- *Deliver both attractive financial returns and positive social and environmental outcomes*
- *Benefit from our active engagement with companies, where we encourage positive changes in corporate behaviour*
- *Invest in companies intentionally developing products and services that contribute to quantifiable, positive social and environmental outcomes*
- *Leverage the support and insights of our large, dedicated equity teams and ESG specialists*

The UN's 2030 Agenda for Sustainable Development provides a blueprint for governments to guide investment and development toward a more sustainable and prosperous future. The Agenda lays out 17 SDGs to help countries tackle the most pressing global social and environmental concerns. Using the Agenda as a guide, there are tangible opportunities to generate positive contributions to society and the environment, while simultaneously generating long-term financial value. We therefore aligned our impact mission to address the key social and environmental issues identified by the SDGs.

Our portfolio managers combine the expert analysis of our equity teams with the insights of our ESG specialists. This allows us to assess a company's alignment with abrdn's eight-pillar impact framework.

The Fund also invests in companies that enable progress aligned to each pillar but are too far down the supply chain for impact to be directly attributable to them. Investments in these companies are limited to 10% of the total fund.

In addition, abrdn apply a set of company exclusion which are related to, but are not limited to, criteria related to the UN Global Compact, Tobacco Manufacturing, and Controversial Weapons.

- ***What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?***

  The Fund's binding commitments use the UN's underlying SDG targets and indicators as the basis for the KPIs, thereby linking a company's ability to affect positive change back to these overarching global challenges.

  At least 30% of company investment (e.g. research and development, capital expenditure) must be directed towards developing products or services aligned with an impact pillar to demonstrate intentionality.

  To assess positive impact we consider the company's potential to deliver intentional, measurable positive social and environmental impact. We believe the key facets of impact investing are that investments must be intentional and measurable. Our process employs a 'theory of change' model. This assesses a company's inputs, activities, outputs, outcomes and impacts in three 'impact maturity' stages: intentionality, implementation and impact. These stages build upon one another. We expect to see companies at the intentionality stage mature to implementation and finally to impact.

  - *Intentionality is a company's recognition of a particular social or environmental issue, with investment to deliver products and services in response. To assess this, we examine company-specific inputs such as strategy and investments and expect to see a minimum of a third of a company's investment budget allocated to products or services aligned with our pillars.*
  - *Companies that mature from intentionality to implementation have progressed from inputs to activities in our theory of change model. The company's strategy and investment in products and services that address global social and environmental issues has matured to meet revenue and growth rate thresholds we have set for each pillar.*
  - *A company that has matured to the impact stage of our model is able to report on the data points and deliverables its products and services have achieved. For example, this could include carbon emissions reductions or the number*

of people provided with access to energy. Outcomes and impacts are the consequences of these results, which we assess and communicate to clients through our annual impact report.

Intentionality acts as our minimum criterion for inclusion in the Fund; implementation and impact quantification demonstrate a more mature approach. We invest in companies across all stages of impact maturity, enabling us to support innovative solutions from concept through to delivery.

We have identified eight 'pillars of impact' that address the broad challenges of climate change, unsustainable production and consumption and social inequalities and align with the UN's overarching agenda of creating a more peaceful and prosperous society and environment. The Fund assesses a company's alignment with abrdn's eight-pillar impact framework.

- *Circular Economy*
- *Sustainable Energy*
- *Food & Agriculture*
- *Water & sanitation*
- *Health & Social Care*
- *Financial inclusion*
- *Sustainable Real estate & Infrastructure*
- *Education & Employment*

In addition to the eight impact pillars, we also invest up to 10% of the fund in impact leaders. These are companies that enable our other pillars, contributing products and services that are part of a wider value / supply chain.

abrdn also apply a set of company exclusion which are related to, but are not limited to, criteria related to the UN Global Compact, Tobacco Manufacturing, and Controversial 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 by 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. Environmental & Social sustainable investments have dual objectives and we therefore we do not currently split out percentage for social and environmental objectives.

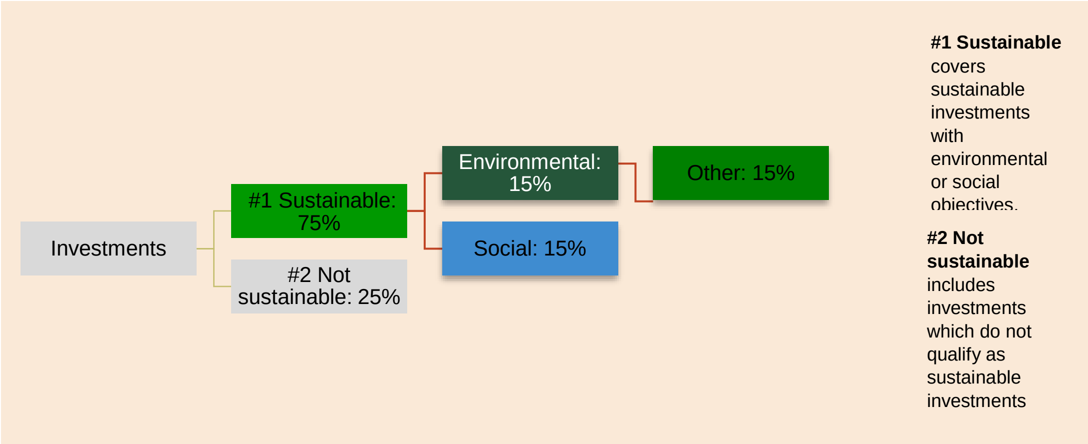
The Fund invests a maximum of 25% of assets in the "Non Sustainable" category, which is mainly made up of cash, money market instruments and derivatives.

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.



How does the use of derivatives attain the sustainable investment objective?

The Fund will not use derivatives to attain any sustainable investment objective.

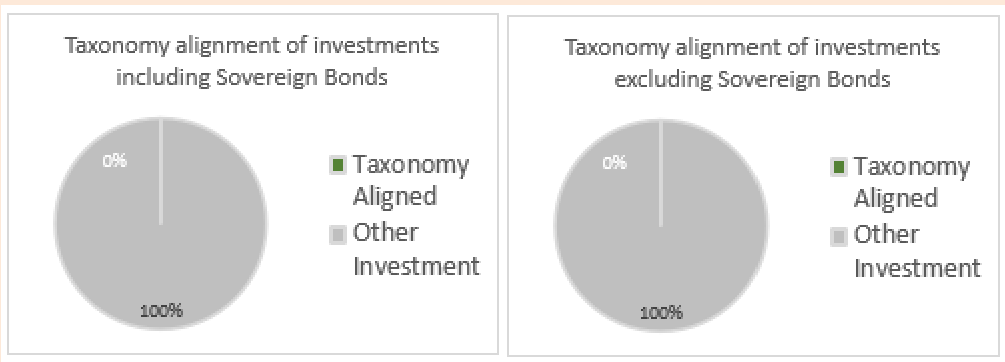
To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

0%. The Fund has not set a minimum proportion of investments in Taxonomy aligned economic activities.

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 environmentally sustainable investments 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 Global Impact 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 abrdn's Impact pillars. We have identified eight 'pillars of impact' that address the broad challenges of climate change, unsustainable production and consumption and social inequalities and align with the UN's overarching agenda of creating a more peaceful and prosperous society and environment. We aim to invest in companies whose products and services align with one of these pillars and measure how the products help countries achieve the UN's sustainable development agenda.

abrdn believe alignment with the Sustainable Development Goals 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 Global Impact 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 abrdn's Impact pillars. We have identified eight 'pillars of impact' that address the broad challenges of climate change, unsustainable production and consumption and social inequalities and align with the UN's overarching agenda of creating a more peaceful and prosperous society and environment. We aim to invest in companies whose products and services align with one of these pillars and measure how the products help countries achieve the UN's sustainable development agenda.

abrdn believe alignment with the Sustainable Development Goals 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*** *under* ***Fund Centre****.*

More product-specific information can be found on the website:
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