with active DNSH materiality flags may still be considered to be a Sustainable Investment. abrdn aim to enhance the engagement activities to focus on these areas and seek to deliver better outcomes by resolving the issue.

***Have the indicators for adverse impacts on sustainability factors been taken into account?***

The fund considers Principal Adverse Impact Indicators defined by the SFDR Delegated Regulation.

Pre investment, abrdn applies a number of norms and activity-based screens related to PAIs, including but not limited to: UN Global Compact, controversial weapons, and thermal coal extraction.

UNGC: The Fund uses norms-based screens and controversy filters to exclude companies that may be in breach of international norms described in the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights, as well as state owned entities in countries which violate norms.

Controversial Weapons: The Fund excludes companies with business activities related to controversial weapons (cluster munitions, anti-personnel landmines, nuclear weapons, chemical and biological weapons, white phosphorus, non-detectable fragments, incendiary devices, depleted uranium ammunition or blinding lasers).

Thermal Coal Extraction: The Fund excludes companies with exposure to the fossil fuels sector based on percentage of revenue from thermal coal extraction.

abrdn apply a fund specific set of company exclusions, more detail on these and the overall process is captured within the Investment Approach, which is published at [www.abrdn.com](http://www.abrdn.com) under "Fund Centre".

Post-investment the following PAI indicators are considered:

- abrdn monitors all mandatory and additional PAI indicators via our ESG integration investment process using a combination of our proprietary house score and 3rd party data feeds. PAI indicators that either fail a specific binary test or are considered above typical are flagged for review and may be selected for company engagement.
- Consideration of portfolio carbon intensity and GHG emissions via our Climate tools and risk analysis
- Governance indicators via our proprietary governance scores and risk framework, including consideration of sound management structures, employee relations, remuneration of staff and tax compliance
- On an on-going basis the investment universe is scanned for companies that may be in breach of international norms described in the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights, as well as state owned entities in countries which violate norms.

*How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?*

The Fund uses norms-based screens and controversy filters to exclude companies that may be in breach of international norms described in the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights.

*The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

*The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities.*

*The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.*

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



### **Does this financial product consider principal adverse impacts on sustainability factors?**

- Yes, this Fund considers Principal Adverse Impacts (PAI) on sustainability factors.

Principal Adverse Impact Indicators are metrics that measure the negative effects on environmental and social matters. abrdn consider PAIs within the investment process for the Fund, this may include considering whether to make an investment, or they may be used as an engagement tool for example where there is no policy in place and this would be beneficial, or where carbon emissions are considered to be high, abrdn may engage to seek the creation of a long-term target and reduction plan. abrdn assess PAIs by using, amongst others, the PAI indicators referred to in the SFDR Delegated Regulation; however, dependent on data availability, quality and relevance to the investments not all SFDR PAI indicators may be considered. Where Funds consider PAIs, information on that consideration will be made available in annual reports.

- No



### **What investment strategy does this financial product follow?**

The Fund contains high-quality companies that have been identified through the bottom-up equity research process which takes into consideration the sustainability of the business in its broadest sense and the company’s environmental, social and governance (ESG) performance.

There are three core principles which underpin our Sustainable investment approach and the time we dedicate to ESG analysis as part of our overall equity research process:

- Informed and constructive engagement helps foster better companies, enhancing the value of our clients’ investments.
- ESG factors are financially material, and impact corporate performance
- Understanding ESG risks and opportunities alongside other financial metrics allows us to make better investment decisions.

Within our equity investment process, for all companies under coverage we analyse the foundations of each business to ensure proper context for our investments. This includes the durability of its business model, the attractiveness of its industry, the strength of its financials and the sustainability of its economic moat. We also consider the quality of its management team and analyse the environmental, social and governance (ESG) opportunities and risks impacting the business and appraise how well these are managed. We assign a proprietary score to articulate the quality attributes of each company, one of which is the ESG Quality rating. This enables the portfolio managers to exclude companies with material ESG risks and positively skew the portfolio towards ESG opportunities and to build well-diversified, risk-adjusted portfolios.

Our proprietary ESG House Score, developed by our central ESG investment team in collaboration with the Quantitative investment team, is used to identify companies with potentially high or poorly managed ESG risks. The score is calculated by combining a variety of data inputs within a proprietary framework in which different ESG factors are weighted according to how material they are for each sector. This allows us to see how companies rank in a global context.

The abrdrn ESG House Score was designed so that it can be broken down into specific themes and categories. The ESG score comprises of two scores; the Operational score and Governance score. This allows a quick view of a company's relative positioning on its management of ESG issues at a granular level.

- The Governance score assesses the corporate governance structure and the quality and behaviour of corporate leadership and executive management.
- The Operational score assesses the ability of the company's leadership team to implement effective environmental and social risk reduction and mitigation strategies in its operations.

To complement this, we also utilise our active stewardship and engagement activities.

To complement the bottom-up research, the portfolio managers also use abrdrn's proprietary ESG House Score, which is primarily a quantitative assessment, to identify and exclude those companies exposed to the highest ESG risks. Finally, binary exclusions are applied to exclude the particular areas of investment related to the UN Global Compact, Norges Bank Investment Management (NBIM), State Owned Enterprises (SOE), Weapons, Tobacco, Gambling, Thermal Coal, Oil & Gas and Electricity Generation.

**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

● ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

The binding elements used by the Fund are:

- a carbon intensity target lower than benchmark and
- targeting an ESG rating better than or equal to benchmark.

Binary exclusions are applied to exclude the particular areas of investment related to the UN Global Compact, Norges Bank Investment Management (NBIM), State

Owned Enterprises (SOE), Weapons, Tobacco, Gambling, Thermal Coal, Oil & Gas and Electricity Generation. These screening criteria apply in a binding manner and on an ongoing basis.

● ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

The Fund also targets to exclude at least 20% of the Fund's benchmark investable universe,

through a combination of in-house proprietary scoring tools and abrdn use negative criteria to avoid investing in certain industries and activities that abrdn's customers are concerned with.

● ***What is the policy to assess good governance practices of the investee companies?***

For this Fund, the investee company needs to follow good governance practices in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance. This can be demonstrated by the monitoring of certain PAI indicators, for example corruption, tax compliance and diversity. In addition, by using abrdn's proprietary ESG scores within the investment process abrdn screen out any investments with low governance scores. Our governance scores assess a company's corporate governance and management structure (including remuneration of staff policies) and the quality and behaviour of its leadership and management. A low score will typically be given where there are concerns in relation to financially material controversies, poor tax compliance or governance concerns, or poor treatment of employees or minority shareholders.

The investment must further be aligned with OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human rights. Breaches and violations of these international norms are flagged by an event-driven controversy and are captured in the investment process.

**What is the asset allocation planned for this financial product?**

A minimum of 90% of the Fund's assets are aligned with E/S characteristics. Environmental and social safeguards are met by applying certain PAI's, where relevant, to these underlying assets. Within these assets, the Fund commits to a minimum of 15% in Sustainable Investments.

The Fund invests a maximum of 10% of assets in the "Other" category, which include cash, money market instruments and derivatives.



**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

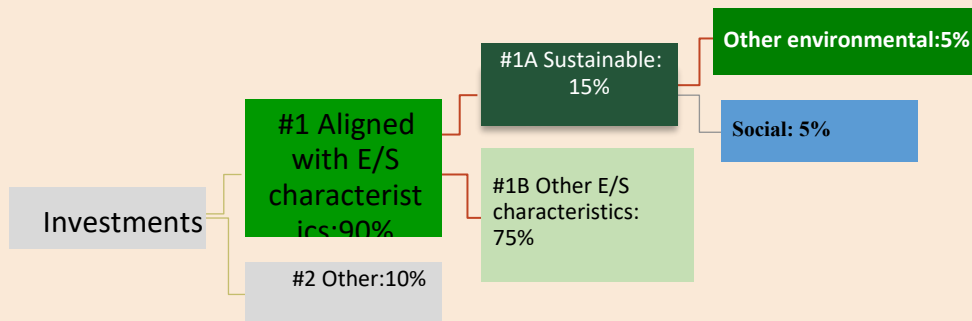
**Asset allocation** describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies

- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

● **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

The Fund will not use derivatives to attain any environmental or social characteristics.



**To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

The Fund has not set a minimum proportion of investments in Taxonomy aligned economic activities. This graph represents 100% of the total investment.

**Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>25</sup> ?**

- Yes
  - In fossil gas
  - In nuclear energy
- No

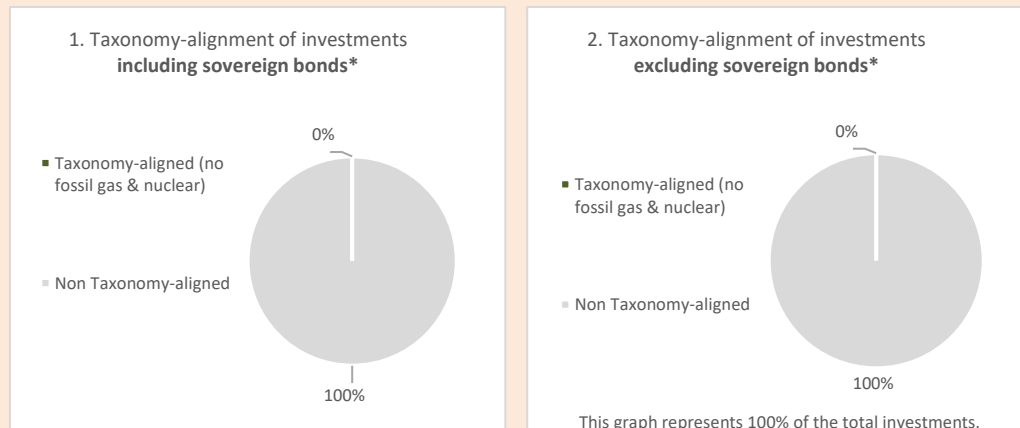
<sup>25</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm and EU Taxonomy objective – see explanation note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

● **What is the minimum share of investments in transitional and enabling activities?**

Not applicable



**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The Fund contains high-quality companies that have been identified through our bottom-up equity research process which takes into consideration the sustainability of the business in its broadest sense and the company's environmental, social and governance (ESG) performance. Within our equity investment process, every company that we invest in is given, via a qualitative assessment, a proprietary overall Quality rating. A key component of this is the ESG Quality rating, which enables the portfolio managers to identify sustainable leaders and improvers and to build well- diversified, risk-adjusted portfolios.

To complement our bottom-up research, the portfolio managers also use our proprietary ESG House Score, which is primarily a quantitative assessment, to identify and exclude those companies exposed to the highest ESG risks.

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



Finally, binary exclusions are applied to exclude the particular areas of investment.

This process results in the Fund committing to a minimum of 90% in securities with environment and social characteristics and a minimum of 15% to sustainable investments which are inclusive of both environmental and social objectives that aren't explicitly taxonomy aligned. The minimum share of sustainable investments with an environmental objective is 5%.



### **What is the minimum share of socially sustainable investments?**

The Fund contains high-quality companies that have been identified through our bottom-up equity research process which takes into consideration the sustainability of the business in its broadest sense and the company's environmental, social and governance (ESG) performance. Within our equity investment process, every company that we invest in is given, via a qualitative assessment, a proprietary overall Quality rating. A key component of this is the ESG Quality rating, which enables the portfolio managers to identify sustainable leaders and improvers and to build well- diversified, risk-adjusted portfolios.

To complement our bottom-up research, the portfolio managers also use our proprietary ESG House Score, which is primarily a quantitative assessment, to identify and exclude those companies exposed to the highest ESG risks. Finally, binary exclusions are applied to exclude the particular areas of investment.

This process results in the Fund committing to a minimum of 90% in securities with environment and social characteristics and a minimum of 15% to sustainable investments which are inclusive of both environmental and social objectives that aren't explicitly taxonomy aligned. The minimum share of sustainable investments with a social objective is 5%.



### **What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?**

The investments included under "other" are cash, money market instruments & derivatives. The purpose of these assets are to meet liquidity, target return or manage risk and may not contribute to the environmental or social aspects of the Fund.

There are certain environmental and social safeguards that are met by applying PAI's. Where relevant, these are applied to the underlying securities.





**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

**Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes? No**

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***  
Not applicable
- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***  
Not applicable
- ***How does the designated index differ from a relevant broad market index?***  
Not applicable
- ***Where can the methodology used for the calculation of the designated index be found***  
Not applicable



**Where can I find more product specific information online?**

Fund specific documentation, including Sustainability Related Disclosures, are published at [www.abrdn.com](http://www.abrdn.com) under Fund Centre.

**More product-specific information can be found on the website:**

Fund specific documentation, including Sustainability Related Disclosures, are published at [www.abrdn.com](http://www.abrdn.com) under Fund Centre.

**Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph of Regulation (EU) 2020/852**

**Product Name:** abrdn SICAV I - Japanese Smaller Companies Sustainable Equity Fund

**Legal entity identifier:** 549300S5VXYQ7WSGV137

## Environmental and/or social characteristics

### Does this financial product have a sustainable investment objective?

**Yes**

**No**

- It will make a minimum of **sustainable investments with an environmental objective: \_\_\_%**
  - in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

- It promotes **Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 15% of sustainable investments
  - with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
  - with a social objective

- It will make a minimum of **sustainable investments with a social objective: \_\_\_%**

- It promotes E/S characteristics, but **will not make any sustainable investments**

#### Sustainable investment

means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



### **Sustainability**

**indicators** measure how the sustainable objectives of this financial product are attained.

## **What environmental and/or social characteristics are promoted by this financial product?**

To promote the environmental and social characteristics, the Fund applies ESG assessment criteria, ESG screening criteria and promotes good governance including social factors.

We use our proprietary research framework to identify companies which we believe to be sustainable leaders or improvers. Sustainable leaders are viewed as companies with the best in class ESG credentials or products and services which address global environmental and societal challenges, whilst improvers are typically companies with average governance, ESG management practices and disclosure with potential for improvement.

Within our equity investment process, for all companies under coverage we analyse the foundations of each business to ensure proper context for our investments. This includes the durability of its business model, the attractiveness of its industry, the strength of its financials and the sustainability of its economic moat. We also consider the quality of its management team and analyse the environmental, social and governance (ESG) opportunities and risks impacting the business and appraise how well these are managed. We assign a proprietary score to articulate the quality attributes of each company, one of which is the ESG Quality rating. This enables the portfolio managers to exclude companies with material ESG risks and positively skew the portfolio towards ESG opportunities and to build well-diversified, risk-adjusted portfolios.

Additionally, our proprietary ESG House Score, developed by our central ESG investment team in collaboration with the Quantitative investment team, is used to identify companies with potentially high or poorly managed ESG risks. The score is calculated by combining a variety of data inputs within a proprietary framework in which different ESG factors are weighted according to how material they are for each sector. This allows us to see how companies rank in a global context.

The abrdn ESG House Score was designed so that it can be broken down into specific themes and categories. The ESG score comprises of two scores; the Operational score and Governance score. This allows a quick view of a company's relative positioning on its management of ESG issues at a granular level.

- The Governance score assesses the corporate governance structure and the quality and behaviour of corporate leadership and executive management.
- The Operational score assesses the ability of the company's leadership team to implement effective environmental and social risk reduction and mitigation strategies in its operations.

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

To complement this, we also utilise our active stewardship and engagement activities.

This Fund has a financial benchmark that is used for portfolio construction but does not incorporate any sustainable criteria and is not selected for the purpose of attaining these characteristics. This financial benchmark is used as a comparator for Fund performance and as a comparison for the Fund's binding commitments.

● ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

The measures applied by the Fund are:

- ESG assessment criteria,
- ESG screening criteria,
- a carbon intensity targeting lower than benchmark,
- targets an ESG rating better than or equal to benchmark and
- promotes good governance including social factors.

To complement this, we also utilise our active stewardship and engagement activities.

The Fund also targets to exclude at least 20% of the Fund's benchmark investable universe, through a combination of in-house proprietary scoring tools and the use of negative criteria to avoid investing in certain industries and activities.

● ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

The objective of the sustainable investment is to make a contribution to solving an environmental or social challenge, in addition to not causing significant harm, and being well governed. Each sustainable investment may make a contribution to Environmental or Social issues. In fact, many companies will make a positive contribution to both. abrdn use the six environmental objectives of the Taxonomy to inform Environmental contributions, including: (1) climate change mitigation, (2) climate change adaptation, (3) sustainable use and protection of water and marine resources, (4) transition to a circular economy, (5) pollution prevention and control, and (6) protection and restoration of biodiversity and ecosystems. In addition, abrdn use the 17 Sustainable Development Goals and their sub-goals to supplement the EU Taxonomy topics and provide a framework for considering Social objectives.

An economic activity must have a positive economic contribution to qualify as a Sustainable investment, this includes consideration of Environmental or Socially aligned revenues, Capex, Opex or sustainable operations. abrdn seek to establish or estimate the share of the investee company's economic activities/contribution towards a sustainable objective and it is this element that is weighted and counted towards the Sub-fund's total aggregated proportion of Sustainable Investments.

abrdn uses a combination of the following approaches:

- i. a quantitative methodology based on a combination of publicly available data sources; and
- ii. using abrdn's own insight and engagement outcomes abrdn overlay the quantitative methodology with a qualitative assessment to calculate an overall percentage of economic contribution towards a sustainable objective for each holding in a Fund.

● ***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

As required by the SFDR Delegated Regulation, the investment does not cause Significant Harm ("Do No Significant Harm"/ "DNSH") to any of the sustainable investment objectives.

abrdn have created a 3-step process to ensure consideration of DNSH:

i. Sector Exclusions

abrdn have identified a number of sectors which automatically do not qualify for inclusion as a Sustainable Investment as they are considered to be causing significant harm. These include but are not limited to: (1) Defence, (2) Coal, (3) Oil & Gas Exploration, Production and associated activities, (4) tobacco, (5) gambling and (6) alcohol.

ii. DNSH Binary Test

The DNSH test, is a binary pass/fail test which signals if the company passes or fails criteria for the SFDR Article 2 (17) "do no significant harm".

Pass indicates under abrdn's methodology the company has no ties to controversial weapons, less than 1% of revenue from thermal coal, less than 5% of revenue from tobacco related activities, is not a tobacco producer, and has no red/severe ESG Controversies. If the company fails this test, it cannot be considered a Sustainable Investment. Abrdn's approach is aligned with the SFDR PAIs included within tables 1, 2 & 3 of the SFDR Delegated Regulation and is based on external data sources and abrdn internal insights.

iii. DNSH Materiality Flag

Using a number of additional screens and flags, abrdn consider the additional SFDR PAI's indicators as defined by the SFDR Delegated Regulation to identify areas for improvement or potential future concern. These indicators are not considered to cause significant harm and therefore a company with active DNSH materiality flags may still be considered to be a Sustainable Investment. abrdn aim to enhance the engagement activities to focus on these areas and seek to deliver better outcomes by resolving the issue.

***Have the indicators for adverse impacts on sustainability factors been taken into account?***

The fund considers Principal Adverse Impact Indicators defined by the SFDR Delegated Regulation.

Pre investment, abrdn applies a number of norms and activity-based screens related to PAIs, including but not limited to: UN Global Compact, controversial weapons, and thermal coal extraction.

UNGC: The Fund uses norms-based screens and controversy filters to exclude companies that may be in breach of international norms described in the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights, as well as state owned entities in countries which violate norms.

Controversial Weapons: The Fund excludes companies with business activities related to controversial weapons (cluster munitions, anti-personnel landmines, nuclear weapons, chemical and biological weapons, white phosphorus, non-detectable fragments, incendiary devices, depleted uranium ammunition or blinding lasers).

Thermal Coal Extraction: The Fund excludes companies with exposure to the fossil fuels sector based on percentage of revenue from thermal coal extraction.

abrdn apply a fund specific set of company exclusions, more detail on these and the overall process is captured within the Investment Approach, which is published at [www.abrdn.com](http://www.abrdn.com) under "Fund Centre".

Post-investment the following PAI indicators are considered:

- abrdn monitors all mandatory and additional PAI indicators via our ESG integration investment process using a combination of our proprietary house score and 3rd party data feeds. PAI indicators that either fail a specific binary test or are considered above typical are flagged for review and may be selected for company engagement.
- Consideration of portfolio carbon intensity and GHG emissions via our Climate tools and risk analysis
- Governance indicators via our proprietary governance scores and risk framework, including consideration of sound management structures, employee relations, remuneration of staff and tax compliance
- On an on-going basis the investment universe is scanned for companies that may be in breach of international norms described in the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights, as well as state owned entities in countries which violate norms.

*How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?*

The Fund uses norms-based screens and controversy filters to exclude companies that may be in breach of international norms described in the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights.

*The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

*The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities.*

*The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.*

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



### **Does this financial product consider principal adverse impacts on sustainability factors?**

- Yes, this Fund considers Principal Adverse Impacts (PAI) on sustainability factors.

Principal Adverse Impact Indicators are metrics that measure the negative effects on environmental and social matters. abrdn consider PAIs within the investment process for the Fund, this may include considering whether to make an investment, or they may be used as an engagement tool for example where there is no policy in place and this would be beneficial, or where carbon emissions are considered to be high, abrdn may engage to seek the creation of a long-term target and reduction plan. abrdn assess PAIs by using, amongst others, the PAI indicators referred to in the SFDR Delegated Regulation; however, dependent on data availability, quality and relevance to the investments not all SFDR PAI indicators may be considered. Where Funds consider PAIs, information on that consideration will be made available in annual reports.

- No



### **What investment strategy does this financial product follow?**

The Fund contains high-quality companies that have been identified through the bottom-up equity research process which takes into consideration the sustainability of the business in its broadest sense and the company's environmental, social and governance (ESG) performance.

There are three core principles which underpin our Sustainable investment approach and the time we dedicate to ESG analysis as part of our overall equity research process:

- Informed and constructive engagement helps foster better companies, enhancing the value of our clients' investments.
- ESG factors are financially material, and impact corporate performance
- Understanding ESG risks and opportunities alongside other financial metrics allows us to make better investment decisions.



Within our equity investment process, for all companies under coverage we analyse the foundations of each business to ensure proper context for our investments. This includes the durability of its business model, the attractiveness of its industry, the strength of its financials and the sustainability of its economic moat. We also consider the quality of its management team and analyse the environmental, social and governance (ESG) opportunities and risks impacting the business and appraise how well these are managed. We assign a proprietary score to articulate the quality attributes of each company, one of which is the ESG Quality rating. This enables the portfolio managers to exclude companies with material ESG risks and positively skew the portfolio towards ESG opportunities and to build well-diversified, risk-adjusted portfolios.

Our proprietary ESG House Score, developed by our central ESG investment team in collaboration with the Quantitative investment team, is used to identify companies with potentially high or poorly managed ESG risks. The score is calculated by combining a variety of data inputs within a proprietary framework in which different ESG factors are weighted according to how material they are for each sector. This allows us to see how companies rank in a global context.

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- The Governance score assesses the corporate governance structure and the quality and behaviour of corporate leadership and executive management.
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To complement this, we also utilise our active stewardship and engagement activities.

To complement the bottom-up research, the portfolio managers also use abrdn's proprietary ESG House Score, which is primarily a quantitative assessment, to identify and exclude those companies exposed to the highest ESG risks. Finally, binary exclusions are applied to exclude the particular areas of investment related to the UN Global Compact, Norges Bank Investment Management (NBIM), State Owned Enterprises (SOE), Weapons, Tobacco, Gambling, Thermal Coal, Oil & Gas and Electricity Generation.

**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

● ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

The binding elements used by the Fund are:

- a carbon intensity target lower than benchmark and
- targeting an ESG rating better than or equal to benchmark.

Binary exclusions are applied to exclude the particular areas of investment related to the UN Global Compact, Norges Bank Investment Management (NBIM), State Owned Enterprises (SOE), Weapons,



Tobacco, Gambling, Thermal Coal, Oil & Gas and Electricity Generation. These screening criteria apply in a binding manner and on an ongoing basis.

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

The Fund also targets to exclude at least 20% of the Fund's benchmark investable universe, through a combination of in-house proprietary scoring tools and the use of negative criteria to avoid investing in certain industries and activities that abrdn customers are concerned with.

- ***What is the policy to assess good governance practices of the investee companies?***

For this Fund, the investee company needs to follow good governance practices in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance. This can be demonstrated by the monitoring of certain PAI indicators, for example corruption, tax compliance and diversity. In addition, by using abrdn's proprietary ESG scores within the investment process abrdn screen out any investments with low governance scores. Our governance scores assess a company's corporate governance and management structure (including remuneration of staff policies) and the quality and behaviour of its leadership and management. A low score will typically be given where there are concerns in relation to financially materially controversies, poor tax compliance or governance concerns, or poor treatment of employees or minority shareholders.

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**Asset allocation** describes the share of investments in specific assets.

### **What is the asset allocation planned for this financial product?**

A minimum of 90% of the Fund's assets are aligned with E/S characteristics. Environmental and social safeguards are met by applying certain PAI's, where relevant, to these underlying assets. Within these assets, the Fund commits to a minimum of 15% in Sustainable Investments.

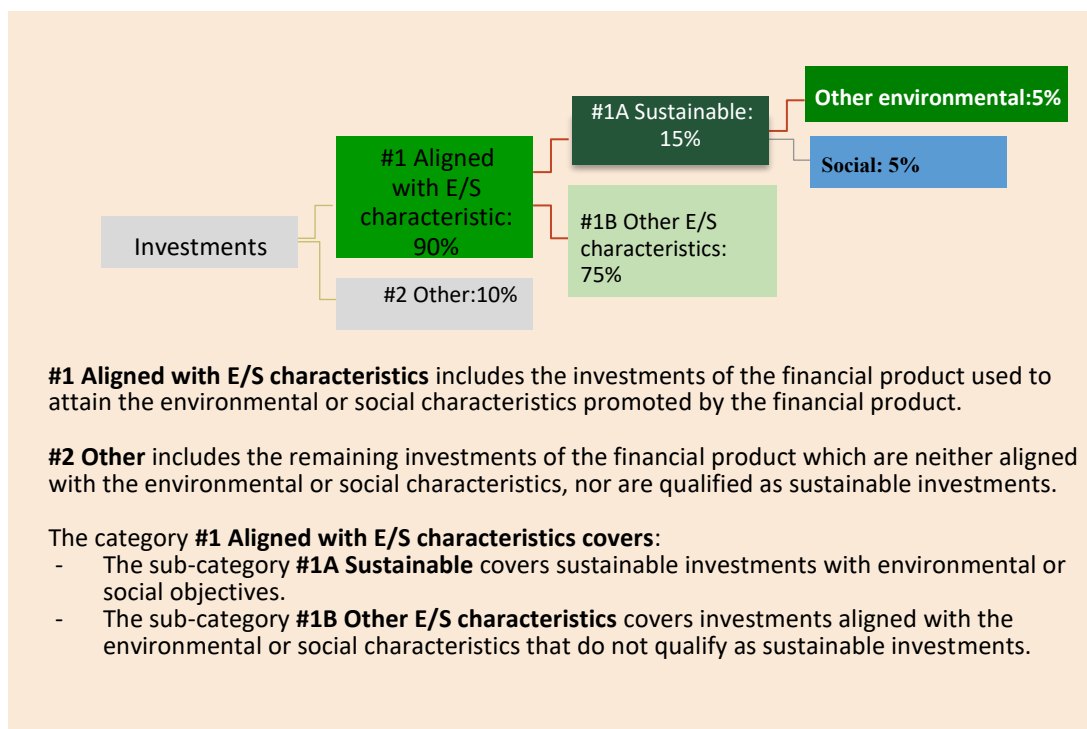
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Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies

- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

- **operational expenditure** (OpEx) reflecting green operational activities of investee companies



● **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

The Fund will not use derivatives to attain any environmental or social characteristics.



**To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

The Fund has not set a minimum proportion of investments in Taxonomy aligned economic activities. This graph represents 100% of the total investment.

**Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>26</sup> ?**

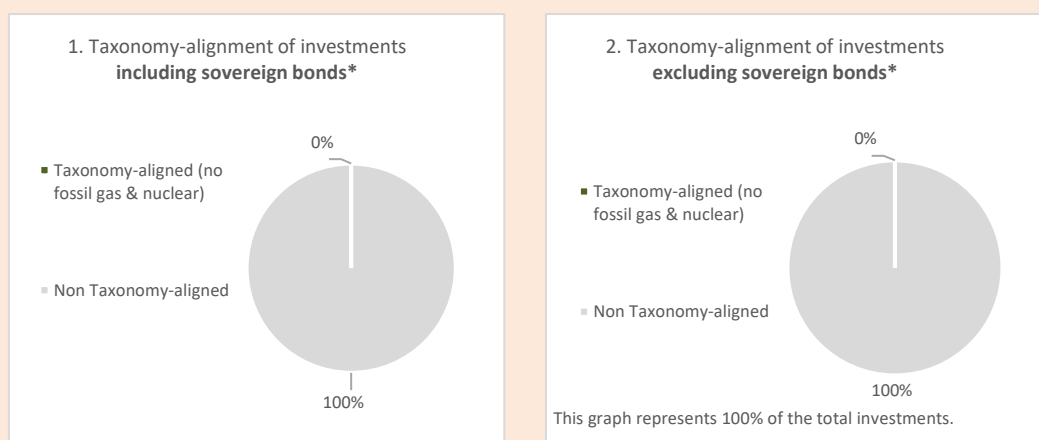
- Yes
- In fossil gas
- In nuclear energy
- No

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



● **What is the minimum share of investments in transitional and enabling activities?**

Not applicable.

<sup>26</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm and EU Taxonomy objective – see explanation note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



### **What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The Fund contains high-quality companies that have been identified through our bottom-up equity research process which takes into consideration the sustainability of the business in its broadest sense and the company's environmental, social and governance (ESG) performance. Within our equity investment process, every company that we invest in is given, via a qualitative assessment, a proprietary overall Quality rating. A key component of this is the ESG Quality rating, which enables the portfolio managers to identify sustainable leaders and improvers and to build well- diversified, risk-adjusted portfolios.

To complement our bottom-up research, the portfolio managers also use our proprietary ESG House Score, which is primarily a quantitative assessment, to identify and exclude those companies exposed to the highest ESG risks. Finally, binary exclusions are applied to exclude the particular areas of investment.

This process results in the Fund committing to a minimum of 90% in securities with environment and social characteristics and a minimum of 15% to sustainable investments which are inclusive of both environmental and social objectives that aren't explicitly taxonomy aligned. The minimum share of sustainable investments with an environmental objective is 5%.



### **What is the minimum share of socially sustainable investments?**

The Fund contains high-quality companies that have been identified through our bottom-up equity research process which takes into consideration the sustainability of the business in its broadest sense and the company's environmental, social and governance (ESG) performance. Within our equity investment process, every company that we invest in is given, via a qualitative assessment, a proprietary overall Quality rating. A key component of this is the ESG Quality rating, which enables the portfolio managers to identify sustainable leaders and improvers and to build well- diversified, risk-adjusted portfolios.

To complement our bottom-up research, the portfolio managers also use our proprietary ESG House Score, which is primarily a quantitative assessment, to identify and exclude those companies exposed to the highest ESG risks. Finally, binary exclusions are applied to exclude the particular areas of investment.

This process results in the Fund committing to a minimum of 90% in securities with environment and social characteristics and a minimum of 15% to sustainable investments which are inclusive of both environmental and social objectives that aren't explicitly taxonomy aligned. The minimum share of sustainable investments with a social objective is 5%.



### **What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?**

The investments included under "other" are cash, money market instruments & derivatives. The purpose of these assets are to meet liquidity, target return or manage risk and may not contribute to the environmental or social aspects of the Fund.

There are certain environmental and social safeguards that are met by applying PAI's. Where relevant, these are applied to the underlying securities.



**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

### **Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes? No**

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***  
Not applicable
- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***  
Not applicable
- ***How does the designated index differ from a relevant broad market index?***  
Not applicable
- ***Where can the methodology used for the calculation of the designated index be found***  
Not applicable



### **Where can I find more product specific information online?**

Fund specific documentation, including Sustainability Related Disclosures, are published at [www.abrdn.com](http://www.abrdn.com) under Fund Centre.

### **More product-specific information can be found on the website:**

Fund specific documentation, including Sustainability Related Disclosures, are published at [www.abrdn.com](http://www.abrdn.com) under Fund Centre.

**Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph of Regulation (EU) 2020/852**

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Product Name:** abrdn SICAV I - North American Smaller Companies Fund

**Legal entity identifier:** 549300ZTQFMLH5BQO667

## Environmental and/or social characteristics

**Does this financial product have a sustainable investment objective?**

**Yes**

**No**

- It will make a minimum of **sustainable investments with an environmental objective: \_\_\_%**
  - in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

- It will make a minimum of **sustainable investments with a social objective: \_\_\_%**

- It promotes **Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of \_\_\_% of sustainable investments
  - with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
  - with a social objective
- It promotes E/S characteristics, but **will not make any sustainable investments**



### **Sustainability indicators**

measure how the sustainable objectives of this financial product are attained.

## **What environmental and/or social characteristics are promoted by this financial product?**

To promote the environmental and social characteristics, the Fund applies ESG assessment criteria, ESG screening criteria and promotes good governance including social factors.

We use our proprietary research framework to analyse the foundations of each business to ensure proper context for our investments. This includes the durability of its business model, the attractiveness of its industry, the strength of its financials and the sustainability of its economic moat.

We also consider the quality of its management team and analyse the environmental, social and governance (ESG) opportunities and risks impacting the business and appraise how well these are managed. We assign a proprietary score to articulate the quality attributes of each company, one of which is the ESG Quality rating. This enables the portfolio managers to exclude companies with material ESG risks and positively skew the portfolio towards ESG opportunities and to build well-diversified, risk-adjusted portfolios.

Additionally, our proprietary ESG House Score, developed by our central ESG investment team in collaboration with the Quantitative investment team, is used to identify companies with potentially high or poorly managed ESG risks. The score is calculated by combining a variety of data inputs within a proprietary framework in which different ESG factors are weighted according to how material they are for each sector. This allows us to see how companies rank in a global context.

To complement this, we also utilise our active stewardship and engagement activities.

This Fund has a financial benchmark that is used for portfolio construction but does not incorporate any sustainable criteria and is not selected for the purpose of attaining these characteristics. This financial benchmark is used as a comparator for Fund performance and as a comparison for the Fund's binding commitments.

### ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

The measures applied by the Fund are:

- ESG assessment criteria,
- ESG screening criteria,
- a carbon intensity targeting lower than benchmark,
- targets an ESG rating better than or equal to benchmark and
- promotes good governance including social factors.



To complement this, we also utilise our active stewardship and engagement activities.

The Fund also looks to exclude at least the bottom 5% of companies with the lowest ESG House Score in the benchmark.

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

The Fund has not set a minimum proportion of sustainable investments.

- ***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

The Fund has not set a minimum proportion of sustainable investments.

*Have the indicators for adverse impacts on sustainability factors been taken into account?*

The Fund has not set a minimum proportion of sustainable investments.

*How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

The Fund has not set a minimum proportion of sustainable investments.

*The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

*The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities.*

*The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.*

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



## **Does this financial product consider principal adverse impacts on sustainability factors?**

- Yes, this Fund considers Principal Adverse Impacts (PAI) on sustainability factors.



Principal Adverse Impact Indicators are metrics that measure the negative effects on environmental and social matters. abrdn consider PAIs within the investment process for the Fund, this may include considering whether to make an investment, or they may be used as an engagement tool for example where there is no policy in place and this would be beneficial, or where carbon emissions are considered to be high, abrdn may engage to seek the creation of a long-term target and reduction plan. abrdn assess PAIs by using, amongst others, the PAI indicators referred to in the SFDR Delegated Regulation; however, dependent on data availability, quality and relevance to the investments not all SFDR PAI indicators may be considered. Where Funds consider PAIs, information on that consideration will be made available in annual reports.

No



### **What investment strategy does this financial product follow?**

The Fund contains high-quality companies that have been identified through the bottom-up equity research process which takes into consideration both environmental, social and governance (ESG) risks and opportunities.

ESG analysis is a key element of our overall equity research process and has three core principles:

- Informed and constructive engagement helps foster better companies, enhancing the value of our clients' investments.
- ESG factors are financially material, and impact corporate performance
- Understanding ESG risks and opportunities alongside other financial metrics allows us to make better investment decisions.

We use our proprietary research framework to analyse the foundations of each business to ensure proper context for our investments. This includes the durability of its business model, the attractiveness of its industry, the strength of its financials and the sustainability of its economic moat.

We also consider the quality of its management team and analyse the environmental, social and governance (ESG) opportunities and risks impacting the business and appraise how well these are managed. We assign a proprietary score to articulate the quality attributes of each company, one of which is the ESG Quality rating. This enables the portfolio managers to exclude companies with material ESG risks and positively skew the portfolio towards ESG opportunities and to build well-diversified, risk-adjusted portfolios.

Our proprietary ESG House Score, developed by our central ESG investment team in collaboration with the Quantitative investment team, is used to identify companies with potentially high or poorly managed ESG risks. The score is calculated by combining a variety of data inputs within a proprietary framework in which different ESG factors are weighted according to how material they are for each sector. This allows us to see how companies rank in a global context.

The abrdn ESG House Score was designed so that it can be broken down into specific themes and categories. The ESG score comprises of two scores; the

Operational score and Governance score. This allows a quick view of a company's relative positioning on its management of ESG issues at a granular level.

- The Governance score assesses the corporate governance structure and the quality and behaviour of corporate leadership and executive management.
- The Operational score assesses the ability of the company's leadership team to implement effective environmental and social risk reduction and mitigation strategies in its operations.

To complement this, we also utilise our active stewardship and engagement activities.

To further complement the bottom-up research, the portfolio managers also use abrdrn's proprietary ESG House Score, which is primarily a quantitative assessment, to identify and exclude those companies exposed to the highest ESG risks. Finally, binary exclusions are applied to exclude the particular areas of investment related to UN Global Compact, Controversial Weapons, Tobacco Manufacturing and Thermal Coal.

**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

- ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

The binding elements used by the Fund are:

- a carbon intensity target lower than benchmark and
- targeting an ESG rating better than or equal to benchmark.

Binary exclusions are applied to exclude the particular areas of investment related to UN Global Compact, Controversial Weapons, Tobacco Manufacturing and Thermal Coal. These screening criteria apply in a binding manner and on an ongoing basis.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

The Fund excludes at least the bottom 5% of companies with the lowest ESG House Score in the benchmark.

- ***What is the policy to assess good governance practices of the investee companies?***

For this Fund, the investee company needs to follow good governance practices in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance. This can be demonstrated by the monitoring of certain PAI indicators, for example corruption, tax compliance and diversity. In addition, by using abrdrn's proprietary ESG scores within the investment process abrdrn screen out any investments with low governance scores. Our governance scores assess a company's corporate governance and management structure (including remuneration of staff policies) and the quality and behaviour of its leadership and management. A low score will typically be given where there are concerns in relation to financially materially controversies, poor

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

tax compliance or governance concerns, or poor treatment of employees or minority shareholders.

The investment must further be aligned with OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human rights. Breaches and violations of these international norms are flagged by an event-driven controversy and are captured in the investment process.



### Asset allocation

describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

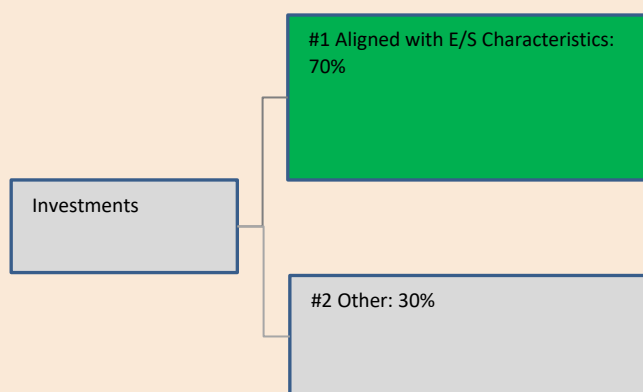
- **turnover** reflecting the share of revenue from green activities of investee companies

- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

## What is the asset allocation planned for this financial product?

A minimum of 70% of the Fund's assets are aligned with E/S characteristics. Environmental and social safeguards are met by applying certain PAI's, where relevant, to these underlying assets. The Fund invests a maximum of 30% of assets in the "Other" category, which include cash, money market instruments and derivatives.



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

### ● **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

The Fund will not use derivatives to attain any environmental or social characteristics.



## To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The Fund has not set a minimum proportion of investments in Taxonomy aligned economic activities. This graph represents 100% of the total investment.

### Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>27</sup> ?

Yes

In fossil gas

In nuclear energy

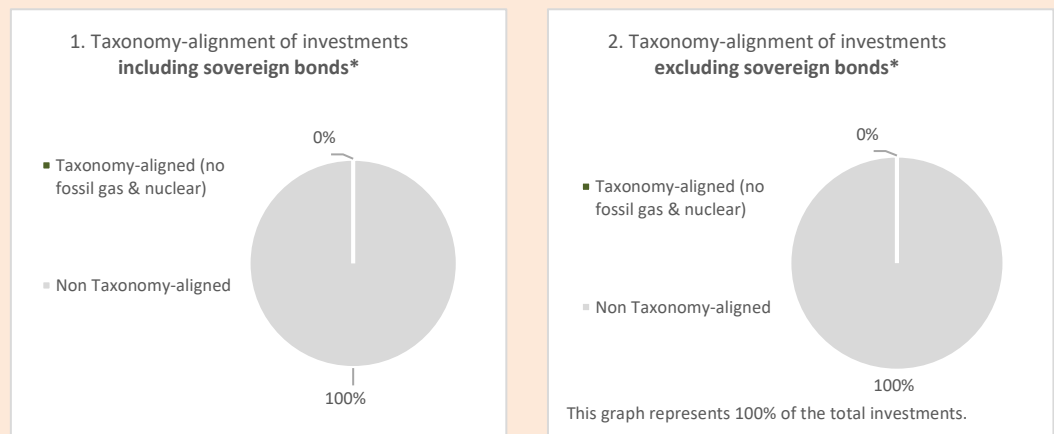
No

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

### ● What is the minimum share of investments in transitional and enabling activities?

Not applicable.

<sup>27</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm and EU Taxonomy objective – see explanation note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

Not applicable



**What is the minimum share of socially sustainable investments?**

Not applicable



**What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?**

The investments included under "other" are cash, money market instruments & derivatives. The purpose of these assets are to meet liquidity, target return or manage risk and may not contribute to the environmental or social aspects of the Fund.

There are certain environmental and social safeguards that are met by applying PAI's. Where relevant, these are applied to the underlying securities.



**Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes? No**

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

● ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

Not applicable

● ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

Not applicable

● ***How does the designated index differ from a relevant broad market index?***

Not applicable

● ***Where can the methodology used for the calculation of the designated index be found***

Not applicable



**Where can I find more product specific information online?**

Fund specific documentation, including Sustainability Related Disclosures, are published at [www.abrdn.com](http://www.abrdn.com) under Fund Centre.

**More product-specific information can be found on the website:**

Fund specific documentation, including Sustainability Related Disclosures, are published at [www.abrdn.com](http://www.abrdn.com) under Fund Centre.

**Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph of Regulation (EU) 2020/852**

**Product Name:** abrdn SICAV I - US Dollar  
Credit Sustainable Bond Fund

**Legal entity identifier:**  
549300OXT5TU2ZS8K192

## Environmental and/or social characteristics

### Does this financial product have a sustainable investment objective?

**Yes**

**No**

- It will make a minimum of **sustainable investments with an environmental objective: \_\_\_%**
  - in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

- It promotes **Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 15% of sustainable investments
  - with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
  - with a social objective

- It will make a minimum of **sustainable investments with a social objective: \_\_\_%**

- It promotes E/S characteristics, but **will not make any sustainable investments**

**Sustainable investment**

means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



**Sustainability indicators** measure how the sustainable objectives of this financial product are attained.

## **What environmental and/or social characteristics are promoted by this financial product?**

To promote the environmental and social characteristics, the Fund applies ESG assessment criteria, ESG screening criteria and promotes good governance including social factors.

We use our proprietary research framework to analyse the foundations of each business to ensure proper context for our investments. This includes the durability of its business model, the attractiveness of its industry, the strength of its financials and the sustainability of its economic moat.

The Fund is underpinned by our well-established active management approach of security selection tailored to the overall environment, which combines fundamental and ESG considerations into our individual name, sector and top-down portfolio construction decisions. An assessment of a company's sustainability is supported by proprietary company rating models and a deeply embedded ESG framework utilising on-desk Fixed Income and central ESG resources.

The Fund will:

- Target at least a 15% reduction of the benchmark investable universe by excluding companies identified as not having sustainable business practices. This is achieved through a set of exclusions, which identify controversial business activities and ESG laggards i.e. companies rated poorly based on their management of ESG risks within their business.
- Engage with companies to gather a forward-looking insight into management of ESG risks, opportunities and actively influence the management of these factors in line with best practice standards.
- Target an equal or better ESG score compared to the benchmark.
- Target a lower carbon intensity than the benchmark.

The Fund seeks to:

- Generate consistent risk-adjusted outperformance using our active management approach of stock selection tailored to the overall environment.
- Benefit from our active engagement with companies, where we encourage positive changes in corporate behaviour.
- Construct a portfolio that invests in companies with strong Environmental, Social and Governance practices.
- Leverage the support and insights of our large, dedicated Fixed Income team and embedded ESG specialist resources.

We also apply an ESG Risk Rating of Low, Medium, High (Low is better) to each issuer. This is credit profile-specific and represents how impactful we believe ESG risks are likely to be to the credit quality of the issuer now and in the future. The key areas of focus are the materiality of the inherent Environmental and Social risks of



**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

the sector of operation (e.g. extraction, water usage, cyber security) and how specific companies manage these risks, combined with the quality and sustainability of their corporate governance. This materiality assessment is combined with a judgement on the timeframe over which these ESG risks may have an impact. Our analysts utilise an ESG Risk Rating Framework to support making these assessments. This is a proprietary tool designed to help focus the knowledge and expertise of credit analysts in a systematic way to substantiate the overall ESG Risk Rating (Low/Medium/High) assigned to debt issuers.

Additionally, our proprietary ESG House Score, developed by our central ESG investment team in collaboration with the Quantitative investment team, is used to identify companies with potentially high or poorly managed ESG risks. The score is calculated by combining a variety of data inputs within a proprietary framework in which different ESG factors are weighted according to how material they are for each sector. This allows us to see how companies rank in a global context.

To complement this, we also utilise our active stewardship and engagement activities.

This Fund has a financial benchmark that is used for portfolio construction but does not incorporate any sustainable criteria and is not selected for the purpose of attaining these characteristics. This financial benchmark is used as a comparator for Fund performance and as a comparison for the Fund's binding commitments.

● ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

The measures applied by the Fund are:

- ESG assessment criteria,
- ESG screening criteria,
- a carbon intensity targeting lower than the benchmark,
- targeting an ESG rating better than or equal to the benchmark,
- promoting good governance, including social factors.

To complement this, we also utilise our active stewardship and engagement activities.

The Fund also excludes companies with the highest ESG risks, as identified by the ESG House Score. This is implemented by excluding the bottom 10% of issuers with an ESG House Score that are in the benchmark.

● ***What are the objectives of the sustainable investments that the financial***

***product partially intends to make and how does the sustainable investment contribute to such objectives?***

The objective of the sustainable investment is to make a contribution to solving an environmental or social challenge, in addition to not causing significant harm, and being well governed. Each sustainable investment may make a contribution to Environmental or Social issues. In fact, many companies will make a positive contribution to both. abrdn use the six environmental objectives of the Taxonomy to inform Environmental contributions, including: (1) climate change mitigation, (2) climate change adaptation, (3) sustainable use and protection of water and marine resources, (4) transition to a circular economy, (5) pollution prevention and control, and (6) protection and restoration of biodiversity and ecosystems. In addition, abrdn use the 17 Sustainable Development Goals and their sub-goals to supplement the EU Taxonomy topics and provide a framework for considering Social objectives

An economic activity must have a positive economic contribution to qualify as a Sustainable investment, this includes consideration of Environmental or Socially aligned revenues, Capex, Opex or sustainable operations. abrdn seek to establish or estimate the share of the investee company's economic activities/contribution towards a sustainable objective and it is this element that is weighted and counted towards the Sub-fund's total aggregated proportion of Sustainable Investments.

abrdn uses a combination of the following approaches:

- i. a quantitative methodology based on a combination of publicly available data sources; and
- ii. using abrdn's own insight and engagement outcomes abrdn overlay the quantitative methodology with a qualitative assessment to calculate an overall percentage of economic contribution towards a sustainable objective for each holding in a Fund.

***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

As required by the SFDR Delegated Regulation, the investment does not cause Significant Harm ("Do No Significant Harm"/ "DNSH") to any of the sustainable investment objectives.

abrdn have created a 3-step process to ensure consideration of DNSH:

***i. Sector Exclusions***

abrdn have identified a number of sectors which automatically do not qualify for inclusion as a Sustainable Investment as they are considered to be causing significant harm. These include but are not limited to: (1) Defence, (2) Coal, (3) Oil & Gas Exploration, Production and associated activities, (4) tobacco, (5) gambling and (6) alcohol.

***ii. DNSH Binary Test***

The DNSH test, is a binary pass/fail test which signals if the company passes or fails criteria for the SFDR Article 2 (17) “do no significant harm”.

Pass indicates under abrdn’s methodology the company has no ties to controversial weapons, less than 1% of revenue from thermal coal, less than 5% of revenue from tobacco related activities, is not a tobacco producer, and has no red/severe ESG Controversies. If the company fails this test, it cannot be considered a Sustainable Investment. Abrdn’s approach is aligned with the SFDR PAIs included within tables 1, 2 & 3 of the SFDR Delegated Regulation and is based on external data sources and abrdn internal insights.

### iii. DNSH Materiality Flag

Using a number of additional screens and flags, abrdn consider the additional SFDR PAI’s indicators as defined by the SFDR Delegated Regulation to identify areas for improvement or potential future concern. These indicators are not considered to cause significant harm and therefore a company with active DNSH materiality flags may still be considered to be a Sustainable Investment. abrdn aim to enhance the engagement activities to focus on these areas and seek to deliver better outcomes by resolving the issue.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

*Have the indicators for adverse impacts on sustainability factors been taken into account?*

The fund considers Principal Adverse Impact Indicators defined by the SFDR Delegated Regulation.

Pre investment, abrdn applies a number of norms and activity-based screens related to PAIs, including but not limited to: UN Global Compact, controversial weapons, and thermal coal extraction.

**UNGC:** The Fund uses norms-based screens and controversy filters to exclude companies that may be in breach of international norms described in the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights, as well as state owned entities in countries which violate norms.

**Controversial Weapons:** The Fund excludes companies with business activities related to controversial weapons (cluster munitions, anti-personnel landmines, nuclear weapons, chemical and biological weapons, white phosphorus, non-detectable fragments, incendiary devices, depleted uranium ammunition or blinding lasers).

**Thermal Coal Extraction:** The Fund excludes companies with exposure to the fossil fuels sector based on percentage of revenue from thermal coal extraction.

abrdn apply a fund specific set of company exclusions, more detail on these and the overall process is captured within the Investment Approach, which is published at [www.abrdn.com](http://www.abrdn.com) under "Fund Centre".

Post-investment the following PAI indicators are considered:

- abrdn monitors all mandatory and additional PAI indicators via our ESG integration investment process using a combination of our proprietary house score and 3rd party data feeds. PAI indicators that either fail a specific binary test or are considered above typical are flagged for review and may be selected for company engagement.

- Consideration of portfolio carbon intensity and GHG emissions via our Climate tools and risk analysis
- Governance indicators via our proprietary governance scores and risk framework, including consideration of sound management structures, employee relations, remuneration of staff and tax compliance
- On an on-going basis the investment universe is scanned for companies that may be in breach of international norms described in the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights, as well as state owned entities in countries which violate norms.

*How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?*

The Fund uses norms-based screens and controversy filters to exclude companies that may be in breach of international norms described in the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights.

*The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

*The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities.*

*The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.*

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



### **Does this financial product consider principal adverse impacts on sustainability factors?**

- Yes, this Fund considers Principal Adverse Impacts (PAI) on sustainability factors.

Principal Adverse Impact Indicators are metrics that measure the negative effects on environmental and social matters. abrdn consider PAIs within the investment process for the Fund, this may include considering whether to make an investment, or they may be used as an engagement tool for example where there is no policy in place and this would be beneficial, or where carbon emissions are considered to be high, abrdn may engage to seek the creation of a long-term target and reduction plan. abrdn assess PAIs by using, amongst others, the PAI indicators referred to in the SFDR Delegated Regulation; however, dependent on data availability, quality and relevance to the investments not all SFDR PAI indicators may be considered. Where Funds consider PAIs, information on that consideration will be made available in annual reports.

- No



### **What investment strategy does this financial product follow?**

The Fund seeks to deliver long-term performance by allocating capital to companies which demonstrate strong management of their environmental, social and governance (ESG) risks and opportunities. This follows the abrdn US Dollar Credit Sustainable Bond Investment Approach.

The portfolio is underpinned by abrdn's well-established active management approach of security selection tailored to the overall environment, which combines fundamental and ESG considerations into the individual name, sector and top-down portfolio construction decisions. An assessment of a company's sustainability is supported by proprietary company rating models and a deeply embedded ESG framework utilising on-desk Fixed Income and central ESG resources.

The Fund will:

- Target at least a 15% reduction of the benchmark investable universe by excluding companies identified as not having sustainable business practices. This is achieved through a set of exclusions, which identify controversial business activities and ESG laggards i.e. companies rated poorly based on their management of ESG risks within their business.
- Engage with companies to gather a forward-looking insight into management of ESG risks, opportunities and actively influence the management of these factors in line with best practice standards.
- Target an equal or better ESG score compared to the benchmark.
- Target a lower carbon intensity than the benchmark.

The Fund seeks to:

- Generate consistent risk-adjusted outperformance using our active management approach of stock selection tailored to the overall environment.
- Benefit from our active engagement with companies, where we encourage positive changes in corporate behaviour.
- Construct a portfolio that invests in companies with strong Environmental, Social and Governance practices.
- Leverage the support and insights of our large, dedicated Fixed Income team and embedded ESG specialist resources.

We also apply an ESG Risk Rating of Low, Medium, High (Low is better) to each issuer. This is credit profile-specific and represents how impactful we believe ESG risks are likely to be to the credit quality of the issuer now and in the future. The key areas of focus are the materiality of the inherent Environmental and Social risks of the sector of operation (e.g. extraction, water usage, cyber security) and how specific companies manage these risks, combined with the quality and sustainability of its corporate governance. This materiality assessment is combined with a judgement on the timeframe over which these ESG risks may have an impact. Our analysts utilise an ESG Risk Rating Framework to support making these assessments. This is a proprietary tool designed to help focus the knowledge and expertise of credit analysts in a systematic way to substantiate the overall ESG Risk Rating (Low/Medium/High) assigned to debt issuers.

Our proprietary ESG House Score, developed by our central ESG investment team in collaboration with the Quantitative investment team, is used to identify companies with potentially high or poorly managed ESG risks. The score is calculated by combining a variety of data inputs within a proprietary framework in which different ESG factors are weighted according to how material they are for each sector. This allows us to see how companies rank in a global context.

The abrdn ESG House Score was designed so that it can be broken down into specific themes and categories. The ESG score comprises of two scores; the Operational score and Governance score. This allows a quick view of a company's relative positioning on its management of ESG issues at a granular level.

- The Governance score assesses the corporate governance structure and the quality and behaviour of corporate leadership and executive management.
- The Operational score assesses the ability of the company's leadership team to implement effective environmental and social risk reduction and mitigation strategies in its operations.

To complement this, we also utilise our active stewardship and engagement activities.

The Fund excludes companies identified as not having sustainable business practices. This is achieved through a set of exclusions, which identify controversial business activities and ESG laggards i.e. companies rated poorly based on their management of ESG risks within their business. We engage with companies to gather a forward-looking insight into management of ESG risks, opportunities and actively influence the management of these factors in line with best practice standards.

Additionally, abrdn apply a set of company exclusions, which are related to the UN Global Compact, State Owned Enterprises (SOE), Weapons, Tobacco, Thermal Coal, Oil & Gas and Electricity Generation.

**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

- ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

The binding elements used by the Fund are:

- a carbon intensity target lower than the benchmark and
- targeting an ESG rating better than or equal to the benchmark.

Binary exclusions are applied to exclude particular areas of investment related to the UN Global Compact, State Owned Enterprises (SOE), Weapons, Tobacco, Thermal Coal, Oil & Gas and Electricity Generation. These screening criteria apply in a binding manner and on an ongoing basis.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

The Fund excludes companies with the highest ESG risks, as identified by the ESG House Score. This is implemented by excluding the bottom 10% of issuers with an ESG House Score that are in the benchmark.

● ***What is the policy to assess good governance practices of the investee companies?***

For this Fund, the investee company needs to follow good governance practices in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance. This can be demonstrated by the monitoring of certain PAI indicators, for example corruption, tax compliance and diversity. In addition, by using abrdn's proprietary ESG scores within the investment process abrdn screen out any investments with low governance scores. Our governance scores assess a company's corporate governance and management structure (including remuneration of staff policies) and the quality and behaviour of its leadership and management. A low score will typically be given where there are concerns in relation to financially materially controversies, poor tax compliance or governance concerns, or poor treatment of employees or minority shareholders.

The investment must further be aligned with OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human rights. Breaches and violations of these international norms are flagged by an event-driven controversy and are captured in the investment process.



**Asset allocation** describes the share of investments in specific assets.

**What is the asset allocation planned for this financial product?**

A minimum of 90% of the Fund's assets are aligned with E/S characteristics. Environmental and social safeguards are met by applying certain PAI's, where relevant, to these underlying assets. Within these assets, the Fund commits to a minimum of 15% in Sustainable Investments.

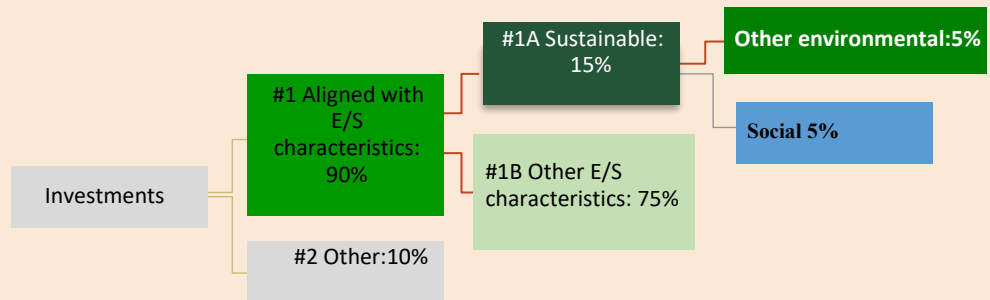
The Fund invests a maximum of 10% of assets in the "Other" category, which include cash, money market instruments and derivatives.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies

- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

- **operational expenditure** (OpEx) reflecting green operational activities of investee companies



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

***How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?***

The Fund will not use derivatives to attain any environmental or social characteristics.



To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.



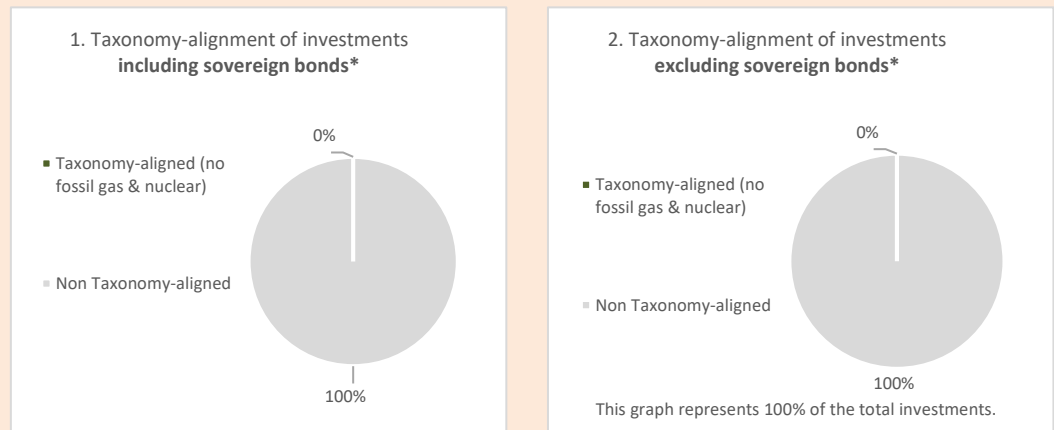
## To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The Fund has not set a minimum proportion of investments in Taxonomy aligned economic activities. This graph represents 100% of the total investment.

### Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>28</sup> ?

- Yes
- In fossil gas
  - In nuclear energy
- No

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

### What is the minimum share of investments in transitional and enabling activities?

Not applicable.

<sup>28</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm and EU Taxonomy objective – see explanation note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



### **What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The Fund is underpinned by our well-established active management approach of security selection tailored to the overall environment, which combines fundamental and ESG considerations into our individual name, sector and top down portfolio construction decisions. An assessment of a company’s sustainability is supported by proprietary company rating models and a deeply embedded ESG framework utilising on-desk Fixed Income and central ESG resources.

To complement this research, the portfolio managers also use our proprietary ESG House Score, which is primarily a quantitative assessment, to identify and exclude companies with potentially high or poorly managed ESG risks. Finally, binary exclusions are applied to exclude the particular areas of investment.

This process results in the Fund committing to a minimum of 90% in securities with environment and social characteristics and a minimum of 15% to sustainable investments which are inclusive of both environmental and social objectives that aren’t explicitly taxonomy aligned. The minimum share of sustainable investments with an environmental objective is 5%.



### **What is the minimum share of socially sustainable investments?**

The Fund is underpinned by our well-established active management approach of security selection tailored to the overall environment, which combines fundamental and ESG considerations into our individual name, sector and top down portfolio construction decisions. An assessment of a company’s sustainability is supported by proprietary company rating models and a deeply embedded ESG framework utilising on-desk Fixed Income and central ESG resources.

To complement this research, the portfolio managers also use our proprietary ESG House Score, which is primarily a quantitative assessment, to identify and exclude companies with potentially high or poorly managed ESG risks. Finally, binary exclusions are applied to exclude the particular areas of investment.

This process results in the Fund committing to a minimum of 90% in securities with environment and social characteristics and a minimum of 15% to sustainable investments which are inclusive of both environmental and social objectives that aren’t explicitly taxonomy aligned. The minimum share of sustainable investments with a social objective is 5%.



### **What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?**

The investments included under "other" are cash, money market instruments, derivatives and may also include sovereign bonds. The purpose of these assets are to meet liquidity, target return or manage risk and may not contribute to the environmental or social aspects of the Fund.

There are certain environmental and social safeguards that are met by applying PAI's. Where relevant, these are applied to the underlying securities.



### **Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes? No**

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

Not applicable

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

Not applicable

- ***How does the designated index differ from a relevant broad market index?***

Not applicable

- ***Where can the methodology used for the calculation of the designated index be found***

Not applicable

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.



### **Where can I find more product specific information online?**

Fund specific documentation, including Sustainability Related Disclosures, are published at [www.abrdn.com](http://www.abrdn.com) under Fund Centre.

### **More product-specific information can be found on the website:**

Fund specific documentation, including Sustainability Related Disclosures, are published at [www.abrdn.com](http://www.abrdn.com) under Fund Centre.

**Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph of Regulation (EU) 2020/852**

**Product Name:** abrdn SICAV I - Global Sustainable Equity Fund

**Legal entity identifier:** 549300JBCUEJEB0RMF41

## Environmental and/or social characteristics

### Does this financial product have a sustainable investment objective?

Yes

No

- It will make a minimum of **sustainable investments with an environmental objective: \_\_\_\_%**
  - in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

- It promotes **Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 20% of sustainable investments
  - with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
  - with a social objective

- It will make a minimum of **sustainable investments with a social objective: \_\_\_\_%**

- It promotes E/S characteristics, but **will not make any sustainable investments**

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



**Sustainability indicators** measure how the sustainable objectives of this financial product are attained.

## **What environmental and/or social characteristics are promoted by this financial product?**

To promote the environmental and social characteristics, the Fund applies ESG assessment criteria, ESG screening criteria and promotes good governance including social factors.

We use our proprietary research framework to identify companies which we believe to be sustainable leaders or improvers. Sustainable leaders are viewed as companies with the best in class ESG credentials or products and services which address global environmental and societal challenges, whilst improvers are typically companies with average governance, ESG management practices and disclosure with potential for improvement.

Within our equity investment process, for all companies under coverage we analyse the foundations of each business to ensure proper context for our investments. This includes the durability of its business model, the attractiveness of its industry, the strength of its financials and the sustainability of its economic moat. We also consider the quality of its management team and analyse the environmental, social and governance (ESG) opportunities and risks impacting the business and appraise how well these are managed. We assign a proprietary score to articulate the quality attributes of each company, one of which is the ESG Quality rating. This enables the portfolio managers to exclude companies with material ESG risks and positively skew the portfolio towards ESG opportunities and to build well-diversified, risk-adjusted portfolios.

Additionally, our proprietary ESG House Score, developed by our central ESG investment team in collaboration with the Quantitative investment team, is used to identify companies with potentially high or poorly managed ESG risks. The score is calculated by combining a variety of data inputs within a proprietary framework in which different ESG factors are weighted according to how material they are for each sector. This allows us to see how companies rank in a global context.

The abrdn ESG House Score was designed so that it can be broken down into specific themes and categories. The ESG score comprises of two scores; the Operational score and Governance score. This allows a quick view of a company's relative positioning on its management of ESG issues at a granular level.

- The Governance score assesses the corporate governance structure and the quality and behaviour of corporate leadership and executive management.
- The Operational score assesses the ability of the company's leadership team to implement effective environmental and social risk reduction and mitigation strategies in its operations.

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

To complement this, we also utilise our active stewardship and engagement activities.

This Fund has a financial benchmark that is used for portfolio construction but does not incorporate any sustainable criteria and is not selected for the purpose of attaining these characteristics. This financial benchmark is used as a comparator for Fund performance and as a comparison for the Fund's binding commitments.

● ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

The measures applied by the Fund are:

- ESG assessment criteria,
- ESG screening criteria,
- a carbon intensity targeting lower than benchmark,
- targets an ESG rating better than or equal to benchmark and
- promotes good governance including social factors.

To complement this, we also utilise our active stewardship and engagement activities.

The Fund also targets to exclude at least 20% of the Fund's benchmark investable universe, through a combination of in-house proprietary scoring tools and the use of negative criteria to avoid investing in certain industries and activities.

● ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

The objective of the sustainable investment is to make a contribution to solving an environmental or social challenge, in addition to not causing significant harm, and being well governed. Each sustainable investment may make a contribution to Environmental or Social issues. In fact, many companies will make a positive contribution to both. abrdn use the six environmental objectives of the Taxonomy to inform Environmental contributions, including: (1) climate change mitigation, (2) climate change adaptation, (3) sustainable use and protection of water and marine resources, (4) transition to a circular economy, (5) pollution prevention and control, and (6) protection and restoration of biodiversity and ecosystems. In addition, abrdn use the 17 Sustainable Development Goals and their sub-goals to supplement the EU Taxonomy topics and provide a framework for considering Social objectives

An economic activity must have a positive economic contribution to qualify as a Sustainable investment, this includes consideration of Environmental or Socially aligned revenues, Capex, Opex or sustainable operations. abrdn seek to establish or estimate the share of the investee company's economic activities/contribution towards a sustainable objective and it is this element that is weighted and counted towards the Sub-fund's total aggregated proportion of Sustainable Investments.

abrdn uses a combination of the following approaches:

- i. a quantitative methodology based on a combination of publicly available data sources; and
- ii. using abrdn's own insight and engagement outcomes abrdn overlay the quantitative methodology with a qualitative assessment to calculate an overall percentage of economic contribution towards a sustainable objective for each holding in a Fund.

● ***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

As required by the SFDR Delegated Regulation, the investment does not cause Significant Harm ("Do No Significant Harm"/ "DNSH") to any of the sustainable investment objectives.

abrdn have created a 3-step process to ensure consideration of DNSH:

i. Sector Exclusions

abrdn have identified a number of sectors which automatically do not qualify for inclusion as a Sustainable Investment as they are considered to be causing significant harm. These include but are not limited to: (1) Defence, (2) Coal, (3) Oil & Gas Exploration, Production and associated activities, (4) tobacco, (5) gambling and (6) alcohol.

ii. DNSH Binary Test

The DNSH test, is a binary pass/fail test which signals if the company passes or fails criteria for the SFDR Article 2 (17) "do no significant harm".

Pass indicates under abrdn's methodology the company has no ties to controversial weapons, less than 1% of revenue from thermal coal, less than 5% of revenue from tobacco related activities, is not a tobacco producer, and has no red/severe ESG Controversies. If the company fails this test, it cannot be considered a Sustainable Investment. Abrdn's approach is aligned with the SFDR PAIs included within tables 1, 2 & 3 of the SFDR Delegated Regulation and is based on external data sources and abrdn internal insights.

iii. DNSH Materiality Flag

Using a number of additional screens and flags, abrdn consider the additional SFDR PAI's indicators as defined by the SFDR Delegated Regulation to identify areas for improvement or potential future concern. These indicators are not considered to cause significant harm and therefore a company with active DNSH materiality flags may still be considered to be a Sustainable Investment. abrdn aim to enhance the engagement activities to focus on these areas and seek to deliver better outcomes by resolving the issue.

*Have the indicators for adverse impacts on sustainability factors been taken into account?*



The fund considers Principal Adverse Impact Indicators defined by the SFDR Delegated Regulation.

Pre investment, abrdn applies a number of norms and activity-based screens related to PAIs, including but not limited to: UN Global Compact, controversial weapons, and thermal coal extraction.

UNGC: The Fund uses norms-based screens and controversy filters to exclude companies that may be in breach of international norms described in the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights, as well as state owned entities in countries which violate norms.

Controversial Weapons: The Fund excludes companies with business activities related to controversial weapons (cluster munitions, anti-personnel landmines, nuclear weapons, chemical and biological weapons, white phosphorus, non-detectable fragments, incendiary devices, depleted uranium ammunition or blinding lasers).

Thermal Coal Extraction: The Fund excludes companies with exposure to the fossil fuels sector based on percentage of revenue from thermal coal extraction.

abrdn apply a fund specific set of company exclusions, more detail on these and the overall process is captured within the Investment Approach, which is published at [www.abrdn.com](http://www.abrdn.com) under "Fund Centre".

Post-investment the following PAI indicators are considered:

- abrdn monitors all mandatory and additional PAI indicators via our ESG integration investment process using a combination of our proprietary house score and 3rd party data feeds. PAI indicators that either fail a specific binary test or are considered above typical are flagged for review and may be selected for company engagement.
- Consideration of portfolio carbon intensity and GHG emissions via our Climate tools and risk analysis
- Governance indicators via our proprietary governance scores and risk framework, including consideration of sound management structures, employee relations, remuneration of staff and tax compliance
- On an on-going basis the investment universe is scanned for companies that may be in breach of international norms described in the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights, as well as state owned entities in countries which violate norms.

*How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?*

The Fund uses norms-based screens and controversy filters to exclude companies that may be in breach of international norms described in the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights.



*The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

*The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities.*

*The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.*

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



### **Does this financial product consider principal adverse impacts on sustainability factors?**

- Yes, this Fund considers Principal Adverse Impacts (PAI) on sustainability factors.

Principal Adverse Impact Indicators are metrics that measure the negative effects on environmental and social matters. abrdn consider PAIs within the investment process for the Fund, this may include considering whether to make an investment, or they may be used as an engagement tool for example where there is no policy in place and this would be beneficial, or where carbon emissions are considered to be high, abrdn may engage to seek the creation of a long-term target and reduction plan. abrdn assess PAIs by using, amongst others, the PAI indicators referred to in the SFDR Delegated Regulation; however, dependent on data availability, quality and relevance to the investments not all SFDR PAI indicators may be considered. Where Funds consider PAIs, information on that consideration will be made available in annual reports.

- No



### **What investment strategy does this financial product follow?**

The Fund contains high-quality companies that have been identified through the bottom-up equity research process which takes into consideration the sustainability of the business in its broadest sense and the company’s environmental, social and governance (ESG) performance.

There are three core principles which underpin our Sustainable investment approach and the time we dedicate to ESG analysis as part of our overall equity research process:

- Informed and constructive engagement helps foster better companies, enhancing the value of our clients’ investments.
- ESG factors are financially material, and impact corporate performance
- Understanding ESG risks and opportunities alongside other financial metrics allows us to make better investment decisions.

Within our equity investment process, for all companies under coverage we analyse the foundations of each business to ensure proper context for our investments. This includes the durability of its business model, the attractiveness of its industry, the strength of its financials and the sustainability of its economic moat. We also consider the quality of its management team and analyse the environmental, social and governance (ESG) opportunities and risks impacting the business and appraise how well these are managed. We assign a proprietary score to articulate the quality attributes of each company, one of which is the ESG Quality rating. This enables the portfolio managers to exclude companies with material ESG risks and positively skew the portfolio towards ESG opportunities and to build well-diversified, risk-adjusted portfolios.

Our proprietary ESG House Score, developed by our central ESG investment team in collaboration with the Quantitative investment team, is used to identify companies with potentially high or poorly managed ESG risks. The score is calculated by combining a variety of data inputs within a proprietary framework in which different ESG factors are weighted according to how material they are for each sector. This allows us to see how companies rank in a global context.

The abrdn ESG House Score was designed so that it can be broken down into specific themes and categories. The ESG score comprises of two scores; the Operational score and Governance score. This allows a quick view of a company's relative positioning on its management of ESG issues at a granular level.

- The Governance score assesses the corporate governance structure and the quality and behaviour of corporate leadership and executive management.
- The Operational score assesses the ability of the company's leadership team to implement effective environmental and social risk reduction and mitigation strategies in its operations.

To complement this, we also utilise our active stewardship and engagement activities.

To complement the bottom-up research, the portfolio managers also use abrdn's proprietary ESG House Score, which is primarily a quantitative assessment, to identify and exclude those companies exposed to the highest ESG risks. Finally, binary exclusions are applied to exclude the particular areas of investment related to the UN Global Compact, Norges Bank Investment Management (NBIM), State Owned Enterprises (SOE), Weapons, Tobacco, Gambling, Thermal Coal, Oil & Gas and Electricity Generation.

**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

● ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

The binding elements used by the Fund are:

- a carbon intensity target lower than benchmark and
- targeting an ESG rating better than or equal to benchmark.

Binary exclusions are applied to exclude the particular areas of investment related to the UN Global Compact, Norges Bank Investment Management (NBIM), State Owned Enterprises (SOE), Weapons, Tobacco, Gambling,

Thermal Coal, Oil & Gas and Electricity Generation. These screening criteria apply in a binding manner and on an ongoing basis.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

The Fund also targets to exclude at least 20% of the Fund's benchmark investable universe, through a combination of in-house proprietary scoring tools and the use of negative criteria to avoid investing in certain industries and activities that abrdn customers are concerned with.

- ***What is the policy to assess good governance practices of the investee companies?***

For this Fund, the investee company needs to follow good governance practices in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance. This can be demonstrated by the monitoring of certain PAI indicators, for example corruption, tax compliance and diversity. In addition, by using abrdn's proprietary ESG scores within the investment process abrdn screen out any investments with low governance scores. Our governance scores assess a company's corporate governance and management structure (including remuneration of staff policies) and the quality and behaviour of its leadership and management. A low score will typically be given where there are concerns in relation to financially materially controversies, poor tax compliance or governance concerns, or poor treatment of employees or minority shareholders.

The investment must further be aligned with OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human rights. Breaches and violations of these international norms are flagged by an event-driven controversy and are captured in the investment process.

### **What is the asset allocation planned for this financial product?**

A minimum of 90% of the Fund's assets are aligned with E/S characteristics. Environmental and social safeguards are met by applying certain PAI's, where relevant, to these underlying assets. Within these assets, the Fund commits to a minimum of 20% in Sustainable Investments.

The Fund invests a maximum of 10% of assets in the "Other" category, which include cash, money market instruments and derivatives.

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.



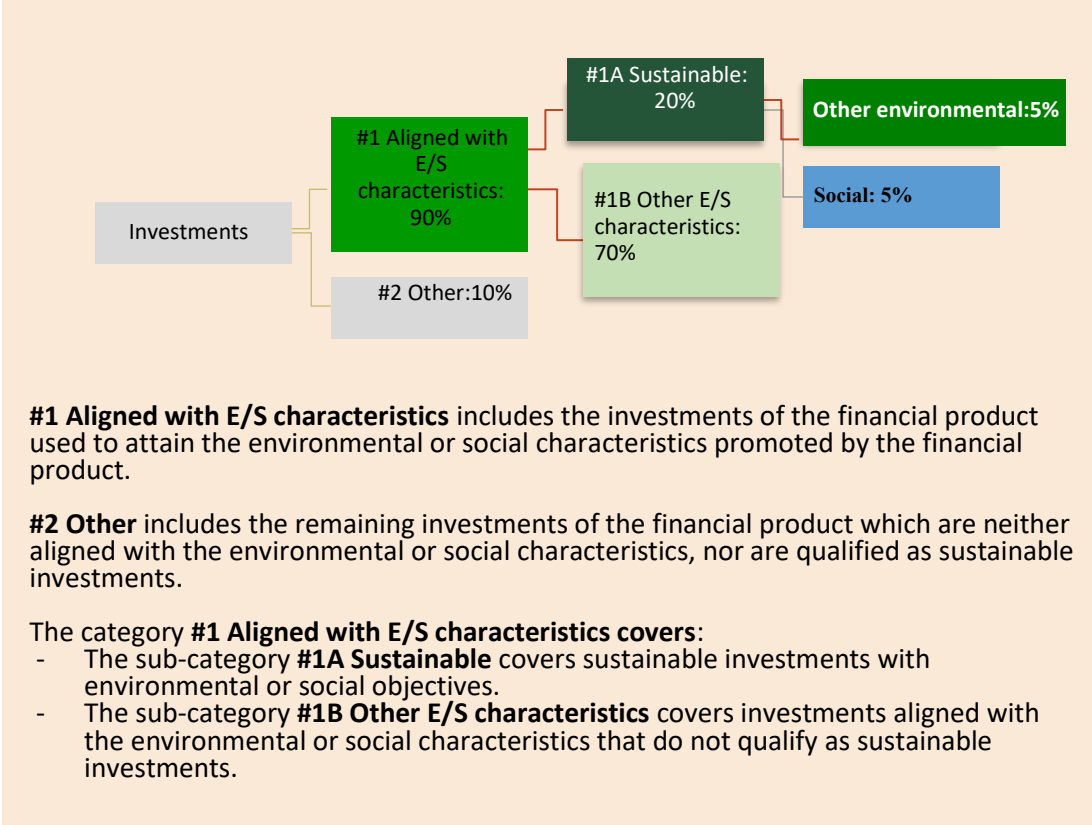
**Asset allocation** describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies

- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

- **operational expenditure** (OpEx) reflecting green operational activities of investee companies



● **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

The Fund will not use derivatives to attain any environmental or social characteristics.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best



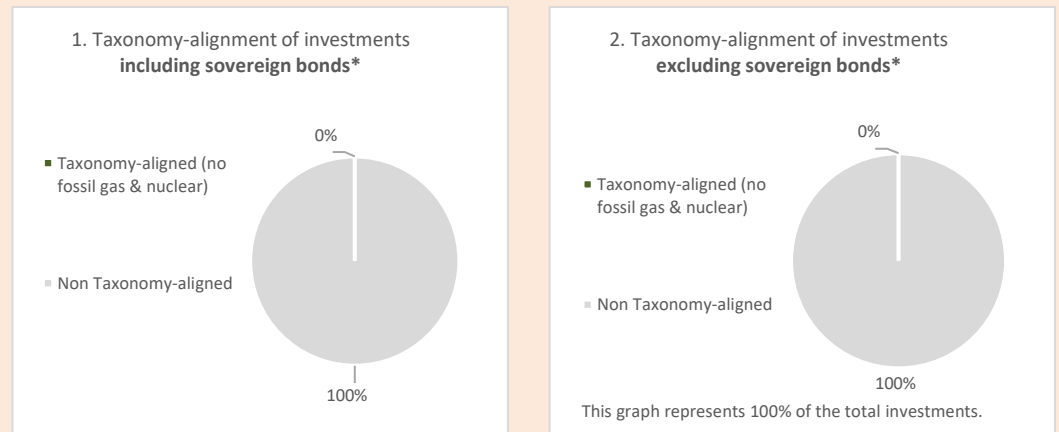
## To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The Fund has not set a minimum proportion of investments in Taxonomy aligned economic activities. This graph represents 100% of the total investment.

### Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>29</sup> ?

- Yes:
- In fossil gas
  - In nuclear energy
- No

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

### ● What is the minimum share of investments in transitional and enabling activities?

Not applicable.

<sup>29</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm and EU Taxonomy objective – see explanation note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.



### **What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The Fund contains high-quality companies that have been identified through our bottom-up equity research process which takes into consideration the sustainability of the business in its broadest sense and the company's environmental, social and governance (ESG) performance. Within our equity investment process, every company that we invest in is given, via a qualitative assessment, a proprietary overall Quality rating. A key component of this is the ESG Quality rating, which enables the portfolio managers to identify sustainable leaders and improvers and to build well- diversified, risk-adjusted portfolios.

To complement our bottom-up research, the portfolio managers also use our proprietary ESG House Score, which is primarily a quantitative assessment, to identify and exclude those companies exposed to the highest ESG risks. Finally, binary exclusions are applied to exclude the particular areas of investment.

This process results in the Fund committing to a minimum of 90% in securities with environment and social characteristics and a minimum of 20% to sustainable investments which are inclusive of both environmental and social objectives that aren't explicitly taxonomy aligned. The minimum share of sustainable investments with an environmental objective is 5%.



### **What is the minimum share of socially sustainable investments?**

The Fund contains high-quality companies that have been identified through our bottom-up equity research process which takes into consideration the sustainability of the business in its broadest sense and the company's environmental, social and governance (ESG) performance. Within our equity investment process, every company that we invest in is given, via a qualitative assessment, a proprietary overall Quality rating. A key component of this is the ESG Quality rating, which enables the portfolio managers to identify sustainable leaders and improvers and to build well- diversified, risk-adjusted portfolios.

To complement our bottom-up research, the portfolio managers also use our proprietary ESG House Score, which is primarily a quantitative assessment, to identify and exclude those companies exposed to the highest ESG risks. Finally, binary exclusions are applied to exclude the particular areas of investment.

This process results in the Fund committing to a minimum of 90% in securities with environment and social characteristics and a minimum of 20% to sustainable investments which are inclusive of both environmental and social objectives that aren't explicitly taxonomy aligned. The minimum share of sustainable investments with a social objective is 5%.

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



## What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?

The investments included under "other" are cash, money market instruments & derivatives. The purpose of these assets are to meet liquidity, target return or manage risk and may not contribute to the environmental or social aspects of the Fund.

There are certain environmental and social safeguards that are met by applying PAI's. Where relevant, these are applied to the underlying securities.



## Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes? No

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***  
Not applicable
- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***  
Not applicable
- ***How does the designated index differ from a relevant broad market index?***  
Not applicable
- ***Where can the methodology used for the calculation of the designated index be found***  
Not applicable



## Where can I find more product specific information online?

Fund specific documentation, including Sustainability Related Disclosures, are published at [www.abrdn.com](http://www.abrdn.com) under Fund Centre.

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