abrdn Global Absolute Return Strategies Fund*

Prospectus

1 December 2023

* this fund was previously known as ASI Global Absolute Return Strategies Fund. The fund is in the process of being wound up and therefore not available for investment.

abrdn.com

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GLOSSARY

Please note not all terms in the glossary are used in the prospectus.

Term	Definition
Absolute Returns	A fund which targets a specific level of return rather than a return in excess of that of a stock, *bond*, *commercial property* or other market.
Active / Actively Managed	An investment management technique where judgement is employed based on analysis to select fund holdings in an attempt to deliver targeted performance.
Approved Bank	As defined in the glossary of definitions to the FCA Handook.
Average	When used in the context of a group of funds with different returns, *average* is calculated by adding together all the returns and then dividing by the number of funds.
Benchmark Regulation	The United Kingdom version of Regulation (EU) No. 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014, which is part of UK law by virtue of the EUWA. as such regulation or directive apply in the UK from time to time including as retained, amended, extended, re-enacted or otherwise given effect on or after 11pm on 31 December 2020.
Bond/s	An investment taking the form of a loan, usually to a company or government, that pays interest. There are many different types of *bonds* with specific characteristics; examples include inflation-linked, convertible, asset-backed and *mortgage-backed*.
Cash	Readily available non-invested assets held at a bank or other financial institution.
Commercial Property	Land and buildings such as offices, shopping centres, and warehouses owned on a *freehold* or *leasehold* (see *Freehold* / *Leasehold*) basis and let to tenants in exchange for a rent. Non-traditional assets include nursing homes, student accommodation, caravan parks and multi-let residential developments. Excludes assets such as houses let to individual tenants.
Commodity	A raw material or product that can be traded on various exchanges such as gold, silver or oil.
Comparator/Performance Comparator	A factor against which a fund manager invites investors to compare a fund's performance.
Constraint/Portfolio Constraining Benchmark	A factor that fund managers use to limit or constrain how they construct a fund's portfolio with the intention of limiting risk. A "*portfolio constraining benchmark*" is an index which is used as a reference point for these factors.
Creditworthiness	An assessment of the ability of a borrower to repay debt. Typically refers to the perceived riskiness of *bonds* issued by companies or governments.
Currency Exposure	The potential for a fund that invests overseas to lose or gain money purely because of changes in the currency exchange rate.

Derivative	Financial instruments whose value depends in some way on the value of other, more basic, underlying financial assets or indices. They may commonly relate to the value of particular equities or markets more broadly, *commodities* like oil or grain, but also *interest rates*, inflation and *volatility*. There are many types of *derivatives*, with the most common being *swaps*, *futures* and *options*.
Diversification/Diversified	Holding a variety of investments that typically perform differently from one another with the intention of smoothing the fund's performance profile.
Domiciled	Country where a company has its permanent registered headquarters.
Duration	A measure of sensitivity to the effect of changes in *interest rates* on the value of *bonds*. Individual *bonds* or *bond* funds with high *duration* are more sensitive than those with low *duration.*
EEA	European Economic Area.
EEA State	A State which is a contracting party to the agreement on the *EEA* signed at Oporto on 2 May 1992, as it has effect for the time being.
EEA UCITS	An undertaking for collective investment in transferable securities established in the *EEA* that satisfies the conditions necessary for it to enjoy the rights conferred by the *UCITS Directive* as implemented in the *EEA.*
Emerging Markets	Countries that are progressing towards becoming advanced, usually shown by some development in financial markets, the existence of some form of stock exchange and a regulatory body.
Enhanced Index/Indexing	A form of portfolio management supported by the use of numerical techniques where funds are typically managed more closely to, and constrained by, a *performance comparator*, than traditional *actively managed* funds.
Equity Related Securities	Instruments which share many or most of the characteristics of equities (company shares) such as P-Notes (participatory notes).
Ethical Investment Policy	The *ethical investment policy* of abrdn, which can be found at the following website: https://www.abrdn.com/en/uk/wealthmanager/investment-capabilities/esg-investment.
EUWA	The European Union (Withdrawl) Act 2018.
Exchange Traded Funds (ETFs)	A basket of securities (bonds, company shares, etc.) which trade on an exchange. The constituents of the basket are selected so that the ETF's performance replicates something else, typically an index. ETFs are often used to obtain exposure cheaply and because they trade on an exchange, are generally easy to buy and sell.
Exposure	Direct or indirect investment in a particular asset or asset type which may be expressed as a percentage of a fund.
Fixed Rate	An *interest rate* that will remain the same throughout the asset lifecycle.
Floating Rate	An *interest rate* that may change throughout the asset lifecycle often dependent on a pre-set reference point.

Freehold/Leasehold	The owner of the property owns it outright including the land it's built on/The owner holds the property but not the land, on expiry of the lease the ownership returns to the freeholder.
Frontier Markets	Countries that are more established than the least developed countries but still less established than *emerging markets*.
Futures	*Futures* are financial contracts obligating the buyer to purchase an asset or the seller to sell an asset, such as a physical *commodity* or a financial instrument, at a predetermined future date and price.
Interest Rates	An *interest rate* is a percentage charged/earned on the total amount you borrow/save.
Investment Grade / High Yield	Refers to the credit quality of a *bond* (a loan to a company or government). *Investment grade bonds* have a higher rating as judged by a *rating agency* than *high yield bonds* and are thus judged to be less likely to default on their obligations to repay the loan and the interest on it. To compensate for the higher risk, *high yield bonds* pay a higher rate of interest than *investment grade bonds*.
Infrastructure	Investments in companies (via shares or loans) managing or developing projects aimed at improving a country or region's infrastructure including transportation, water, communication, electric systems etc.
Leverage	An increase in exposure within a fund either through borrowing *cash* to fund asset purchases or the use of *derivatives*. In the case of the latter, *leverage* occurs because the *exposure* obtained by purchasing *derivatives* exceeds the *cash* cost of the *derivative* itself.
Liquidity	The degree to which an investment can be quickly bought or sold on a market without it materially affecting its price.
Long Positions	A *long position* refers to the ownership of an asset with the expectation that it will rise in value.
Long Term	Five or more years.
Market Cycle	An assessment by market participants of changes between different market or business environments.
Medium Term	Three to five years.
Money-Market Instruments	Investments usually issued by banks or governments that are a *short term* loan to the issuer by the buyer. The buyer receives interest and the return of the original amount at the end of a certain period.
Mortgage-Backed Bond	A *mortgage-backed bond* is a *bond* secured by a mortgage on one or more assets, typically backed by real estate holdings and real property such as equipment.
Options	*Options* are similar to *futures*; however instead of being obliged to buy/sell something at a pre-determined date, the fund is buying the *option* to buy/sell something during a period of time or on a specific date.
Passively Managed/Passive Management	An investment management technique where the management team aims to achieve a similar investment return to that of a particular market index. Different indexation methods may be used to achieve this goal. For example, the management team may construct a portfolio which fully replicates the market index. Alternatively they may construct a portfolio which is highly correlated to the market index but does not fully

	replicate the market index ("sampling"). The choice of technique is a matter of judgement but is determined by the primary objective of replicating the market index return as closely as possible.
Performance Target	Refers to a level of performance which the management team has in mind when managing a particular fund. Usually expressed by reference to an index or as a particular value. Although the management team aims to achieve the *performance target*, there is no certainty this will be achieved.
Quantitative Techniques	Investment management techniques where the management team use approaches based on numerical analysis to select fund holdings.
Quartile	A term used when a group of products are grouped together and ranked by a particular feature, such as performance, and then split into four groups (four *quartiles*). As an example "Top *quartile* performance" refers to the products within the group (*quartile*) that performed the best.
Rating Agency	A *rating agency* is a company that assesses the financial strength of companies and government regarding their ability to make interest payments and ultimately repay debts, particularly *bonds*, they have issued.
Real Estate Investment Trusts (REITS)	Companies usually listed on a stock exchange that own and manage predominantly income-producing commercial or residential property.
Repo /Reverse Repo	An agreement between two parties, one of which is the fund, to sell or buy an asset and later reverse the trade at a pre-agreed date and price.
Risk Target	Refers to a level of risk which the management team has in mind when managing a particular fund. In this context, "risk" refers to the *volatility* of the fund's *unit* price. May be expressed relative to an index, or as a particular value. Although the management team aims to achieve the *risk target*, there is no certainty this will be achieved.
Rolling	Refers to periods of time which are of a consistent length and which continually move (or "roll") forward as time elapses. So "*rolling* three year periods" refers to a period of time going back three years from a given date, where the given date moves forward by 1 day every day.
Sector/Sector Weightings	A grouping of companies or businesses which are categorised for investors as operating in similar industry or market and sharing similar characteristics. "*Sector weightings*" refers to the proportion of a fund invested in a particular *sector* or *sectors*. Additionally, similar funds are typically grouped together by organisations such as the Investment Association as a means of facilitating performance comparisons – these groups are also referred to as "*sectors*".
Securitisation	The creation of a *bond* by combining the *cash* flows from multiple underlying assets into a single asset which can be bought or sold by investors.
Short Position	A *short position* refers to transactions in assets which are expected to benefit from a fall in the value of the asset.
Short Term	Less than three years.
SRRI	Synthetic Risk and Reward Indicator; as used in Key Investor Information Documents, this is a measure of fund risk represented by a 1 to 7 scale where "1" represents the lowest and "7" the highest risk, based on historic fund price *volatility*.
Sub-Investment Grade	Sub investment grade bonds have a lower rating as judged by a rating agency than investment grade bonds and are thus judged to be more likely to default on their obligations to repay the loan and the interest.

Supranational	A *supranational bond* is one issued by a body which is composed of representatives of more than one nation. Such bodies include, for example, the European Central Bank or the World Bank.
Swaps	A *swap* is a *derivative* contract through which two parties exchange the *cash* flows or liabilities from two different financial instruments.
Trust Deed	The trust deed constituting the fund dated 26 and 28 November 2007, as amended by subsequent supplemental trust deeds from time to time.
Trustee	The trustee and depositary of the fund, Citibank UK Limited.
UCITS Directive	Directive 2009/65/EC as amended by Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014.
UCITS scheme	A UK UCITS.
UK UCITS	An undertaking for collective investment in transferable securities established in the United Kingdom within the meaning of section 236A and 237 of the Financial Services and Markets Act 2000, as amended.
VIE (variable interest entity)	A structure that enables foreign investors to gain indirect exposure to companies with foreign ownership restrictions.
Volatility	A measure of the size of changes in the value of an investment. Commonly, the higher the *volatility*, the higher the risk.
Yield	The income from an investment usually stated as a percentage of the value of the investment.

This document is the prospectus for the fund valid as at 1 December 2023.

Prospectus

for

abrdn Global Absolute Return Strategies Fund

(the "fund")

The fund is an authorised unit trust scheme under the Financial Services and Markets Act 2000 (the "Act"). This prospectus contains information to be disclosed to prospective and existing investors in accordance with the rules contained in the Collective Investment Schemes Sourcebook (the "FCA Rules") published by the Financial Conduct Authority ("FCA") as part of their Handbook of rules made under the Act.

The UK left the European Union (“EU”) on 31 January 2020 and the transition period ended on 31 December 2020 (“IP completion day”). On or after IP completion day, any reference in this *prospectus* to an EU Directive or a provision of an EU Directive is to be taken to be a reference to all of the legislation or regulatory rules of the UK which:

a. implemented any obligation of the UK under the EU Directive or the provision of the EU Directive (as the case may be), or enabled any such obligation to be implemented;
b. exercised any rights available to the UK under the EU Directive (as the case may be), or enabled any such rights to be exercised;
c. dealt with any matter arising out of or related to any such obligation or right,

immediately before IP completion day.

Where any such legislation or rule is amended, replaced, recast, restated or applied with any relevant modification on or after IP completion day, the reference shall be taken to be a reference to that legislation or rule as so amended, replaced, recast, restated or applied (as the case may be).

General Information

The Manager

The Manager of the fund is abrdn Fund Managers Limited. The Manager is a private company limited by shares, incorporated in England and Wales on 7 November 1962. The Manager is a wholly owned subsidiary of abrdn plc (formerly known as Standard Life Aberdeen plc), a company incorporated in Scotland. The registered office of the Manager is Bow Bells House, 1 Bread Street, London EC4M 9HH. It has an issued and fully paid up share capital of £738,550.

The Manager is authorised to carry on investment business in the United Kingdom by virtue of it being authorised and regulated by the Financial Conduct Authority.

The Manager acts as authorised corporate director of the following open-ended investment companies:

Aberdeen Property ICVC *
abrdn OEIC I [1]
abrdn OEIC II [2]
abrdn OEIC III [3]

[1] This fund was previously known as Aberdeen Standard OEIC I
[2] This fund was previously known as Aberdeen Standard OEIC II
[3] This fund was previously known as Aberdeen Standard OEIC III

abrdn OEIC IV [4]
abrdn OEIC V [5]
abrdn OEIC VI [6]
abrdn OEIC VII [7]
abrdn UK Real Estate Funds ICVC [8]
Global Managers Investment Company *

The Manager also acts as the manager of the following authorised unit trusts:

Aberdeen Capital Trust *
Aberdeen Property Unit Trust *
abrdn Balanced Bridge Fund [9]
abrdn Bridge Fund [10]
abrdn Falcon Fund [11]
abrdn Merlin Fund [12]
abrdn Phoenix Fund [13]
abrdn Unit Trust I [14]
abrdn Dynamic Distribution Fund [15]
abrdn Global Real Estate Fund [16]
abrdn Strategic Investment Allocation Fund [17]
abrdn Global Strategic Bond Fund [18]
abrdn (Lothian) Active Plus Bond Trust [19]
abrdn (Lothian) European Trust [20]
abrdn (Lothian) European Trust II [21]
abrdn (Lothian) Global Equity Trust II [22]
abrdn (Lothian) International Trust [23]
abrdn (Lothian) Japan Trust [24]
ASI (Standard Life) Multi-Asset Trust *
abrdn (Lothian) North American Trust [25]
abrdn (Lothian) Pacific Basin Trust [26]
abrdn (Lothian) Short Dated UK Government Bond Trust [27]
abrdn (Lothian) UK Corporate Bond Trust [28]

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[4] This fund was previously known as Aberdeen Standard OEIC IV
[5] This fund was previously known as Aberdeen Standard OEIC V
[6] This fund was previously known as Aberdeen Standard OEIC VI
[7] This fund was previously known as Aberdeen Standard OEIC VII
[8] This fund was previously known as Standard Life Investments UK Real Estate Funds ICVC

[9] This fund was previously known as Aberdeen Standard Capital Balanced Bridge Fund
[10] This fund was previously known as Aberdeen Standard Capital Bridge Fund
[11] This fund was previously known as Aberdeen Standard Capital Falcon Fund
[12] This fund was previously known as Aberdeen Standard Capital Merlin Fund
[13] This fund was previously known as Aberdeen Standard Capital Phoenix Fund
[14] This fund was previously known as Aberdeen Standard Unit Trust I
[15] This fund was previously known as ASI Dynamic Distribution Fund
[16] This fund was previously known as ASI Global Real Estate Fund
[17] This fund was previously known as ASI Strategic Investment Allocation Fund
[18] This fund was previously known as ASI (SLI) Strategic Bond Fund
[19] This fund was previously known as ASI (Standard Life) Active Plus Bond Trust
[20] This fund was previously known as ASI (Standard Life) European Trust
[21] This fund was previously known as ASI (Standard Life) European Trust II
[22] This fund was previously known as ASI (Standard Life) Global Equity Trust II
[23] This fund was previously known as ASI (Standard Life) International Trust
[24] This fund was previously known as ASI (Standard Life) Japan Trust
[25] This fund was previously known as ASI (Standard Life) North American Trust
[26] This fund was previously known as ASI (Standard Life) Pacific Basin Trust
[27] This fund was previously known as ASI (Standard Life) Short Dated UK Government Bond Trust
[28] This fund was previously known as ASI (Standard Life) UK Corporate Bond Trust

abrdn (Lothian) UK Equity General Trust [29]
abrdn (Lothian) UK Government Bond Trust [30]
abrdn MT [31]
abrdn UK Real Estate Trust [32]
Standard Life Global Equity Trust *
Standard Life Investments Ignis European Growth Fund *
Standard Life Investments Ignis Global Growth Fund *
Standard Life Investments Ignis Pacific Growth Fund *
Standard Life Pan-European Trust *

The Manager also acts as the authorised contractual scheme manager of the following authorised contractual scheme:

abrdn ACS I [33]

* This fund is in the process of being wound up
known as

The Directors of abrdn Fund Managers Limited are:

Adam Shanks
Aron Mitchell
Carolan Dobson*
Denise Thomas
Emily Smart
Jamie Matheson*
Rowan McNay

* Independent Non-Executive Director of abrdn Fund Managers Limited

THE MAIN BUSINESS ACTIVITIES OF THE DIRECTORS NOT CONNECTED WITH THE BUSINESS OF THE *MANAGER*:

A complete list of other directorships can be provided on written request.

In performing its role of Manager of the fund, the Manager may delegate such of its functions as it may determine from time to time. As at the date of this prospectus, the abrdn group of companies (of which the Manager is part) provides a wide range of services in respect of the fund, including portfolio management, marketing and distribution, management of suppliers, controls of pricing and expenses and compliance. In addition, external suppliers may be retained by the abrdn group of companies (including the Manager) for the provision of services. As at the date of this prospectus services which are provided on an on-going basis by external suppliers include fund accounting, investor record keeping and transfer agency (i.e. the processing of applications for sales, redemptions, conversions and switches, servicing investor requests and enquiries relating to the fund).

The Manager's Remuneration Policy

In accordance with the FCA Rules, the Manager has approved and adopted a UCITS V Remuneration Policy Statement in conjunction with the remuneration policy established and implemented by the Manager and other associated companies (together, the "Remuneration Policy"). The Manager believes the UCITS V Remuneration

[29] This fund was previously known as ASI (Standard Life) UK Equity General Trust
[30] This fund was previously known as ASI (Standard Life) UK Government Bond Trust
[31] This fund was previously known as ASIM Trust
[32] This fund was previously known as Standard Life Investments UK Real Estate Trust

[33] This fund was previously known as Aberdeen Standard ACS I

Policy Statement is consistent with the UCITS Remuneration Code; 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 Trust Deed, and does not impair compliance of the Manager's duty to act in the best interests of the fund and the Unitholders. The Manager 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 Manager, 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 the risk appetite of the Manager and/or other associated companies and its funds;
- promote sound risk management and discourage risk taking that exceeds the level of risk tolerated by the Manager and/or other associated companies, 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*.

A Remuneration Committee has been established 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; and
- considering the recruitment and redundancy of certain employees.

Details of the up-to-date UCITS V Remuneration Policy Statement, including, but not limited to, a description of how remuneration and benefits are calculated, and the identities of persons responsible for awarding remuneration and benefits including the composition of the Remuneration Committee, is available at www.abrdn.com. A paper copy is made available free of charge upon request at the Manager's registered office.

The Trustee

The trustee and depositary of the fund is Citibank UK Limited[34]. The registered office of the Trustee is Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB. The Trustee is a private limited company incorporated in England with registered number 11283101.

The Trustee is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.
The ultimate holding company of the Trustee is Citigroup Inc., a company which is incorporated in New York, USA.

Terms of appointment

The appointment of the Trustee as depositary of the fund was originally made under an agreement dated 18 March 2016. A new agreement has been put in place dated 7 August 2019 which was novated to the Trustee with effect from 23 October 2021 (the "Depositary Agreement").
Under the terms of the Depositary Agreement the assets of the fund have been entrusted to the Trustee for safekeeping.

The key duties of the Trustee consist of:

(i) *Cash* monitoring and verifying the fund's *cash* flows;
(ii) Safekeeping of the scheme property;

[34] Citibank Europe plc, UK Branch was replaced as trustee and depositary of the fund with effect from 00.01 on 23 October 2021.

(iii) Ensuring that the sale, issue, re-purchase, redemption, cancellation and valuation of units are carried out in accordance with the Trust Deed, the prospectus, and applicable law, rules and regulations;
(iv) Ensuring that in transactions involving scheme property any consideration is remitted to the fund within the usual time limits;
(v) Ensuring that the fund's income is applied in accordance with the Trust Deed, the prospectus, applicable law, rules and regulations; and
(vi) Carrying out the instructions of the Manager unless they conflict with the Trust Deed, the prospectus or applicable laws, rules or regulations.

To the extent permitted by the FCA Rules and applicable law, rules and regulations, the Manager on behalf of the fund will indemnify the Trustee (or its associates) against the costs, charges, losses and liabilities incurred by the Trustee (or its associates) in the proper execution or exercise (reasonably and in good faith) of its duties, powers, authorities, discretions and responsibilities in respect of the fund, except where the Trustee is liable owing to it being at fault under the terms of the Depositary Agreement.

The Depositary Agreement provides that the appointment of the Trustee may be terminated by either the Manager or the Trustee on not less than 90 days' prior written notice to the other party. Termination cannot take effect until a successor trustee and depositary has been appointed.

The fees and expenses incurred by the Trustee are payable out of the "General Administration Charge" as set out below.

Delegation

Under the Depositary Agreement, the Trustee has the power to delegate its safekeeping functions.

As at the date of this prospectus, the Trustee has entered into a written agreement delegating the performance of its safekeeping function in respect of certain of the fund's assets to Citibank N.A., London Branch (the "Custodian"). The sub-delegates that have been appointed by the Custodian as at the date of this prospectus are set out in Appendix 4.

The Custodian is entitled to receive reimbursement of the Custodian's fees as an expense of the fund (see "Other Fees and Expenses" section below). The Custodian's remuneration is calculated at an ad valorem rate determined by the territory or country in which the fund's assets are held. Currently, the lowest rate is 0.0025% and the highest rate is 0.4% per annum. These charges are taken from the income generated by the fund. In addition, the Custodian makes a transaction charge determined by the territory or country in which the transaction is effected. Currently, these transaction charges range from £2.80 - £92.31 per transaction. Transaction charges will be taken from capital, this may result in capital erosion or constrain capital growth.

Liability of the Trustee

As a general rule, the Trustee is liable for any losses suffered as a result of the Trustee's negligent or intentional failure to properly fulfil its obligations except that it will not be liable for any loss where:

(i) The event which has led to the loss is not the result of any act or omission of the Trustee or of a third party;
(ii) The Trustee could not have reasonably prevented the occurrence of the event which led to the loss despite adopting all precautions incumbent on a diligent trustee and depositary as reflected in common industry practice;
(iii) Despite rigorous and comprehensive due diligence, the Trustee could not have prevented the loss.

In the case of loss of a financial instrument by the Trustee, or by a third party, the Trustee is under an obligation to return a financial instrument of identical type or corresponding amount without undue delay unless it can prove that the loss arose as a result of an external event beyond the Trustee's reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary.

As a general rule, whenever the Trustee delegates any of its safekeeping functions to a delegate, the Trustee will remain liable for any losses suffered as a result of an act or omission of the delegate as if such loss had arisen as a result of an act or omission of the Trustee. The use of securities settlement systems does not constitute a delegation by the Trustee of its functions.

Conflicts of Interest

From time to time conflicts may arise from the appointment by the Trustee of any of its delegates out of which may arise a conflict of interest with the fund. For example, Citibank N.A., London Branch, which has been appointed by the Trustee to act as Custodian of the scheme property, also performs certain investment operations and functions and *derivatives* collateral management functions delegated to it by the Investment Adviser. It is therefore possible that a conflict of interest could arise.

The Trustee will ensure that any such delegates or sub-delegates which are its affiliates are appointed on terms which are not materially less favourable to the fund than if the conflict or potential conflict had not existed. Citibank N.A., London Branch and any other delegate are required to manage any such conflict having regard to the FCA Rules and its duties to the Trustee and the Manager.

There may also be conflicts arising between the Trustee, the fund, the holders and the Manager. The Trustee is prohibited from carrying out any activities with regard to the fund unless:

(i) The Trustee has properly identified any such potential conflict of interest;
(ii) The Trustee has functionally and hierarchically separated the performance of the trustee and depositary tasks from other potentially conflicting tasks; and
(iii) The potential conflicts of interest are properly managed, monitored and disclosed to the investors.

The Registrar

The register of holders is held by SS&C Financial Services Europe Limited, which was until 31 March 2020 known as DST Financial Services Europe Limited.

The register of the holders for the fund is kept and can be inspected free of charge at the offices of SS&C Financial Services Europe Limited at SS&C House, St Nicholas Lane, Basildon, Essex, SS15 5FS.

The fees and expenses incurred by the registrar are payable out of the General Administration Charge as set out below.

The Auditor

The auditor of the fund is KPMG LLP, St Vincent Plaza, 319 St Vincent Street, Glasgow, G2 5AS.

The fees and expenses incurred by the auditor are payable out of the General Administration Charge as set out below.

The Investment Adviser

The Investment Adviser to the fund is abrdn Investment Management Limited. Further details can be found on page 45.

The Fund

The fund was established by a Trust Deed entered into on 26 and 28 November 2007 and is an authorised unit trust scheme. Its FCA Product Reference Number is 473870. The authorisation order made by the Financial Services Authority (the predecessor of the FCA) was dated 29 November 2007. The fund was originally authorised as a non-UCITS retail scheme, but converted to a *UCITS scheme* on 21 April 2010.

The base currency of the fund is Sterling.

INVESTMENT OBJECTIVE AND POLICY

abrdn Global Absolute Return Strategies Fund

<u>Investment Objective</u>

To generate a positive absolute return over the medium to *long term* (3 to 5 years or more) irrespective of market conditions, whilst reducing the risk of losses. Invested capital is however at risk and there is no guarantee that the objective will be attained over any time period.

Performance target: To exceed the return of SONIA by 5% per annum, evaluated over *rolling* three year periods (before charges). The *performance target* is the level of performance that the management team hopes to achieve for the fund. There is however no certainty or promise that they will achieve the *performance target*.

SONIA is currently used as a proxy for the return on *cash* deposits.

Investment Policy

Portfolio securities

- The fund invests in a broad range of assets from across the global investment universe, directly and via *derivatives*.
- Assets include equities (company shares), *bonds*, currencies, *commercial property* and *commodities*.
- The fund may also invest in other funds (including those managed by abrdn), *money-market instruments* and *cash*.

Management Process

- The management team use their discretion (*active management*) to make flexible allocations to multiple types of assets depending on market conditions, the price of different assets or their value relative to each other based on their analysis of future economic and business conditions.
- The team seeks to generate growth in a wide variety of ways (e.g. if market prices rise or fall). It also means they can build the portfolio to be as resilient as possible to shocks that cause markets generally to fall sharply.
- As a result of extensive *diversification* and during extreme equity market falls, the fund's value may be expected to fall between approximately one third and one half of the fall in global equity markets.

Derivatives and Techniques

- The fund will make extensive use of *derivatives* to reduce risk, reduce cost and/ or generate extra income or growth consistent with the risk profile of the fund (often referred to as "Efficient Portfolio Management").
- *Derivatives* can be used to generate growth, consistent with the fund's risk profile, if market prices are expected to rise (*long positions*) or fall (*short positions*).
- *Leverage* in the fund arises as a result of the use of *derivatives*.
- Examples of investment strategies implemented through *derivatives* are:
  - An assessment of the expected level of a given stock market index;
  - An assessment of one currency relative to another;
  - An assessment of the direction of *interest rates*.

Specific Risks (For more details see section below).

All general investment risks apply however for this fund investors should specifically be aware of the following:

i. *Derivative* risk
ii. Equity risk
iii. *Credit* risk
iv. *Interest rate* risk
v. *Emerging market* risk
vi. *High yield* credit risk

vii. China A / Stock Connect risk

Target Market

- Investors with basic investment knowledge.
- Investors wanting to preserve capital.
- Investors wanting a positive *absolute return* over the medium to longer term (3-5 years).
- The fund has specific and generic risks with a risk rating as per the *SRRI* number, all detailed on the Key Investor Information Document.
- For general sale to retail and professional investors through all distribution channels with or without professional advice.

Risks

All investments involve risk. **"General Risks"** mostly apply to all funds; **"Specific Risks"** are particularly relevant where noted below the fund's investment objective and policy. A fund could potentially be affected by risks beyond those listed for it or described here, nor are these risk descriptions themselves intended as exhaustive. Each risk is described as if for an individual fund.

A number of the risks described in this section aren't directly applicable to the securities held by the fund. However, if the fund invests into another fund which does hold securities where the risk is applicable then this is highlighted below the fund's investment objective and policy.

The value of investments and income from them can go down as well as up, and you might get back less than you invested.

Any of these risks could cause the fund to lose money, to perform less well than similar investments or a benchmark, to experience high *volatility* (ups and downs in NAV), or to fail to meet its objective over any period of time

Statements made in this prospectus are based on the law and practice in force at the date of this prospectus.

Charges have the effect of reducing investment returns. Your investment must grow more than the rate of charges before you receive a positive return. A positive return is not guaranteed. Charges may reduce the value of your investment.

The fund has certain charges which are taken from capital (as set out in the "Charges" section), which may limit the growth in value of the fund. However, when charges are taken from capital, more income is generally available to distribute to *unitholders*.

General Risks

***Commodity* Risk**

The value of the securities in which the fund invests may be influenced by movements in commodity prices which can be very volatile. The price of commodities may be disproportionately affected by political, economic, weather and terrorist-related activities and by changes in energy and transportation costs.

Counterparty Risk

An entity with which the fund does business could become unwilling or unable to meet its obligations to the fund.

The bankruptcy or insolvency of counterparty could result in delays in getting back securities or *cash* of the funds that were in the possession of the counterparty. This could mean the fund is unable to sell the securities or receive the income from them during the period in which it seeks to enforce its rights, which process itself is likely to create additional costs. Various operational risks could also cause delays even if there is no inability of the counterparty to pay.

If any collateral the fund holds as protection against counterparty risk declines in value, it may not fully protect the fund against losses from counterparty risk, including lost fees and income.

Currency Risk

Changes in currency exchange rates could reduce investment gains or increase investment losses, in some cases significantly.

Exchange rates can change rapidly and unpredictably, and it may be difficult for the fund to unwind its *exposure* to a given currency in time to avoid losses. Changes in exchange rates can be influenced by such factors as export-import balances, economic and political trends, governmental intervention and investor speculation.

Intervention by a central bank, such as aggressive buying or selling of currencies, changes in *interest rates*, restrictions on capital movements or a “de-pegging” of one currency to another, could cause abrupt or *long-term* changes in relative currency values.

Emerging Markets Risk

Emerging markets are less established, and more *volatile*, than developed markets. They involve higher risks, particularly market, credit, *illiquid* security, and currency risks, and are more likely to experience risks that in developed markets are associated with unusual market conditions.

Reasons for this higher level of risk include:
• political, economic, or social instability
• economies that are heavily reliant on particular industries, *commodities*, or trading partners
• high or capricious tariffs or other forms of protectionism
• quotas, regulations, laws, or practices that place outside investors (such as the fund) at a disadvantage
• failure to enforce laws or regulations, to provide fair or functioning mechanisms for resolving disputes or pursuing recourse, or to otherwise recognise the rights of investors as understood in developed markets
• significant government control of businesses or intervention in markets
excessive fees, trading costs, taxation, or outright seizure of assets
• inadequate reserves to cover issuer or counterparty defaults
• incomplete, misleading, or inaccurate information about securities and their issuers
• lack of uniform accounting, auditing and financial reporting standards
• manipulation of market prices by large investors
• arbitrary delays and market closures
• market infrastructure that is unable to handle peak trading volumes
• fraud, corruption and error

In certain countries, securities markets may also suffer from impaired efficiency and *liquidity*, which may worsen price *volatility* and market disruptions.

To the extent that *emerging markets* are in different time zones from the UK the fund might not be able to react in a timely fashion to price movements that occur during hours when the fund is not open for business.

For purposes of risk, the category of *emerging markets* includes markets that are less developed, such as most countries in Asia, Africa, South America and Eastern Europe, as well as countries such as China, Russia and India that have successful economies but may not offer the highest levels of investor protection

Inflation Risk

Over time, inflation can erode the real value of investment gains. With investments that produce low returns, inflation can negate any gains in buying power or even cause an investors net buying power to decline over time.

Liquidity Risk

Any security could become hard to value or to sell at a desired time and price.

Liquidity risk could affect the fund’s ability to repay repurchase agreement proceeds by the agreed deadline.

Certain securities may, by their nature, be hard to value or sell quickly, especially in any quantity. This may include securities that are labelled as *illiquid* as well as a security of any type that represents a small issue, trades infrequently, or is traded on markets that are comparatively small or that have long settlement times.

Management Risk

The fund's management team may be wrong in its analysis, assumptions, or projections. This includes projections concerning industry, market, economic, demographic, or other trends.

During unusual market conditions, investment management practices that have worked well in the past, or are accepted ways of addressing certain conditions, could prove ineffective.

Market Risk

Prices and *yields* of many securities can change frequently, and can fall based on a wide variety of factors. Examples of these factors include:

• Political and economic news

• Government policy

• Changes in technology and business practice

• Changes in demographics, cultures and populations

• Natural or human-caused disasters

• Weather and climate patterns

• Scientific or investigative discoveries

• Costs and availability of energy, *commodities* and natural resources

The effects of market risk can be immediate or gradual, *short term* or *long-term*, narrow or broad.

This risk can apply to both the design and operation of computer models, and can apply whether a model is used to support human decision-making or to directly generate trading recommendations. Flaws in software programs can go undetected for long periods of time.

Operational Risk

The operations of the fund could be subject to human error, faulty processes or governance, or technological failures.

Operational risks may subject the fund to errors affecting valuation, pricing, accounting, tax reporting, financial reporting,

Custody and trading, among other things. Operational risks may go undetected for long periods of time, and even if they are detected it may prove impractical to recover prompt or adequate compensation from those responsible.

Regulatory and Government policy

The Laws that govern the fund may change in future. Any such changes may not be in the best interest of the fund, and may have a negative impact on the value of your investment.

Risks specific to investment in funds

As with any investment fund, investing in the fund involves certain risks an investor would not face if investing in markets directly:

• The actions of other investors, in particular sudden large outflows of *cash*, could interfere with orderly management of the fund and cause its NAV to fall

• The investor cannot direct or influence how money is invested while it is in the fund

• The fund's buying and selling of investments may not be optimal for the tax efficiency of any given investor

• The fund is subject to various investment laws and regulations that limit the use of certain securities and investment techniques that might improve performance; to the extent that the fund decides to register in jurisdictions that impose narrower limits, this decision could further limit its investment activities

• Because fund *units* are not publicly traded, the only option for liquidation of *units* is generally redemption, which could be subject to any redemption policies set by the fund

• To the extent that the fund invests in other EEA and/or UK UCITS / UCIs, it will have less direct knowledge of, and no control over, the decisions of the EEA and/or UK UCITS / UCI's investment managers, it could incur a second layer of investment fees (which will further erode any investment gains), and it could face *liquidity* risk in trying to unwind its investment in an EEA and/or UK UCITS /UCI

• The Manager may not be able to hold a service provider fully responsible for any losses or lost opportunities arising from the service provider's misconduct

• To the extent that the Manager conducts business with affiliates of the abrdn group, and these affiliates (and affiliates of other service providers) do business with each other on behalf of the Manager, conflicts of interest may be created (although to mitigate these, all such business dealings must be conducted on an "arm's length" basis, and all entities, and the individuals associated with them, are subject to strict "fair dealing" policies that prohibit profiting from inside information and showing favouritism).

Single Swinging Price – Impact on fund value and performance

The fund has a single swinging price. The single price can be swung up or down in response to inflows or outflows from the fund, in order to protect investors from the effect of dilution. Dilution occurs where the fund is forced to incur costs as a result of the investment manager buying or selling assets following inflows or outflows. A change to the pricing basis will result in a movement to the fund's published price and reported investment performance.

Suspension and Termination

Investors should note that in exceptional circumstances, the Manager may, after consultation with the Trustee, suspend the issue, cancellation, sale and redemption (including switching) of *units* in any and all Classes.

Taxation Risks

A country could change its tax laws or treaties in ways that affect investors.

Tax changes potentially could be retroactive and could affect investors with no direct investment in the country.

Turnover

When securities are bought and sold they incur transaction costs, which are paid for by the fund. This is known as turnover. High levels of turnover may have a negative impact on a fund's performance.

Specific Risks

China A / Stock Connect Risk

Investing in China A shares involves special considerations and risks, including without limitation greater price *volatility*, less developed regulatory and legal framework, economic, social and political instability of the stock market in the People's Republic of China ("PRC").

There are restrictions on the amount of China A shares which a single foreign investor is permitted to hold and restrictions on the combined holdings of all foreign investors in a single company's China A shares. Where those limits are reached, no further purchase of those shares will be permitted until the holding is reduced below the threshold and if the thresholds are exceeded, the relevant issuer of the China A shares may sell those shares to ensure compliance with Chinese law which may mean that the relevant China A shares are sold at a loss.

China A shares are denominated in Renminbi ("RMB") and as RMB is not the base currency of these funds the Manager may have to convert payments from RMB into Sterling when realising China A Shares and convert Sterling into RMB when purchasing China A Shares. The exchange rate for RMB may be affected by, amongst other things, any exchange control restrictions imposed by the government in the PRC which may adversely affect the market value of these funds.

Trading China A Shares through the Hong Kong – China Stock Connect platform will be primarily traded in the offshore RMB currency, as RMB is the domestic Chinese currency and cannot be traded outside of China.

China A shares through the Hong Kong – China Stock Connect platform are held by third party securities settlement systems in Hong Kong (Hong Kong Securities Clearing Company ("HKSCC")) and the PRC ("ChinaClear") where they are mixed with other investors' assets and may be subject to lower safekeeping, segregation and record keeping requirements than investments held domestically or in the European Union.

It is considered unlikely that ChinaClear will become insolvent but, if it does so, HKSCC is likely to seek to recover any outstanding China A shares from ChinaClear through available legal channels but it is not obligated to do so. If HKSCC does not enforce claims against ChinaClear these funds may not be able to recover their China A shares.

Investors should note "Taxation of Chinese Equities".

- **Stock Connect**

Stock Connect is now an established scheme however its rules may change at any time in a manner which may adversely impact these funds.

Stock Connect will only operate when banks in Hong Kong and the PRC are both open.

The ability of these funds to invest through Stock Connect is subject to the performance by HKSCC of its obligations and any failure or delay by HKSCC may result in the failure of settlement, or loss of China A shares. 51

It is not possible to buy and sell shares on the same day on Stock Connect.

Not all China A shares are eligible for trading through Stock Connect and if a China A share ceases to be eligible, further purchases of such shares will not be permitted, although these funds will always be able to sell such shares.

Stock Connect is currently subject to both daily and aggregate trading caps which if exceeded will lead to suspension of trading for that day or other relevant period which may mean that an order to purchase China A shares cannot be processed. Under the Stock Connect rules these funds will always be able to sell China A shares regardless of whether the daily or aggregate quota has been exceeded. The daily or aggregate quotas can be changed from time to time without prior notice.

China A Shares traded through Stock Connect are uncertificated and are held in the name of HKSCC or its nominee. PRC law may not recognise the beneficial ownership of the China A shares by these funds and, in the event of a default of ChinaClear, it may not be possible for the China A shares held by these funds to be recovered.

Transactions in Stock Connect will not be covered by the Investor Compensation Scheme in Hong Kong nor the equivalent scheme in the PRC.

Credit and High Yield Credit Risk

A *bond* or money market security could lose value if the issuer's financial health deteriorates, or in extreme cases could go into default (cease to make timely payments of principal or interest).

This risk is greater the lower the credit quality of the debt, and the greater the fund's *exposure* to below *investment grade bonds* (also known as "High Yield bonds"). A decline in *creditworthiness* may also cause a *bond* or money market security to become more *volatile* and less *liquid*.

Bonds that are in default may become *illiquid* or worthless. Below *investment grade bonds* are considered speculative. Compared to *investment grade bonds*, the prices, and *yields* of below *investment grade bonds* are more sensitive to economic events and more *volatile*, and the *bonds* are less *liquid*. In general, lower quality *bonds* are more likely to default on obligations, and to be unable to repay principal if they do, particularly if they are unsecured or subordinate to other obligations.

Debt issued by governments and government-owned or -controlled entities can be subject to many risks, especially in cases where the government is reliant on payments or extensions of credit from external sources, is unable to institute the necessary systemic reforms or control domestic sentiment, or is unusually vulnerable to changes in geopolitical or economic sentiment. Even if a government issuer is financially able to pay off its debt, investors may have little recourse should it decide to delay, discount or cancel its obligations.

Derivatives Risk

Certain *derivatives* could behave unexpectedly or could expose the fund to losses that are significantly greater than the cost of the *derivative. Derivatives* in general are highly *volatile* and do not carry any voting rights. The pricing and *volatility* of many *derivatives* (especially credit default *swaps*) may diverge from strictly reflecting the pricing or *volatility* of their underlying reference(s).

In difficult market conditions, it may be impossible or unfeasible to place orders that would limit or offset the market *exposure* or financial losses created by certain *derivatives.* Using *derivatives* also involves costs that the fund would not otherwise incur.

Regulations may limit the fund from using *derivatives* in ways that might have been beneficial to the fund. Changes in tax, accounting, or securities laws could cause the value of a *derivative* to fall or could force the fund to terminate a *derivative* position under disadvantageous circumstances.

Certain *derivatives*, in particular *futures*, *options*, contracts for difference and some contingent liability contracts, could involve margin borrowing, meaning that the fund could be forced to choose between liquidating securities to meet a margin call or taking a loss on a position that might, if held longer, have *yielded* a smaller loss or a gain.

To the extent that the fund uses *derivatives* to increase its net *exposure* to any market, rate, basket of securities or other financial reference source, fluctuations in the price of the reference source will be amplified at the fund level.

As many financial *derivatives* instruments have a *leveraged* component, adverse changes in the value or level of the underlying asset, reference rate or index can result in a loss substantially greater than the amount invested in the *derivative* itself. The fund is managed on a non-*leveraged* basis unless otherwise specified.

- **Over the counter (OTC) Derivatives Risk**

Because OTC *derivatives* are in essence private agreements between a fund and one or more counterparties, they are regulated differently than market-traded securities. They also carry greater counterparty and *liquidity* risks; in particular, it may be more difficult to force a counterparty to honour its obligations to the fund. A downgrade in the *creditworthiness* of counterparty can lead to a decline in the value of OTC contracts with that counterparty. If counterparty ceases to offer a *derivative* that the fund had been planning on using, the fund may not be able to find a comparable *derivative* elsewhere and may miss an opportunity for gain or find itself unexpectedly exposed to risks or losses, including losses from a *derivative* position for which it was unable to buy an offsetting *derivative.*

Because it is generally impractical for the fund to divide its OTC *derivative* transactions among a wide variety of counterparties, a decline in the financial health of any one counterparty could cause significant losses. Conversely, if any fund experiences any financial weakness or fails to meet an obligation, counterparties could become unwilling to do business with the fund, which could leave the fund unable to operate efficiently and competitively.

- **Exchange Traded Derivatives (ETD) Risk**

While exchange-traded *derivatives* are generally considered lower-risk than OTC *derivatives*, there is still the risk that a suspension of trading in *derivatives* or in their underlying assets could make it impossible for the fund to realise gains or avoid losses, which in turn could cause a delay in handling redemptions of *units*. There is also a risk that settlement of exchange-traded *derivatives* through a transfer system may not happen when or as expected.

- **Short Positions Risk**

Some funds can take *short positions* by using *derivatives*. A *short position* will reduce in value if the security it is linked to increases in value. The opposite also applies, in that the *short position* will rise in value if the underlying security reduces in value.

There is no limit to the loss on a *short position*, and so they carry higher risk than direct investment in a security. The risk of holding *short positions* is mitigated by the Manager's Risk Management Policy.

Emerging Markets Risk

Emerging markets are less established, and more *volatile*, than developed markets. They involve higher risks, particularly market, credit, *illiquid* security, and currency risks, and are more likely to experience risks that in developed markets are associated with unusual market conditions.

Reasons for this higher level of risk include:

• Political, economic, or social instability

• Economies that are heavily reliant on particular industries, *commodities*, or trading partners

• High or capricious tariffs or other forms of protectionism

• Quotas, regulations, laws, or practices that place outside investors (such as the fund) at a disadvantage

• Failure to enforce laws or regulations, to provide fair or functioning mechanisms for resolving disputes or pursuing recourse, or to otherwise recognise the rights of investors as understood in developed markets

• Significant government control of businesses or intervention in markets • excessive fees, trading costs, taxation, or outright seizure of assets

• Inadequate reserves to cover issuer or counterparty defaults

• Incomplete, misleading, or inaccurate information about securities and their issuers

• Lack of uniform accounting, auditing and financial reporting standards

• Manipulation of market prices by large investors

• Arbitrary delays and market closures

• Market infrastructure that is unable to handle peak trading volumes

• Fraud, corruption and error

In certain countries, securities markets may also suffer from impaired efficiency and *liquidity*, which may worsen price *volatility* and market disruptions.

To the extent that *emerging markets* are in different time zones from the UK the fund might not be able to react in a timely fashion to price movements that occur during hours when the fund is not open for business.

• For purposes of risk, the category of *emerging markets* includes markets that are less developed, such as most countries in Asia, Africa, South America and Eastern Europe, as well as countries such as China, Russia and India that have successful economies but may not offer the highest levels of investor protection

Equity Risk

Equities can lose value rapidly, and typically involve higher (often significantly higher) market risks than *bonds* or *money market instruments*. If a company goes through bankruptcy or a similar financial restructuring, its equities may lose most or all of their value.

Interest Rate Risk

When *interest rates* rise, *bond* values generally fall. This risk is generally greater the longer the *duration* of a *bond* investment is.

Historical Performance of the Fund

The following table shows the percentage growth of the fund and the historical performance data of the fund over the periods stated below.

Fund Name	Performance Category Name	Label	2021	2020	2019	2018	2017
			(%)	(%)	(%)	(%)	(%)
abrdn Global Absolute Return Strategies Fund	Fund	Fund	- 2.3	7.5	7.0	- 6.1	2.3
	Performance Target	SONIA GBP +5.00% from 01/10/2021. 6 Month GBP LIBOR +5.00% from 29/01/2008 to 30/09/2021	5.1	5.4	5.9	5.8	5.5

Source: Factset and abrdn.
Basis: *NAV* to *NAV*, The above figures are based on Platform 1 Accumulation

The above performance figures are based on NAV to NAV prices. These performance figures are presented as a matter of historical record. Performance is determined by many factors, not just the skill of the Manager and the Investment Manager, including the general direction and *volatility* of markets and may not be repeatable. Past performance is not a guide to future rates of return. The latest performance figures may be obtained from the Manager and at www.abrdn.com. Performance information is shown for a period of five years. Where no performance data is shown, performance data does not exist for the relevant periods.

Individual Savings Accounts

In accordance with the Individual Savings Account Regulations 1998 (as amended) units in the fund are eligible for investment through an ISA and the fund will be managed to satisfy the requirements laid down in these regulations in order to be eligible, for as long as these apply. The ISA Manager is abrdn Fund Managers Limited and all ISA applications should be made through abrdn Fund Managers Limited.

ISAs have certain tax advantages - they will not be subject to income or capital gains tax.

Units

Each holder in the fund is entitled to participate in the property of the fund and the income thereof. The nature of the right represented by units is that of a beneficial interest under a trust. Title to the units in the fund is evidenced by entries on the register of holders for the fund. The Trust Deed provides for several classes of units which may be issued in respect of the fund, distinguished by their criteria for investment limits and fee structures.

All classes are denominated in Sterling.

Classes of Units

Units in the fund may be issued in one of seven classes - Retail Accumulation Units, Institutional Accumulation Units, Institutional “A” Accumulation Units, Institutional “S” Accumulation Units, Platform 1 Accumulation Units, ZA Accumulation Units, ZB Accumulation Units and ZC Accumulation Units. All classes of units are net paying units. This means that income is distributed or accumulated net of any UK income tax deducted or accounted for by the Manager. Institutional units are only available for larger investors dealing as principal within the institutional market and other investors with the agreement of the Manager. Institutional “A” Units are only available for larger investors with the

agreement of the Manager. Institutional “S” Units are only available for very large investors dealing as principal within the institutional market and other investors with the agreement of the Manager. Platform 1 units are only available for advised investments made via investment platforms recognised by the Manager when the Manager agrees such investments require the charging structure available through this class of unit. ZA Units, ZB Units and ZC Units are only available for investments made by the abrdn group of companies, other corporate legal entities promoted by them and other investors with the agreement of the Manager.

The different classes of units enable different charging structures to be levied on different holders, depending on the size and the nature of their holding.

Income Units - These are currently not available

An income unit is a unit in respect of which income is distributed periodically to holders in accordance with the FCA Rules. *Cash* distributions of income are made in respect of income units.

Accumulation Units

An accumulation unit is a unit in respect of which income allocated is to be accumulated periodically in accordance with the FCA Rules. For accumulation units, no *cash* distributions are made and no additional units are issued. Instead, the income available for distribution is transferred to the capital property of the fund and reflected in the value of units.

Where both are available, you can choose to invest in either income or accumulation units exclusively or in whatever combination you wish.

Unit Prices

The units in the fund are single priced.

In respect of Retail Units and Institutional Units the Manager will publish the most recent price of units in the fund on each business day on the website www.abrdn.com. Information on the most recent prices may also be obtained by calling the Manager on 0345 113 6966 (or + +44 (0)1268 44 5488 if outwith the UK) on normal business days (Monday to Friday) between 9.00 am and 5.30 pm. The Manager will communicate the most recent price of ZA Units, ZB Units and ZC Units to holders electronically.

Sale and Redemption of Units

The price at which units are sold and redeemed is based on the value of the scheme property of the fund (adjusted to reflect any applicable dilution adjustment) plus any preliminary charge.

The Manager will normally be available to deal in and to receive applications for the sale and redemption of units in the fund and to receive enquiries regarding the fund on any day on which banks in London are open for business other than days (as determined by the Manager in its discretion) where, in respect of any exchange or market on which a substantial portion of the fund’s portfolio is traded, such exchange or market is closed ("Dealing Days"). The days on which banks in London are open for business which are not Dealing Days will be available at the registered office of the Manager and on the website at www.abrdn.com. All references to “Dealing Days” in this prospectus should be read accordingly.

The FCA Rules contain provisions governing any transaction concerning the fund which is carried out by or with an "affected person", that is to say:-

(a) the Manager;

(b) an Associate of the Manager;

(c) the Trustee;

(d) an Associate of the Trustee;

(e) any investment adviser;

(f) an Associate of any investment adviser; and

(g) the Auditor.

Those provisions enable an affected person to *inter alia* sell or deal in the sale of property to the Trustee for the account of the fund; vest property in the Trustee against the sale of units in the fund; purchase property from the Trustee acting for the account of the fund or provide services for the fund. Any such transactions with or for the fund are subject to best execution or arm's length transaction requirements as set out in the FCA Rules. Any services provided for the fund must comply with the arm's length transaction requirements.

Investment of the property of the fund may be made on arm's length terms through a member of an investment exchange (acting as principal) who is an Associate of the Manager. Such a person may make a profit out of such dealings, although the Manager will always deal on best execution terms, and neither the Manager nor any such Associate will be liable to account for any such profit.

NEITHER THE MANAGER NOR ANY OTHER "AFFECTED PERSON" IS UNDER ANY OBLIGATION TO ACCOUNT TO ANOTHER AFFECTED PERSON OR TO THE HOLDERS OR ANY OF THEM FOR ANY PROFIT OR BENEFIT MADE OR DERIVED IN CONNECTION:

(a) THE DEALING IN UNITS OF THE FUND; OR
(b) THEIR PART IN ANY TRANSACTION FOR THE SUPPLY OF SERVICES PERMITTED BY THE FCA RULES; OR
(c) THEIR DEALING IN PROPERTY EQUIVALENT TO ANY OWNED BY (OR DEALT IN FOR THE ACCOUNT OF) THE TRUSTEE.

The Manager may from time to time make an online dealing service available to holders. More information about this can be found at www.abrdn.com.

Client Money

In certain circumstances (including in relation to the buying and selling of units (see pages 23 and 24)), money in respect of units will be transferred to a client money bank account with any recognised bank or banks that the Manager may from time to time select until such transactions can be completed. Money transferred to a client money account will be held in accordance with the rules made by the FCA relating to the holding of client money. The purpose of utilising client money accounts is to protect investors should the Manager become insolvent during such a period. No interest will be paid on money held in these client money bank accounts.

The Manager will not be responsible for any loss or damages suffered by holders because of any error or action taken or not taken by any third parties holding client money in accordance with the FCA's client money rules, unless the loss arises because the Manager has been negligent or acted fraudulently or in bad faith. Should the recognised bank or banks holding the client money bank account become insolvent, the Manager will attempt to recoup the money on behalf of holders. However, if the recognised bank or banks cannot repay all the persons to whom it owes money, any shortfall may have to be shared proportionally between all its creditors including holders. In this situation, holders may be eligible to claim under the Financial Services Compensation Scheme ("FSCS"). Further details of the FSCS are set out in the section headed "Financial Services Compensation Scheme" on page 48.

The Manager may, in certain circumstances permitted by the FCA's client money rules (for example if the Manager decides to transfer all or part of its business to a third party), transfer any client money held in respect of the business being transferred in accordance with the FCA's client money rules, to that third party without that investor's prior consent. On request, the third party must return any balance of client money to the investor as soon as possible. Subject to the FCA's client money rules, the sums transferred may be held by the third party in accordance with the FCA's client money rules, otherwise the Manager will exercise all due skill, care and diligence to assess whether the third party has adequate measures in place to protect holder money. The Manager will act at all times in accordance with the prevailing FCA's client money rules.

In certain circumstances, if the Manager has lost touch with an investor, the Manager will be permitted to pay the investor's client money balance to charity after six years. The Manager will not do so until reasonable efforts have been made to contact the investor. The investor will still be entitled to recover this money from the Manager at a later date irrespective of whether the Manager has paid the money to charity.

Unless we notify you otherwise, we will treat you as a retail client.

Buying Units

Investors wishing to invest in the fund can contact their usual Financial Adviser or telephone the Manager's Customer Information Team on 0345 113 6966 (or +44 (0)1268 44 5488 if outwith the UK) for information on how to invest. Applications for units can be made by sending a completed application form together with a cheque (a cheque need not be provided if paying by direct debit as below) made payable to the Manager at the address below:

abrdn Fund Managers Limited
PO Box 12233
Chelmsford
CM99 2EE

Applications for units can also be made by telephone and must be followed by sending an application form and cheque (the latter need not be provided if paying by direct debit as below) made payable to the Manager as above.

Units will be purchased on a forward pricing basis and the investor will receive the price at the next available valuation point on the day after the Manager receives the instructions (verbal or written, as the case may be). The valuation point is 12 noon.

Following a purchase of units, a contract note detailing your account number will be issued. Units in the fund are not certificated. Accordingly, certificates will not be issued.

Once units have been purchased, the Manager will enter the name of the investor on the register. Payment for the units is due and payable to the Manager in settlement of the purchase on the fund's "Settlement Date" (as detailed below). Until payment has been passed on by the Manager to the Trustee, an investor will not have an irrevocable right of ownership in the units. Where an investor applies to invest in the fund, the Manager will hold the money received in advance of the Settlement Date on trust for the investor as client money in a segregated client money account with any recognised bank or banks that the Manager may from time to time select until the Settlement Date. No interest will be paid on money held in these client money bank accounts. In the unlikely event that the Manager were to become insolvent between the purchase of units and the Settlement Date, the money received from an investor would be protected by the FCA's client money rules. In this situation, an investor may not receive the units allocated to them pending settlement; the units may be cancelled. On an insolvency of the Manager in these circumstances the investor's right would be to the return of the money, which would be pooled with other client money.

Where payment for units is made by telegraphic transfer, the Manager will generally rely on an exemption from putting that money in a client money account. This exemption is known as the "Delivery versus Payment" or "DvP" Exemption. When relying on this exemption, the Manager may treat money which is received from an investor by telegraphic transfer as not being client money for a period of 1 business day from the time that the Manager receives the money. If the Manager still holds money received by way of telegraphic transfer beyond the Settlement Date, the Manager will, from that point, treat that money as client money as detailed in the preceding paragraph until the fund's Settlement Date in accordance with the FCA's client money rules.

The registrar will on request provide holders free of charge with a written statement of the entries on the register of the fund relating to them.

Monthly payments to purchase retail units can be made by direct debit into the fund. Direct debits will be collected on the first day of each month. If the collection date is a weekend or public holiday the direct debit will be collected on the following business day. Direct debits are subject to a minimum of £50. Units purchased by monthly payments will reflect the price on the business day following collection of your direct debit. Combinations of lump sum and monthly payments will also be accepted for retail units.

As the fund is not registered under the United States Securities Act of 1933, as amended, nor has the fund been registered under the United States Investment Company Act of 1940, as amended, its units may not be offered or sold, directly or indirectly, in the United States of America or its territories or possessions or areas subject to its jurisdiction, or to citizens or residents thereof (hereinafter referred to as “US Persons”).

Accordingly, the Manager may require any subscriber to provide it with any information that it may consider necessary for the purpose of deciding whether or not he is, or will be, a US Person.

Please see the section headed “US Foreign Account Tax Compliance” on page 40.

The Manager has the right to reject on reasonable grounds an application for the purchase of units in whole or in part.

The Manager is not required to accept an application for the purchase of units where it considers it necessary or appropriate to carry out or complete identification procedures in relation to the applicant concerned or another person pursuant to a statutory, regulatory or European Union obligation and the Manager's requirements have not been fulfilled. The identification procedures referred to above may include an applicant's identity being verified electronically against public records by an independent agency. This will disclose whether an applicant has a credit history but will not disclose details of any borrowings an applicant may have. The applicant's credit history will show that an identification check has been carried out. This information will not be available to third parties or affect the applicant's credit rating.

Investors acting on the advice of a financial adviser will, normally, have the right to cancel any contract relating to an initial investment in the fund under the rules on cancellation contained in the Conduct of Business Sourcebook published by the FCA.

The Manager will inform the holder of any cancellation entitlement and the holder will have the option to withdraw from the contract by giving notice in writing within 30 days of the date the contract is entered into. If the holder exercises the cancellation entitlement and the price of units falls over that time, the holder may not recover the amount originally invested.

If applications for units made by telephone are not followed by payment, investors will be liable for any dealing costs incurred by the Manager.

Electronic Communications

Currently, transfers of title to units may not be effected on the authority of an electronic communication.

Selling Units

Holders can sell some or all of their units through their usual financial adviser or by writing to the Manager at the following address (please see below for minimum value of holdings details):

abrdn Fund Managers Limited
PO Box 12233
Chelmsford
CM99 2EE

In either case the holder’s account number must be quoted and the request must be signed by the holder or all the joint holders if the units are held in joint names. Units can also be sold by telephone, on any day that the Manager is open for business, on 0345 113 6966 (or +44 (0)1268 44 5488 if outwith the UK) although the request must be confirmed in writing. Units will be sold on a forward pricing basis and the investor will receive the price at the next available valuation point on the day after the Manager receives the instructions (verbal or written, as the case may be). The valuation point is 12 noon. On the sale of units, the register will be updated and the relevant holdings removed. Payment will be issued in accordance with the holder’s instructions (by Sterling cheque, to a UK bank account or by such other method as may be agreed by the Manager) not later than the Settlement Date. However, the Manager is not required to issue payment if it has not received the money due on the earlier issue of those units, or where it considers it necessary or appropriate to carry out or complete identification procedures in relation to the holder or another person pursuant to a statutory, regulatory or European Union obligation. Where payment is made by cheque the Manager will protect the payment under the FCA’s client money rules from the Settlement Date until such time as the cheque is encashed. Where redemption proceeds are paid by BACS or by telegraphic transfer, typically cleared funds will be paid to the holder by

the Settlement Date. If the Manager still holds redemption proceeds beyond the Settlement Date, the Manager will, from that point, treat the money as client money until it is paid out. Notwithstanding this, the Manager may, for a period of up to 1 business day from receipt of the money from the Trustee rely on the Delivery versus Payment exemption irrespective of the payment method used.

If instructions given to sell units by telephone are not confirmed in writing, holders will be liable for any dealing costs incurred by the Manager.

Where the Manager believes that a reliable price cannot be established as at the valuation point, dealing in the fund may be suspended temporarily. See the "Suspension of Dealings" section on page 27 below for information regarding the possibility of a temporary suspension of dealing.

The Manager may at its discretion delay arranging for the issue of units until payment has been received.

If an applicant defaults in making any payment in money or a transfer of property due to the Manager in respect of the sale or issue of units, the subscription for the purchase of those units may lapse and be cancelled at the cost of the applicant or its financial intermediary. The Manager is entitled to make any necessary amendment to the register in which case the Manager will become entitled to the units in place of the applicant, (subject in the case of an issue of units to the Manager's payment of the purchase price to the trust).

Failure to make good settlement by the settlement date may result in the Manager bringing an action against the applicant or its financial intermediary or deducting any costs or losses incurred by the Manager against any existing holding of the applicant in the fund. In all cases any money returnable to the investor will be held by the Manager without payment of interest pending receipt of the monies due.

Settlement Date

For the fund, the Settlement Date is no later than close of business on the fourth business day following the "transaction date". The length of time to settlement will depend on the asset or unit classes concerned and could potentially range from T+1 to T+4. (This can at times be referred to as "T + [number]" where "T" stands for "transaction date".) The transaction date is the date on which the Manager implements an instruction to buy or sell. The Settlement Date is the date on which ownership of the units is transferred and when money passes. For the purposes of settlement "business day" shall (notwithstanding any other definition of "business day" within this prospectus) mean any day that the London Stock Exchange is open other than a weekend day, bank holiday or any other special concessionary holiday or other day that the London Stock Exchange is not operating normal business hours.

By way of example, if an investor instructs the Manager in writing to purchase units at 09.00 on a Monday, the units will be purchased at the following valuation point (in this case 12 noon on Monday). Monday will be the transaction date, and Thursday, on a T+3 settlement basis, would be the Settlement Date when payment for the units is due and payable.

Deferred Redemption

The Manager may defer redemptions in times of high redemptions. For this purpose "high redemptions" are redemptions that at a valuation point on any given Dealing Day exceed 10% of the fund's net asset value.

The ability to defer redemptions is intended to protect the interests of holders remaining in the fund and will give the Manager, in times of high redemptions, the ability to defer redemptions at a particular valuation point on a Dealing Day to the valuation point on the next Dealing Day. This is intended to allow the Manager to match the sale of scheme property to the level of redemptions. Subject to the FCA Rules and to sufficient *liquidity* being raised at the next valuation point all deals relating to the earlier valuation point will be completed before those relating to the later valuation point are considered.

Minimum Value of Holdings

The following minimum values currently apply to holdings and dealings by a holder in the units of the fund:

(a)	Minimum value of units which may be the subject of an initial investment (unless investing monthly in the fund)	£500 for Retail Units. £1,000,000 for Institutional Units. £250,000 for ZA Units, ZB Units and ZC Units. £1,000,000 for Platform Units. £750,000,000 for Institutional "S" Units.
(b)	Minimum value of units which may be the subject of a single subsequent purchase (unless investing monthly in the fund)	£50 for Retail Units. £50,000 for Institutional Units, Platform Units and ZA Units, ZB Units and ZC Units. £750,000,000 for Institutional "S" Units.
(c)	Minimum value of units which any holder may hold (unless investing monthly in the fund)	£500 for Retail Units. £50,000 for Institutional Units, Platform Units and ZA Units, ZB Units and ZC Units. £750,000,000 for Institutional "S" Units.
(d)	Minimum value of units which may be the subject of a single redemption request (subject to the request not reducing the holder's holding below the minimum referred to in (c) above.)	£250 for Retail Units. £5,000 for Institutional Units, Platform Units and ZA Units, ZB Units and ZC Units. £750,000,000 for Institutional "S" Units.
(e)	Regular Monthly Payments (direct debit)	£50 for Retail Units.

The Manager may waive the above minimum requirements in any particular case prescribed by it.

Where a holder requests redemption or cancellation of units, the Manager at its discretion may, by serving a notice of election on the holder before the proceeds of the redemption or cancellation would otherwise become payable in *cash*, elect that the holder shall not be paid the redemption price of his units but instead there shall be a transfer to that holder of property of the fund having the appropriate value. Where such a notice is so served on a holder, the holder may serve a further notice on the Manager not later than the close of business on the fourth business day following the day of receipt by the holder of the first mentioned notice requiring the Manager, instead of arranging for a transfer of scheme property, to arrange for a sale of that property and the payment to the holder of the net proceeds of that sale. The selection of scheme property to be transferred (or sold) is made by the Manager in consultation with the Trustee, only if the Trustee has taken reasonable care to ensure that the property concerned would not be likely to result in any material prejudice to the interests of holders. The fund may retain out of the scheme property to be transferred (or the proceeds

of sale) property or *cash* of value or amount equivalent to any redemption charge or stamp duty (if any) to be paid in relation to the cancellation of the units.

On request, the Manager may, at its discretion, arrange for the issue of units in exchange for assets other than money, but will do so only where the Trustee has taken reasonable care to ensure that the acquisition of those assets in exchange for the units concerned is not likely to result in any material prejudice to the interests of holders. No units will be issued in exchange for assets the holding of which would be inconsistent with the investment objective of the fund.

Suspension of Dealing

The Manager may, with the prior agreement of the Trustee, and must, if the Trustee so requires, suspend the issue, sale, cancellation and redemption of units in the fund if it, or the Trustee in the case of any requirement by the Trustee, is of the opinion that due to exceptional circumstances it is in the interests of holders in the fund.

At the time of suspension, the Manager, or the Trustee if it has required the Manager to suspend dealing in units, must inform he FCA immediately stating the reason for its actions and, as soon as is practicable, give the FCA written confirmation of the suspension and the reasons for it.

The Trustee will notify holders of the suspension as soon as practicable after suspension commences.

During a suspension the obligations relating to the issue, sale, cancellation and redemption of units contained in Chapter 6 of the FCA Rules will cease to apply and the Trustee must comply with as many of the obligations relating to the valuation of units as is practicable in the light of the suspension.

In accordance with Chapter 7 of the FCA Rules, suspension of dealing in units must cease as soon as practicable after the exceptional circumstances have ceased and the Manager and the Trustee must formally review the suspension at least every 28 days and inform the FCA of the results of this review.

The valuation of units will commence at the valuation point (as defined in Appendix 3) on the first normal Dealing Day following the day on which the suspension ceased.

Mandatory Redemption of Units

If the Manager reasonably believes that any units are owned directly or beneficially in circumstances which:

(i) constitute a breach of any law or governmental regulation (or any interpretation of a law or regulation by a competent authority) or any country or territory; or

(ii) would (or would if other units were acquired or held in like circumstances) result in the fund incurring any liability to taxation or suffering any other adverse consequence (including a requirement to register under any securities or investment or similar laws or governmental regulation of any country or territory),

it may give notice to the holder of such units requiring them to transfer the units to a person who is qualified or entitled to own them, or to request the redemption of the units by the Manager. If the holder does not either transfer the units to a qualified person or establish to the Manager's satisfaction that they and any person on whose behalf they hold the units are qualified and entitled to hold and own them, they will be deemed on the expiry of a thirty-day period to have requested their redemption.

Unit Conversions

Holders are entitled to convert their units of one class for units of another class within the fund subject to any limitations on the issue of units.

Conversions will be effected by the Manager recording the change of class on the Register.

Conversions may not be effected by the Manager the next valuation point following receipt of instructions to convert from a holder and may be held over and processed at a subsequent valuation point or ultimately to the valuation point immediately following the end of the fund's accounting period. For further information and to discuss the timing for the completion of conversions please contact the Manager.

Conversions are not generally treated as redemptions or sales and therefore will not, on the whole, be treated as a disposal for the purposes of Capital Gains Taxation. No stamp duty reserve tax will be payable on a conversion.

The Manager may, upon appropriate notice to affected holders, effect a compulsory conversion of units in one class of the fund for another class of the fund. Such compulsory conversion shall be conducted as described above in this section. A compulsory conversion will only be undertaken where the Manager reasonably considers it is fair and in the best interests of the affected holders. By way of example, the Manager may effect a compulsory conversion where the Manager reasonably believes it is fair and in the best interests of holders to reduce the number of available classes. Examples of when this compulsory conversion power will be used, include (but are not limited to): to facilitate switching holders to better value unit classes or for the consolidation of classes of units.

Meetings of Holders

The Manager or the Trustee may convene a general meeting at any time. The holders may request the convening of a general meeting by a requisition which must (a) state the objects of the meeting; (b) be dated; and (c) be signed by holders who, at that date, are registered as the holders of units representing not less than one-tenth in value of all the units then in issue; and (d) be deposited with the Trustee.

The Manager must, by way of an extraordinary resolution, obtain prior approval from the holders for any proposed change to the fund which is a fundamental change. A fundamental change is a change or event which:

- changes the purposes or nature of the fund; or
- may materially prejudice a holder; or
- alter the risk profile of the fund; or
- introduce any new type of payment out of the scheme property.

Fundamental changes may include, for example:

- changes to any statement of policy or investment objective which has been included in the prospectus;
- the removal of the Manager (or to determine that he be removed as soon as this is permitted by law);
- a proposed scheme of amalgamation;
- a scheme of reconstruction.

Rules for the calling and conduct of meetings of holders and the voting rights of holders at such meetings are governed by the FCA Rules. At any general meeting of holders, except where an extraordinary resolution is specifically required or permitted, any resolution is passed by simple majority. An extraordinary resolution will only be passed by not less than three-quarters of the votes validly cast (whether on a show of hands or on a poll) for and against the resolution at a general meeting of which notice specifying the intention to propose the resolution as an extraordinary resolution has been duly given. If a resolution is put to the vote of the meeting, it shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by the Chairman, by the Trustee or by at least two holders. Unless a poll is so demanded, a declaration by the Chairman as to the result of a resolution shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour or against such resolution.

If a poll is duly demanded, it shall be taken in such a manner as the Chairman may direct. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. A poll demanded on the election of the Chairman or on a question of adjournment shall be taken forthwith and a poll demanded on any other question shall be taken at such time and place as the Chairman directs. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.

On a show of hands, every holder who (being an individual) is present in person or (being a corporation) is present by its representative properly authorised in that regard shall have one vote. On a poll, the voting rights attaching to each

unit are such proportion of the voting rights attached to all units in issue as the price of the unit bears to the aggregate price(s) of all the units in issue at a cut-off date selected by the Manager before the notice of meeting is sent out. A person entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses in the same way.

A corporation being a unitholder may by resolution of the directors or other governing body of such corporation authorise such a person as it thinks fit to act as its representative at any meeting of holders. The person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as the corporation could exercise if it were an individual holder.

In the case of joint holders, the vote of the senior who tenders the vote (whether in person or proxy) shall be accepted. For this purpose, seniority shall be determined by the order in which the names stand in the register.

On a poll, votes may be given either personally or by proxy.

A vote by proxy must be deposited at such place as may be specified in the notice convening the meeting (or in any document accompanying the notice) (or if no such place is appointed then at the head office of the Manager) by the time which is at least 48 hours prior to the time of the appointed meeting.

Subject to the paragraph below, the quorum at any meeting shall be two holders present in person or by proxy.

The Manager and its Associates may hold units in the fund. They are entitled to receive notice of and attend any meeting but the Manager is not entitled to vote or be counted in the quorum and its units are not regarded as being in issue in relation to such meetings except in respect of any units which the Manager holds on behalf of, or jointly with, a person who, if himself the registered holder, would be entitled to vote and from whom the Manager has received voting instructions. An Associate of the Manager may be counted in the quorum and may vote at the meeting in respect of units held on behalf of or jointly with a person who, if himself the registered holder, would be entitled to vote, and from whom the Associate has received voting instructions.

Where a resolution (including an extraordinary resolution) is required to conduct business at a meeting of holders and every holder is prohibited under the FCA Rules from voting, a resolution may, with the prior written agreement of the Trustee, instead be passed with the written consent of holders representing 50% or more, or for an extraordinary resolution 75% or more, of the units in issue.

The cut-off date for a meeting is a date selected by the Manager which must, in terms of the FCA Rules, be a reasonable time before notice is given and "Holders" for the purposes of quorum and voting means the persons entered in the register at that date.

Modifications

The manner in which the Manager should treat changes it is proposing to the fund is set out in the Act and the FCA Rules. The degree of materiality and the effect the proposed change would have on the fund and its holders determines the level of notification (and in some instances, approval) required:

The Manager must obtain prior approval from the holders by way of an extraordinary resolution for any *fundamental change* (see "Meetings" above).

The Manager must give prior written notice of not less than sixty days to holders in respect of any proposed change to the operation of the fund which would constitute a *significant change*. A significant change is, in terms of the FCA Rules, a change or event which is not fundamental but which:

1. affects a holder's ability to exercise his rights in relation to his investment; or

2. would reasonably be expected to cause the holder to reconsider his participation in the fund; or

3. results in any increased payments out of the scheme property to the Manager or his Associate; or

4. materially increases other types of payment out of the scheme property.

Significant changes may include, but are not restricted to, for example:

- a change in the method of price publication;
- a change in any operational policy.

The Manager must inform holders of any *notifiable changes* that are reasonably likely to affect, or have affected, the operation of the scheme. The way in which and the time at which the Manager may notify holders of any notifiable change would depend on the nature of the change or event. The Manager will, on any proposal to make a change which it deems to be notifiable, assess the proposed change in order to determine how and when the holders should be notified of the change or changes and act accordingly. A notifiable change, in terms of the FCA Rules, is a change or event, other than a fundamental change or a significant change, which a holder must be made aware of unless the Manager concludes that the change is insignificant. A notifiable change may include (but is not restricted to), for example:

- a change of named investment manager;
- a significant political event which impacts on the fund or its operation;
- a change to the time of the valuation point;
- the introduction of limited issue arrangements; or
- a change of the Trustee or a change in the name of the fund.

The circumstances causing a notifiable change may not always be in the control of the Manager.

The Manager (from time to time in consultation with the Trustee) will use and exercise its discretion in determining whether a proposed change falls within any of the fundamental, significant or notifiable categories and will act accordingly.

Valuation

The property of the fund will normally be valued at 12 noon on each Dealing Day for the purpose of determining the price of the units in the fund.

The Manager has the right to carry out an additional valuation of the property of the fund at any time if the Manager considers it desirable to do so or if required by the FCA Rules.

If there is more than one class of unit in issue, the proportionate interests of each class in the assets (and also the income) shall be determined by the Manager maintaining a notional account for each class. The proportionate interest in the scheme property of each class is determined on each Dealing Day to reflect the appropriate Annual Management Charge for that class of unit.

In general, the property of the fund will be valued on the following basis:

- valuing the proportion of the assets of the fund attributable to each class of unit by reference to the latest dealing price. Where investments have different valuations depending on whether the investment is being bought or sold, their mid-market price will be used. If an investment is quoted at a single price, then it is that price which will be used. Where, in the opinion of the Manager, the price obtained for an investment is unreliable or no recent traded price is available or if no price exists or if the most recent price available does not reflect the Manager's best estimate of the value of the investment, such investments shall be valued at what the Manager considers is a fair and reasonable value. *Cash* is valued at its nominal value. Any other property will be valued in accordance with the provisions of the Trust Deed, as explained in Appendix 3;
- dividing the total by the number of units in issue.

For a more detailed explanation of how the property of the fund will be valued, please refer to Appendix 3.

Dilution Adjustment

When the Manger buys or sells underlying investments in response to a request for subscription or redemption of units, it will generally incur a cost, made up of dealing costs and any spread between the buying and selling prices of the investment concerned.

The Manager will apply a dilution charge to prevent dilution of the fund as explained above and in the scenarios listed below. Rather than reduce the effect of dilution by making a separate charge to investors when they buy or sell units in the fund, the FCA's regulations permit an Authorised Fund Manager to move the price at which units are bought or sold on any given day. The single price can be swung higher or lower at the discretion of the Manager. This price movement from the basic midmarket price is known as a 'Dilution Adjustment'. The amount of the adjustment is paid into the fund for the protection of existing/continuing unitholders. Any dilution adjustment applied is included in the price applied to the deal.

The Dilution Adjustment shall make such reasonable allowance as the Manager determines is appropriate for the typical market spread of the value of the assets of the fund and the related costs of acquisition or disposal of these assets. Where the fund invests in another fund, unit trust, an open ended investment company or any other collective investment scheme ('a collective investment vehicle'), the Manager may base the calculation of that part of the Dilution Adjustment relating to that investment on the calculation of the Dilution Adjustment on a look-through to the underlying assets of that collective investment vehicle.

The Manager's policy will be to normally impose a Dilution Adjustment where there are net inflows or outflows on any given day, exceeding a level where the estimated potential cost to the fund justifies its application.

The Dilution Adjustment may also be charged:

(a) where the fund is in continual decline;

(b) on the fund experiencing large levels of net sales relative to its size;

(c) in any other case where the Manager is of the opinion that the interests of unitholders require imposition of a Dilution Adjustment.

Where a Dilution Adjustment applies to the fund at a valuation point:

i) if there is a net investment in the fund at that valuation point, the unit price may (but will not always) be increased to allow for the rate of Dilution Adjustment; and

ii) if there is a net divestment in the fund at the valuation point, the unit price may (but will not always) be decreased to allow for the amount of the Dilution Adjustment.

Dilution is related to the inflows and outflows of monies from the fund and, as such, it is not possible to predict accurately whether dilution will occur at any future point in time.

Consequently it is also not possible to accurately predict how frequently the Manager will need to make such a dilution adjustment. The rate of any dilution adjustment made from time to time will differ for the fund and be dependent on dealing spreads, commissions and taxes and duties arising on the purchase or sale of the scheme property of the fund. These estimated rates may differ in practice.

For illustrative purposes, the table below shows historic information on dilution adjustments to the unit price over the period 1 January 2021 to 31 December 2021.

The table below sets out recently estimated rates as at 31 December 2021.

Fund name	Estimated Dilution Adjustment (%) Applicable For Purchases	Estimated Dilution Adjustment (%) Applicable For Sales	Number Of Days On Which A Dilution Adjustment Has Been Applied
abrdn Global Absolute Return Strategies Fund	0.24	0.24	253

The above is current practice and as such may be subject to change in the future.

Stamp Duty Reserve Tax

Generally, there will be no Stamp Duty Reserve Tax ('SDRT') charge when holders surrender or redeem their units. However, where the redemption is satisfied by a non-pro rata in specie redemption, then a charge to SDRT may apply.

Accounting and income allocation dates

The fund's annual accounting period ends on 31 March in each year with a half yearly accounting period ending on 30 September.

Notwithstanding those dates, subject to the FCA Rules the Manager may, with the agreement of the Trustee, elect that a particular annual or half-yearly accounting period shall end on a day which is not more than seven days after or before the day on which the period would otherwise end. References to the above dates and the date of the income allocation period and of publication of the annual and half yearly reports of the fund should be read accordingly.

The income allocation period and income allocation date for the fund are set out below. An income allocation date is the date, in each year, on or before which payment or accumulation of income is to be made or take place. Under the FCA Rules, an income allocation date must be within four months of the end of the relevant accounting period (whether it is annual or interim). The date below reflects certain of the flexibilities available under the FCA Rules but the Manager may distribute the income (if any) on or before this date.

Income Allocation Period

1 April - 31 March (annual)

Income Allocation Date

31 July (annual)

The Trustee is not required to distribute income allocated to any units in any case where the Manager or the Trustee considers it necessary or appropriate to carry out or complete identification procedures in relation to the holder concerned or another person pursuant to a statutory, regulatory or European Union obligation. Any distribution may be paid by bank transfer ("BACS") where sufficient bank details have been provided by the holder or otherwise by cheque.

Allocation of income to holders of accumulation units will be transferred to the capital property of the fund on the first business day following the end of the income allocation period and reflected in the value of units. Distribution of income (if any) to holders of income units will be made on the income allocation dates shown above.

Determination of Distributable Income

All of the net income available for distribution or accumulation at the end of the distribution period will be distributed to or accumulated for holders.

The income available for distribution or accumulation in relation to the fund comprises all sums deemed by the Manager, after consultation with the auditors, to be in the nature of income received or receivable for the account of the fund and attributable to the fund in respect of the accounting period concerned, after deducting all payments properly paid or payable out of such income and after making such adjustments as the Manager considers appropriate, after consulting the auditors in accordance with the FCA Rules, in relation to taxation and other matters.

Unclaimed Distributions

Any distribution payments which have not been claimed for a period of six years from the date the distribution became due for payment shall be transferred to and become part of the capital property of the fund.

Charges

Preliminary Charge

The Trust Deed permits the Manager to make a charge upon a sale of units to an investor. This charge, which is paid by holders to the Manager, is calculated as a percentage of the price of the units and included in the total amount payable by the investor.

Retail Units	Institutional Units	ZA Units, ZB Units and ZC Units	Platform Units
4%	0%	0%	0%

The Manager may charge an amount lower than the current rate of this charge, as it shall from time to time determine, in relation to any specific transaction, or class of transaction.

The Manager may not increase the preliminary charge unless it does so in accordance with the FCA Rules.

The Trust Deed contains a power enabling the Manager to make a charge on redemption of units. Currently, the Manager does not make a charge on redemption of units. If, at any time in the future, the Manager was to decide to make such a charge, it would, prior to introducing such a charge, comply with the relevant requirements of the FCA Rules (if any), in this regard.

Annual Management Charge

The Manager is entitled to receive, out of the scheme property of the fund, an annual management charge as remuneration for the services it provides to the fund (the "Annual Management Charge").

The Annual Management Charge for each class of unit is a yearly percentage rate based on the net asset value attributable to that unit class. It is calculated and accrues on a daily basis and is payable to the Manager monthly in arrears. The value of the fund (and the value attributable to each unit class) for the purpose of the calculation is taken as at the valuation point on the previous business day, taking into account any subscriptions and/or redemptions on that day. The current Annual Management Charge for each unit class of the fund is detailed in Appendix 5 plus value added tax ("VAT") if any.

The first accrual will be in respect of the day on which the first valuation of the fund is made. The Annual Management Charge will cease to be payable in relation to the fund on the date of commencement of its termination, and in relation to the fund as a whole on the date of the commencement of its winding up or, if earlier, the date of the termination of the Manager's appointment as such.

The Manager is also entitled to all reasonable, properly documented, out of pocket expenses incurred in the performance of its duties (plus VAT where applicable).

The Annual Management Charge may be taken from the capital of the fund or the income generated by it. Where the charge is taken from the capital of the fund, this may result in capital erosion or constrain capital growth. Where the charge is normally taken from income, but there is insufficient income to meet the charge, it will be taken from capital of the fund. The policy for allocation of these payments for the fund is set out in Appendix 5.

The Annual Management Charge may only be increased by the Manager in accordance with the FCA Rules.

General Administration Charge

The Manager is entitled to be paid a fixed rate charge of 0.08%, out of the scheme property of the fund, to facilitate payment of the ongoing registration and general administration expenses of the fund (the "General Administration Charge"). This charge is calculated in the same way as the Annual Management Charge. The expenses that are payable by the Manager out of this charge are as follows:

a) fees and expenses incurred by the Trustee (including fees and expenses payable to any professional adviser advising or assisting the Trustee);

b) fees and expenses of the auditors;

c) fees and expenses in respect of establishing and maintaining the register of unitholders and related functions including the fees of the registrar and distribution of income;

d) fees and expenses in respect of fund accounting services;

e) the cost of listing the prices of units in the fund in publications and information services selected by the Manager;

f) the costs of printing and distributing annual, half yearly and quarterly reports and any other reports or information provided for unitholders;

g) the fees and any proper expenses of any tax, legal or other professional advisers retained by the fund or by the Manager in relation to the fund;

h) any costs incurred in respect of any meeting of unitholders (including meetings of unitholders in the fund or any particular unit class within the fund) convened on a requisition by holders, not including the Manager or an associate of the Manager;

i) any costs incurred in creating or amending documentation relating to the fund including the Trust Deed, prospectus and key investor information documents;

j) any costs incurred in respect of meetings of unitholders and/or directors of the Manager;

k) the cost of printing, translating and distributing material required for regulatory purposes as permitted by the FCA Rules in respect of the fund;

l) insurance which the fund may purchase and/or maintain for the benefit of and against any liability incurred by any trustees of the fund in the performance of their duties;

m) fees of the FCA and the corresponding periodic fees of any regulatory authority in a country or territory outside the United Kingdom in which units are or may be marketed; and

n) any value added or similar tax applicable to any of the costs, charges, fees and expenses listed above.

It is the intention of the Manager to provide unitholders with certainty as to the ongoing registration and general expenses paid by the fund. The General Administration Charge is a single fixed percentage fee that does not vary month on month.

In some periods the General Administration Charge may be less than the costs actually incurred by the Manager. In these circumstances the Manager will pay the difference from its own resources. Conversely, in some periods the General Administration Charge may be more than the costs actually incurred by the Manager. In these circumstances the Manager will retain the difference.

The Manager will regularly review the General Administration Charge. Should the underlying fees and expenses that make up the General Administration Charge reduce or increase, the Manager may increase or decrease the General Administration Charge where it reasonably considers this to be appropriate.

In the event of any changes to the General Administration Charge, the Manager will notify unitholders in writing in accordance with the FCA's requirements under the FCA Rules. For example:

a) before increasing the General Administration Charge, the Manager will give unitholders at least 60-days prior notice in writing; or

b) when decreasing the General Administration Charge, the Manager will give notice of (which may be before or after the decrease in the General Administration Charge becomes effective) utilising an appropriate method of communication as specified in the FCA Rules, such as notice on the website and in the next report and accounts of the relevant fund.

The Manager may from time to time subsidise costs incurred by the fund or share class to keep the costs of the fund in line with the published estimated Ongoing Charges Figure or for any other reason as the Manager may in its sole discretion determine. Details of the Ongoing Charges Figure for the previous reporting period can be found in the report and accounts of the fund or the Key Investor Information Document.

The ACD currently pays for all or part of the General Administration Charge for the Retail Units and the ZA Accumulation Units of the fund.

The General Administration Charge may be taken from the capital of the fund or the income generated by it. Where the charge is taken from the capital of the fund, this may result in capital erosion or constrain capital growth. Where the charge is normally taken from income, but there is insufficient income to meet the charge, it will be taken from capital of the fund. The policy for allocation of these payments is applied consistently with the allocation policy for the Annual Management Charge and is set out for the fund in Appendix 5.

Other Fees and Expenses

The fund may pay out of the scheme property of the fund, the following charges and expenses:

a) fees and expenses incurred by the Custodian (as set out in "Trustee" section);
b) dilution levy/adjustment, broker commission, fiscal charges (including stamp duty, asset spread, other transactional costs) and any other disbursements which are necessarily incurred in effecting transactions;
c) any amount payable by the fund under any indemnity provisions contained in the Trust Deed or any agreement with any functionary of the fund;
d) liabilities on transfer of assets arising and payable as specified in 6.7.15 R of the FCA Rules, (if applicable);
e) all charges and expenses incurred in connection with the collection of income and collateral management services;
f) correspondent and other banking charges;
g) litigation expenses, exceptional measures, particularly legal, business or tax expert appraisals or legal proceedings undertaken to protect *unitholders*' interests;
h) taxation and other duties payable in respect of the scheme property or on the issue or redemption of *units*;
i) any fees, dilution levy/adjustment, transactional costs and expenses in relation to, and expenses incurred in the holding of, an investment in another third-party collective investment scheme;
j) interest on and other charges relating to permitted borrowings;
k) benchmark licence fees and royalty fees incurred for the use of any index names;
l) any value added or similar tax applicable to any of the other payments in this section; and
m) any other charges or expenses which may be taken out of the scheme property in accordance with the FCA Rules.

Please note it is currently anticipated the above charges and expenses will normally be taken from the income generated by the fund, unless otherwise stated, and with the exception of fees b), c) and d) which will be taken from the capital of the fund.

In all cases, where the there is insufficient income to meet the charge or it would not be appropriate in respect of the type of fee or expense to charge to income, then charge may then be taken from the capital of the fund. Where the charge is taken from the capital of the fund, this may result in capital erosion or constrain capital growth.

Expenses not directly attributable to a fund will be allocated between the fund.

Dealing Charge

The Manager makes an additional charge to Institutional “S” Units in respect of dealing activities it has in connection with these units. This dealing charge is payable out of the scheme property. The charge is calculated, accrued and paid on the same basis as the Annual Management Charge. The current rate of the dealing charge is 0.03% per annum (plus Value Added tax (if any)) of the net asset value of the unit class.

The Manager may not increase any charge it takes from the scheme property unless it does so in accordance with the FCA Rules.

Platform Dealing Charge

The Manager makes an additional charge to Platform 1 Units and Platform 2 Units* in respect of additional dealing activities it has in connection with these units. This dealing charge is payable out of the scheme property. The charge is calculated, accrued and paid on the same basis as the Annual Management Charge. The current rate of the dealing charge is 0.05% per annum (plus Value Added tax (if any)) of the net asset value of each class of unit. The Manager may not increase any charge it takes from the scheme property unless it does so in accordance with the FCA Rules.

* Platform 2 Units are not currently issued in respect of the fund.

Winding up the Fund

The fund will be wound up and terminated on the occurrence of any of the following events:-

1. The Authorisation Order declaring the fund to be an authorised unit trust is revoked;

2. The passing of an extraordinary resolution winding up the fund (provided the FCA's prior consent to the resolution has been obtained by the Manager or the Trustee);

3. The Manager or the Trustee requests the FCA to revoke the Order under s.256 of the Act subject to there being no material change in any relevant factor that, on the conclusion of the winding up the FCA will agree to that request;

4. The expiration of any period specified in the Trust Deed as the period at the end of which the fund is to be wound up; or

5. The effective date of a scheme of arrangement which is to result in the fund being left with no property.

The procedure to be followed in a winding-up of the fund is that laid down by the FCA Rules, which currently provide as follows:

(i) Where the FCA has determined to revoke the order declaring the fund to be an authorised unit trust scheme following the passing of an extraordinary resolution approving a scheme of arrangement the Trustee shall wind up the fund in accordance with that resolution on the terms of the approved scheme.

(ii) In any other case the Trustee shall, once the fund falls to be wound up, realise the property of the fund, and after paying thereout or retaining adequate provision for all liabilities properly so payable and retaining provision for the costs of the winding-up, distribute the proceeds of that realisation to the holders and the Manager proportionately to their respective interests in the fund as at the date of the relevant event. Where the Trustee and one or more holders agree, the requirement to realise the property of the fund shall not apply to that part of the property proportionate to the entitlement of that or those holders, and the Trustee may distribute that part of the scheme property in the form of property, after making such adjustments or retaining such provision as appears to the Trustee appropriate for ensuring that that or those holders bear a proportional share of the liabilities and costs.

(iii) Any unclaimed net proceeds or other *cash* (including unclaimed distribution payments) held by the Trustee after the expiration of one year from the date on which the same became payable shall be paid by the Trustee into court

subject to the Trustee having a right to retain thereout any expenses properly incurred by him relating to that payment.

The Trustee is under no obligation to distribute the realisation proceeds to any holder where the Manager or the Trustee considers it necessary or appropriate to carry out or complete identification procedures.

On completion of the winding up, where the order declaring the fund to be an authorised unit trust scheme has not been revoked, the Trustee shall notify the FCA in writing of that fact and at the same time the Manager or Trustee shall request the FCA to revoke the Authorisation Order.

Taxation of the Fund

The following statements are intended as a general guide only, are based upon the United Kingdom law and HM Revenue & Customs practice currently in force. Tax rules may change and this section may be subject to change.

Capital Gains Tax

As the fund is an authorised unit trust, it is not normally liable to corporation tax on its capital gains arising from the disposal of investments within it.

Corporation Tax

The fund is liable to Corporation Tax on its taxable income net of management expenses as if it was a company resident in the United Kingdom but at the basic rate at which income tax is charged, which is currently 20%.

Dividends received by the fund from a UK or overseas company are generally exempt from UK Corporation Tax. Other sources of income, for example bank deposit interest are, however, liable to Corporation Tax.

Income and gains received by the fund in respect of investments located outside the UK may be subject to non-recoverable overseas tax. Where overseas withholding tax has been suffered on income, it may be possible to offset such tax against UK corporation tax liabilities as double tax relief.

Stamp duty and other transfer taxes including financial transaction taxes may be incurred on the purchase, sale, transfer or any other financial transaction involving investments located in the UK or outside the UK.

Certain EU member states have implemented financial transaction tax regimes. A number of EU member states have proposed introducing a wider financial transaction tax in future.

If the fund invests more than 60% of its market value in cash, gilts, corporate bonds and similar assets, rather than equities, at all times during a distribution period, it may pay interest distributions. The gross interest distribution is relievable as an expense against income of the fund.

Depending on the underlying investments the fund may fluctuate between being considered an equity fund paying dividend distributions and a bond fund paying interest distributions.

Where the fund holds an investment in any other UK or offshore fund that during the fund's accounting period is invested directly or indirectly (through similar funds or *derivatives*) primarily in *cash*, gilts, corporate *bonds* and similar assets any amounts accounted for as income will be taxed as income of the fund for the period concerned. In addition any dividends paid by such funds will be taxed as interest income.

Where the fund holds an interest in an offshore fund that has not been certified by HM Revenue & Customs as a reporting fund, the fund will not be exempt from tax on gains realised on disposal of the interest in the offshore fund.

Taxation of Individual Investors

The following statements are intended to offer some guidance and relate only to the position of investors who are UK resident individuals and are beneficial owners of their units. This summary should not be regarded as

definitive and prospective investors should consult their own professional advisers on the potential tax consequences of acquiring, holding or selling units.

Capital Gains Tax

A liability to Capital Gains Tax may arise when an investor disposes of units.

However a liability to Capital Gains Tax will not arise unless the total of an investor's realised taxable gains from all disposals of assets less allowable losses in a tax year exceeds the annual exemption. If gains in excess of this annual exemption are realised the excess is taxable at 10% where the investor is a basic rate taxpayer or 20% where the investor is a higher rate or additional rate taxpayer. Trustees may have different exemptions and tax rates from individuals. Investors should contact a professional adviser in respect of their own position.

The capital gain in respect of a disposal of units is the value of the units at the time of disposal less the total of the following:

(a) the cost of acquiring the units less any equalisation received as detailed in the section headed Income Equalisation (below);

(b) in the case of accumulation units only, all reinvested distributions during the period units have been held.

Income Tax

On the specified allocation dates each eligible investor becomes entitled to a distribution of any income. The distribution is treated as income for tax purposes regardless of the fact that the units may be accumulation units. With each distribution we will send each investor a tax voucher showing the amount of income to which they are entitled, the nature of the distribution and related tax. Notes printed on the tax voucher indicate how the amount should be reflected in the investor's tax return.

- Distributions paid may be either dividend distributions or interest distributions, depending on the nature of the income of the fund.
- Dividend income in excess of the taxpayers annual Dividend Allowance will be taxed at rates of 7.5% where this falls within the basic rate income tax band; 32.5% in the higher rate band; and 38.1% in the additional rate band.
- UK taxpayers are liable to tax on an interest distribution at the rates of 20% for basic rate tax payers, at 40% for higher rate tax payers or a 45% for additional rate tax payers subject to the personal savings allowance detailed below.

The UK's personal savings allowance exempts some interest income, including amounts taxable as interest, received or deemed to be received by UK resident individuals, from tax in the hands of basic rate taxpayers. The exempt amount is reduced for higher rate taxpayers and additional rate taxpayers will not receive an allowance.

Investors should contact a professional adviser if they require any more information or advice regarding their own personal circumstances.

Taxation of Corporate Investors

The following statements are intended to offer some guidance and relate to the position of UK resident corporate bodies which hold units as investments. This summary should not be regarded as definitive and prospective investors should consult their own professional advisers on the potential tax consequences of acquiring, holding or selling units.
Distributions from the Fund

Distributions paid may be either dividend distributions or interest distributions, depending on the nature of the income of the fund.

Dividend distributions received by UK resident corporate bodies have to be split into that part which relates to dividend income of the fund and that part which relates to other income of the fund. The part relating to dividend income of the fund is not liable to tax in the hands of the investor unless the distribution is paid in respect of a trust holding to which section 490 of the Corporation Tax Act 2009 applies. The part relating to other income of the fund is taxable as if it were an annual payment in the hands of the investor and is subject to Corporation Tax. This part of the income is deemed to be received net of an Income Tax deduction of 20% which can be reclaimed or offset against the investor's liability to Corporation Tax.

The fund may receive income net of foreign tax and may offset this foreign tax against its UK tax liability. In these circumstances a corresponding element of the other income part of the dividend distribution and related Income Tax credit will be treated respectively as foreign income received and foreign tax paid by the corporate investor. The foreign tax paid can be used to reduce the investor's liability to Corporation Tax on the foreign income.

Interest distributions are taxable in the hands of the investor as interest income.

A fund fails to satisfy the "qualifying investments" test at any time when more than 60% of its assets by market value comprise cash, gilts, corporate bonds and similar assets. If a fund a fund fails to satisfy the "qualifying investments" test at any time in an accounting period it will be treated for corporation tax purposes as within the loan relationships regime with the result that all returns on the units in respect of the UK resident corporate bodies' accounting period (including gains, profits and losses) will be taxed or relieved as an income receipt or expense on a "fair value accounting" basis. Accordingly, such a person who acquires units in such a fund may, depending on its own circumstances, incur a charge to corporation tax on an unrealised increase in the value of its holding of units (and, likewise, obtain relief against corporation tax for an unrealised reduction in the value of its holding of units).

Profits on disposal of units

Any profits arising on the disposal of units by a UK resident corporate investor may be subject to Corporation Tax on chargeable gains except where the fund does not satisfy the qualifying investments test set out at section 493 of the Corporation Tax Act 2009.

The chargeable gain arising in respect of a disposal of units is the value of the units at the time of disposal less the total of the following:

(a) the cost of acquiring the units less any equalisation received as detailed in the section headed Income Equalisation (below);

(b) in the case of accumulation units only, all reinvested distributions during the period units have been held;

(c) an indexation factor, based on increases in the Retail Price Index during the period units have been held.

Certain types of corporate investor (e.g. life insurance companies) are subject to special tax rules which may take precedence over the general rules summarised above.

Investors should contact a professional adviser if they require any more information or advice regarding their own personal circumstances.

Taxation of Chinese Equities

- **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 Company or each fund is not Chinese tax resident enterprises or non-tax resident enterprises with PE in China for CIT purposes, the Company 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 jurisdiction where the Company or each fund is tax resident, or applicable China tax regulations.

The Ministy of Finance ("**MOF**"), the State Taxation Administration ("**STA**") and China Securities Regulatory Commission of the People's Republic of China ("**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.

- **Chinese Value-Added Tax ("VAT")**

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.

- **Tax provision**

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 the fund 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.

Income Equalisation

Income Equalisation is permitted by the Trust Deed. The price of any unit is based on the value of its entitlement in the fund, including its entitlement to income of the fund since the previous income allocation period (the Income Allocation Period is detailed on page 32). In respect of the first income allocation after an acquisition of units (known, from the date of acquisition to the end of the income allocation period, as Group 2 units, all other units being known as Group 1 units), part of the amount, the equalisation payment, is treated as a return of capital and is not liable to Income Tax. It must be deducted from the cost of the units for the purposes of calculating any gains.

Income equalisation is calculated on a day by day basis and is *averaged* over the Group 2 units issued or sold during the income allocation period.

US Foreign Account Tax Compliance

Due to US tax legislation, the Foreign Account Tax Compliance Act ("FATCA"), which can affect financial institutions such as the fund, the fund may need to disclose the name, address, taxpayer identification number and investment information relating to certain US investors who fall within the definition of Specified US Person in FATCA that own, directly or indirectly, an interest in certain entities, as well as certain other information relating to such interest, to HM Revenue & Customs, who will in turn exchange this information with the Internal Revenue Service of the United States of America. The UK has entered into an inter-governmental agreement ("IGA") with the US to facilitate FATCA Compliance. Under this IGA, FATCA Compliance will be enforced under UK tax legislation and reporting.

While the Manager shall use reasonable endeavours to cause the Manager to avoid the imposition of US federal withholding tax under FATCA, the extent to which the Manager is able to do so and report to HM Revenue & Customs will depend on each affected unitholder in the fund providing the fund or its delegate with any information that the fund determines is necessary to satisfy such obligations. The 30% withholding tax regime could apply if there is a failure by unitholders to provide certain required information.

By signing the application form to subscribe for units in the fund, each affected unitholder is agreeing to provide such information upon request from the fund or its delegate. If the required information is not provided to us, information about an investor's *unitholding* may be passed to HM Revenue & Customs in order to be passed on to other tax authorities including the IRS. The fund may exercise its right to completely redeem the holding of an affected unitholder (at any time upon any or no notice) if he fails to provide the fund with the information the fund requests to satisfy its obligations under FATCA.

Other Reporting to Tax Authorities

The UK and a number of other jurisdictions have also agreed to enter into multilateral arrangements modelled on the Common Reporting Standard for Automatic Exchange of Financial Account Information ("CRS") published by the Organisation for Economic Co-operation and Development ("OECD"). This allows for the automatic exchange of financial information between tax authorities. These agreements and arrangements, as transposed into UK law, may require the fund, as a UK Financial Institution, (or the Manager on its behalf) to provide certain information to HM Revenue & Customs about investors from the jurisdictions which are party to such arrangements (which information will in turn be provided to the relevant tax authorities). The information that may be exchanged includes (but is not limited to) name, address, date of birth, taxpayer identification number and investment information.

In light of the above, holders in the fund and, in some cases their financial intermediaries, may be required to provide certain information (including personal information) to the Manager to enable it to comply with the terms of the UK law. If the required information is not provided to us, information about an investor's *unitholding* may be passed to HM Revenue and Customs in order to be passed on to other tax authorities. Where a holder fails to provide any requested information (regardless of the consequences), the Manager reserves the right to take any action and/or pursue all remedies at its disposal to avoid any resulting sanctions including, without limitation, compulsory redemption or withdrawal of the holder concerned.

Benchmarks Regulation

The Benchmark Regulation requires the Manager to ensure, unless otherwise disclosed in this Prospectus, the indices or benchmarks utilised by the fund are, as at the date of this Prospectus, provided by an administrator that is listed on the register of benchmarks and administrators maintained by the FCA, as required by the Benchmark Regulation.

The Manager has adopted a written plan setting out actions, which it will take with respect to the fund in the event that an index or benchmark materially changes or ceases to be provided, in accordance with the Benchmark Regulation. Copies of the descriptions of this plan may be accessed, free of charge, upon request, from the Manager.

General Information

Copies of the Trust Deed (and of any deed supplementary thereto) and the most recent Manager's annual and half-yearly reports and prospectus are available for inspection free of charge during normal business days (Monday - Friday) between 9.00 am and 5.00 pm at the Manager's Registered Office at Bow Bells House, 1 Bread Street, London, EC4M 9HH. Copies of the Trust Deed and most recent annual and half-yearly reports of the fund and current prospectus may also be obtained from the Manager at the above address on request, subject in the case of the Trust Deed, to a charge of £5.00 per copy.

Fund Report and Accounts

The annual report in respect of the fund will be published in long form within four months of the annual accounting date (currently the publication date is 31 July). The half yearly accounting period ends on 30 September and the long half-yearly reports will be made up to such date each year and published within two month (currently the publication 30 November). The accounts contained in the annual and the half-yearly reports will be prepared in accordance with the

FCA Rules and the Statement of Recommended Practice for Financial Statements of Authorised Funds (published from time to time). Copies of the long report and accounts will be available on request and to any other person free of charge on request. A copy of the latest annual or half-yearly report will be provided free of charge on the request of any person eligible to invest in the fund before the conclusion of any sale.

The annual and half-yearly reports of the fund will include a portfolio statement setting out the investments of the fund at the end of the period to which the report relates.

Investment Powers, Restrictions and Conditions

The investment powers of the Manager are contained in the FCA Rules. The property of the fund will be managed with the aim of achieving the investment objective of the fund but subject always to the limits of investment set out in Chapter 5 of the FCA Rules and the Trust Deed, as applicable. The general investment powers as they apply to a *UCITS scheme* are set out in Appendix 1. Subject to these, the following supplemental restrictions/conditions apply:-

Cash

The fund will hold *cash* and near *cash* in pursuit of its investment objective and to enable redemption of units when it may reasonably be regarded as necessary. It is anticipated that the fund will hold a significant proportion of its assets in *cash* to support the *derivative* positions within the fund.

Collective Investment Schemes

Not more than 10% of the scheme property of the fund may be invested in units or shares of collective investment schemes. Subject to the FCA Rules, the property of the fund may include units or shares in one or more collective investment schemes which are managed or operated by the Manager or an Associate (as defined for the purposes of the FCA Rules) of the Manager or, (in the case of any such collective investment scheme which is an investment company with variable capital) in relation to which the Manager or its Associate is the authorised corporate director.

Government and Public Securities

More than 35% and up to 100% in value of the property of the fund may be invested in transferable securities or approved *money market instruments* issued by any one body which is the United Kingdom or an *EEA State*, a local authority of the United Kingdom or an *EEA State*, a non-*EEA State* or a public international body to which the United Kingdom or one or more *EEA States* belong The names of the States, local authorities and public international bodies issuing transferable securities or approved *money market instruments* ("the issuers") in which the fund may invest over 35% of its assets (if any) are set out below.

The Government of Argentina

The Government of Australia

The Government of Austria

The Government of Belgium

The Government of Brazil

The Government of Canada

The Government of Cyprus

The Government of the Czech Republic

The Government of Denmark

The Government of Estonia

The Government of Finland

The Government of France

The Government of Germany

The Government of Greece

The Government of Hungary

The Government of Indonesia

The Government of Ireland

The Government of Italy

The Government of Japan

The Government of Latvia

The Government of Lithuania

The Government of Luxembourg

The Government of Malta

The Government of Mexico

The Government of the Netherlands

The Government of New Zealand

The Government of Poland

The Government of Portugal

The Government of Slovakia

The Government of Slovenia

The Government of Spain

The Government of Sweden

The Government of Switzerland

The Government of Republic of Korea

The Government of the United Kingdom

The Government of the United States

Derivatives

The fund may use *derivatives* in accordance with the FCA Rules for the purposes of meeting the investment objectives of the fund and efficient portfolio management (including hedging). A *derivative* is a financial instrument that is derived from the underlying value of particular assets, such as equities, *bonds*, *interest rates*, indices etc. *Derivatives* may be exchange traded or Over the Counter (OTC) *derivatives*. Typically, UK authorised collective investment schemes invest on a 'long only' basis. The fund, by employing certain *derivative* techniques, will establish both 'long' and 'short' positions in individual stocks and markets. Investing on a 'long' basis means that the value of the *derivative* will rise or fall in the same direction as the underlying market value of the asset from which it is derived. If investments are made on a 'short' basis the value of the *derivative* will rise and fall in the opposite direction to the underlying market value of the asset from which it is derived. In addition, the fund may also invest in *derivative* instruments whose price is related to other market events. The Investment Adviser employs a risk management process to oversee and manage *derivative exposure* within the fund. It is envisaged that the use of *derivatives* transactions will lower the risk profile of the fund.

The use of *derivatives* may include total return *swaps*. These are *derivatives* in which one party makes payments based on the total return (i.e. both the income it generates and any capital gains and losses of an underlying asset). Given that the fund's assets cannot be described as being "subject to" total return *swaps*, the maximum and expected

percentage *exposures* to total return *swaps* are expressed as the gross aggregate notional of total return *swaps* as a percentage of the Net Asset Value of the fund. The fund will not be subject to maximum limits on usage of total return *swaps* other than the *leverage* limit in Appendix 1. The actual proportion of the fund's Net Asset Value that will be subject to total return *swaps* will vary over time and is expected to be between 0% and 750% depending on factors including, but not limited to, market conditions. The total return *swaps* may be subject to any type of underlying asset permitted under the investment policy of the fund. All revenues and returns (both gains & losses) from total return *swaps* are accrued to the fund, net of direct and indirect operational expenses.

Repurchase and Reverse Repurchase Agreements

The Trustee may, acting in accordance with the instructions of the Manager, enter into *repo* contracts (repurchase and reverse repurchase agreements) for the purposes of efficient portfolio management (including hedging). Under a repurchase agreement securities are acquired from a seller (for example, a bank or securities dealer) who agrees, at the time of sale, to repurchase the securities at a mutually agreed upon date (usually not more than seven days from the date of purchase) and price, thereby determining the *yield* to the fund during the term of the repurchase agreement. The resale price reflects the purchase price plus an agreed upon market rate of interest which is unrelated to the coupon rate or maturity of the purchased security. Under a reverse repurchase agreement securities are sold and agreed to be repurchased at a mutually agreed upon date and price. Securities may be lent to brokers, dealers and other financial institutions.

Repurchase and reverse repurchase agreements will currently be restricted to fixed income government securities only. The expected proportion of the fund's Net Asset Value that will be subject to repurchase and reverse repurchase agreements will vary over time, depending on factors including but not limited to market conditions, between 0% and 200% in aggregate in accordance with rules governing *EEA* and *UK UCITS* schemes.

All revenues and returns (both gains & losses) from repos are accrued to the fund, net of direct and indirect operational expenses.

Counterparty selection

The Investment Adviser may use one or more separate counterparties to undertake *derivative*, repurchase and reverse repurchase transactions on behalf of the fund and may be required to pledge collateral, paid from within the assets of the fund, to secure such contracts. There may be a risk that a counterparty will wholly or partially fail to honour their contractual obligations under the arrangement. The Investment Adviser assesses the *creditworthiness* of counterparties as part of the risk management process and will ordinarily hold collateral to mitigate this. Please see Appendix 1 for more details.

Borrowing

The Manager has the right to exercise the full powers as set out in the FCA Rules in relation to borrowing as and when the Manager considers that the circumstances make it appropriate to do so.

Eligible Markets

The Manager may deal through any market in the United Kingdom or an *EEA State* which is regulated, operates regularly and is open to the public. In addition, the Manager may deal through any other eligible market being a market which the Manager, after consultation with and notification to the Trustee, has decided to choose as one which is appropriate for the purpose of investment of or dealing in the property of the fund. Any such market must operate regularly, be regulated, recognised, be open to the public, be adequately *liquid* and have adequate arrangements for unimpeded transmission of income and capital to or to the order of investors. A list of the eligible markets is set out in Appendix 2. An eligible market may be added to the list in accordance with the FCA Rules.

Investment Adviser

The Manager has entered into an Investment Management Agreement with abrdn Investment Management Limited (formerly known as Standard Life Investments Limited) ('abrdn Investment Management'). abrdn Investment Management is the Investment Adviser to the fund.

abrdn Investment Management was incorporated as a private limited liability company under the Companies Acts on 27 February 1990 in Scotland (Registered Number SC 123321). Its Registered Office is at 1 George Street, Edinburgh, EH2 2LL. It has an issued fully paid up share capital of £34,440,000.

abrdn Investment Management is a subsidiary of abrdn plc. Its principal activity is investment management business. It is authorised to carry on investment business in the United Kingdom by virtue of it being authorised and regulated by the Financial Conduct Authority.

The Investment Management Agreement reflects the requirements of the FCA Rules relating to termination and otherwise can be terminated on not less than 3 months' notice.

abrdn Investment Management has full authority to make all investment decisions on behalf of the Manager concerning the property of the fund which is managed by it.

The Investment Management Agreement gives abrdn Investment Management the discretion to appoint, at its own cost, specialist asset management companies from within and outwith the abrdn group of companies as investment managers in order to benefit from their expertise and experience.

The Manager also employs abrdn Investment Management to perform certain activities involving valuation, pricing, dealing and other back office functions. abrdn Investment Management is permitted to sub-delegate these functions to other persons.

The Manager discharges, at its own expense out of the aggregate revenue received by it out of the fund, the fees of the Investment Adviser (both in respect of acting as investment adviser and in respect of its other functions) for its services.

Delegation to Sub-Advisers

abrdn Inc.

The Investment Adviser has appointed abrdn Inc., a Delaware corporation with its principal place of business at 1900 Market Street, 2nd Floor, Philadelphia, PA 19103 to manage certain assets of the fund. abrdn Inc. is registered as an investment adviser with the United States Securities and Exchange Commission.

Although abrdn Inc. will carry out the investment management of the scheme property as outlined above without reference to the Investment Adviser, the Investment Adviser will monitor the performance of the fund.

The Investment Adviser remains responsible to the Manager for the management of the scheme property of the fund.

The fees of abrdn Inc. will be borne by the Investment Adviser.

Transfer Agency

The Manager has appointed SS&C Financial Services Europe Limited ("SS&C Europe Limited") and SS&C Financial Services International Limited which was until 31 March 2020 known as DST Financial Services International Limited (together "SS&C") to provide the services of a transfer agent.

These services include processing applications for the sale and redemption of units, the servicing of certain investor requests and enquiries and other administration services relating to the fund.

The fees and expenses incurred by the transfer agent are payable out of the General Administration Charge as set out above.

Marketing Services

The Manager has delegated the drawing up of marketing literature to abrdn Investment Management Limited.

The Manager discharges, at its own expense out of the aggregate revenue received by it out of the fund, the fees of abrdn Investment Management.

Further Information

The Manager must establish, implement and maintain an adequate and documented risk management process for identifying the risks to which the fund is or might be exposed.

Holders may obtain from the Manager, on request, the following information supplementary to this prospectus relating to:-

a) the quantitative limits applying in the risk management of the fund;

b) the methods used in relation to (a);

c) any recent development of the risks and *yields* of the main categories of investment.

Order Execution Information

In accordance with the Conduct of Business Sourcebook, published from time to time by the FCA as part of its handbook of rules, the Manager needs to put in place arrangements to execute orders most favourable to and in the interests of the fund.

As set out above, the Manager has delegated the investment management of the fund to the Investment Adviser, who in turn executes decisions to deal on behalf of the fund. The Investment Adviser must, in accordance with the FCA's handbook of rules, establish and implement an order execution policy to allow it to obtain the best possible results in accordance with its obligations under those rules.

On request, the Manager will, free from charge, provide a holder with information supplementary to this prospectus relating to the execution policy.

Voting Rights Strategy

In accordance with the FCA Rules, the Manager must develop strategies for determining when and how voting rights of assets held within the scheme property are to be exercised ("Voting Rights Strategy"). A summary copy of the Manager's Voting Rights Strategy, together with details of the actions which the Manager has taken on the basis of those strategies, are available, free of charge, from the Manager.

Conflicts of Duty or Interest

The Manager and the Investment Adviser may, from time to time, act as investment managers or advisers to other collective investment schemes (or sub-funds thereof or to other persons), which follow similar investment objectives, policies or strategies to those of the fund. In addition, *derivative* transactions may be effected in which the Manager or the Investment Adviser has either a direct or indirect interest that may potentially involve a conflict of its or their obligations to the fund. It is therefore possible that either of those parties may in the course of its business have potential conflicts of duty or interest with the fund. Each of the Manager and the Investment Adviser will, however, have regard in such event to their respective obligations under the Trust Deed, the Investment Management Agreement, or other agreement and, in particular, having regard to their obligations to other clients when undertaking any investment where potential conflicts of interest may arise.

Additional Information

Holders will be contacted by post at their last known address held on the register for the service of any notice or document in respect of a holder meeting or any such matter of which a holder should be notified.

A holder is not liable to make any further payment after he has paid the purchase price of his units in full and no further liability can be imposed on him in accordance with the FCA Rules.

The information in this prospectus is based on the Manager's understanding of the current law and practice at the date of publication. It does not set out to give specific legal or tax advice.

Words and expressions which are defined in the Act, in the FCA Rules or in the Glossary have the same meanings where they are used in this prospectus (except where inconsistent with the context) and any references to any statute or statutory instrument or other regulation shall be deemed to include a reference to such statute, or statutory instrument, or other regulation, as from time to time amended and to any codifications, consolidation or re-enactment thereof, as from time to time in force.

Any person relying on this prospectus, which is current at the date shown on page 6 of this prospectus, should first check with the Manager that this is the most current version and that no revisions or corrections have been made since this version was issued.

Trustee's Data Protection Policy

The Trustee's Market and Securities Services Privacy Statement details the collection, use and sharing of holders' personal information by the Trustee in connection with *holders*' investment in the fund.

The Trustee's Market and Securities Services Privacy Statement may be updated from time to time the latest version can be accessed at https://www.citibank.com/icg/global_markets/uk_terms.jsp.

Any holder who provides the Manager and its agents with personal information about another individual (such as a joint investor), must show the Trustee's Market and Securities Services Privacy Statement to those individuals.

Complaints

In the event of a unitholder having a complaint, they should write to the Manager marked for the attention of the Complaints Team at PO Box 12233, Chelmsford CM99 2EE setting out the grounds for the complaint. Alternatively, you can also make a complaint by:

Telephone: 0345 113 6966 (+44 1268 445488 from overseas)

Fax: 0330 123 3580

All complaints will be investigated and, unless the complaint is resolved to the satisfaction of the complainant within eight weeks after its receipt by the Manager, the complainant in most cases will have a right to refer the complaint to the Financial Ombudsman Service.

The Manager's complaint handling procedure will be available by writing to the above address.

The Financial Ombudsman Service will normally only consider a complaint after having given the Manager the opportunity to resolve the complaint to the satisfaction of the customer.

The address for the Financial Ombudsman Service is:

Financial Ombudsman
Exchange Tower
LondonE14 9SR

Alternatively, you can contact the Financial Ombudsman Service by:

Telephone: 0800 023 4567 or from outside the UK +44 20 7964 0500
E-mail: complaint.info@financial-ombudsman.org.uk

Financial Services Compensation Scheme

The Manager is covered by the Financial Services Compensation Scheme ("FSCS"), which means if the Manager becomes insolvent, you may be entitled to compensation. The level of compensation will depend on the type of business and the circumstances of your claim. Further information about compensation arrangements is available from the Manager on request or from the FSCS at:

The Financial Services Compensation Scheme

10th Floor

Beaufort House

15 St Botolph Street

London EC3A 7QU

Telephone: 0800 678 1100 or 020 7741 4100

Website: www.fscs.org.uk

Appendix 1
Investment Powers and Restrictions

Except as otherwise indicated in this prospectus under the heading "Investment Powers, Restrictions and Conditions" on page 42, the property of the fund may be invested in any investments in which the property of a *UCITS scheme* is permitted to be invested in, by the FCA Rules, but not otherwise.

The following is a summary of the investment limits under the FCA Rules which apply to a *UCITS scheme*:-

1. The property of a *UCITS scheme* may except where otherwise provided for in Chapter 5 of the FCA Rules, consist of any one or more of:-

   - transferable securities;
   - approved *money-market instruments*;
   - units in collective investment schemes;
   - *derivatives* and forward transactions; and
   - deposits.

Transferable securities, including warrants, and approved *money-market instruments* must, subject to 2 and 3 below, (i)(a) be admitted to or dealt in on an eligible market, or (i)(b) be recently issued transferable securities provided the terms of the issue include an undertaking that application will be made to be admitted to an eligible market and such admission is secured within a year of issue, or (i)(c) be approved *money-market instruments* not admitted to or dealt in on an eligible market provided they fall within (b) of 15 below.

2. Not more than 10% in value of the scheme property may consist of transferable securities which are not within 1(i) above.

3. Not more than 10% in value of the scheme property may consist of approved *money-market instruments* which do not fall within 15 below.

4. The limitations in 5 to 8 do not apply in respect of transferable securities or approved *money market instruments* issued by the United Kingdom or an *EEA State*, a local authority of the United Kingdom or an *EEA State*, a non-*EEA State* or a public international body to which the United Kingdom or one or more *EEA States* belong.

5. Not more than 20% in value of the scheme property may consist of deposits with a single body.

6. Not more than 5% in value of the scheme property may consist of transferable securities or approved *money-market instruments* issued by any single body, except that (i) the figure of 5% may be increased to 10% in respect of up to 40% in value of the scheme property and (ii) the figure of 5% may be increased to 25% in respect of covered *bonds* provided that when the scheme invests more than 5% in covered *bonds* issued by a single body, the total value of covered *bonds* must not exceed 80% of the net asset value of the scheme property. Certificates representing certain securities are treated as equivalent to the underlying security. Where the investment policy of the scheme is to replicate the composition of a relevant index, the scheme may invest up to 20% of the value of its scheme property in shares and debentures which are issued by the same body, which limit can be raised to 35% in respect of one body only and where justified by exceptional market conditions. A relevant index is one which satisfies three criteria: the composition must be sufficiently *diversified*; the index must be a representative benchmark for the market and the index must be published in an appropriate manner.

7. The *exposure* to any one counterparty in an over the counter *derivative* transaction must not exceed 5% in value of the scheme property but this limit may be raised to 10% where the counterparty is an Approved Bank. The Manager may net the over the counter *derivative* positions with the same counterparty provided that certain conditions of the FCA Rules are complied with. The Manager may reduce the *exposure* of the property of the fund to a counterparty to an over the counter *derivative* transaction through the receipt of collateral. Collateral received must be sufficiently *liquid* so that it can be sold quickly at a price that is close to its pre-sale valuation.

8. Not more than 20% in value of the scheme property is to consist of transferable securities and approved *money-market instruments* issued by the same group.

9. Subject to 17 below up to 20% in value of the scheme property of a *UCITS scheme* may consist of the units of any one collective investment scheme. **However, not more than 10% in value of the scheme property of the fund may be invested in units or shares of any collective investment scheme.**

10. In applying the limits in 5, 6 and 7 and subject to 6 (ii) not more than 20% in value of the scheme property is to consist of any combination of two or more of the following: (a) transferable securities (including covered *bonds*) or approved *money-market instruments* issued by; or (b) deposits made with; or (c) *exposure* from over the counter *derivatives* transactions made with; a single body. Subject to 11 and 12 below, in applying this 20% limit with respect to a single body which is the United Kingdom or an *EEA State*, a local authority of the United Kingdom or an *EEA State*, a non-*EEA State* or a public international body to which the United Kingdom or one or more *EEA States* belong, transferable securities or approved *money market instruments* issued by that body shall be taken into account.

11. Up to 35% in value of the scheme property may be invested in transferable securities or approved *money market instruments* issued by any one body which is the United Kingdom or an *EEA State*, a local authority of the United Kingdom or an *EEA State*, a non-*EEA State* or a public international body to which the United Kingdom or one or more *EEA States* belong, in which case there is no limit on the amount which may be invested in such securities or instruments or in any one issue.

12. More than 35% in value of the scheme property can be invested in transferable securities or approved *money market instruments* issued by any one body which is the United Kingdom or an *EEA State*, a local authority of the United Kingdom or an *EEA State*, non-*EEA State* or a public international body to which the United Kingdom or one or more *EEA States* belong provided that (a) the manager has before any such investment is made consulted with the trustee and as a result considers that the issuer of such securities or instruments is one which is appropriate in accordance with the investment objective of the scheme; (b) no more than 30% in value of the scheme property consists of such securities or instruments of any one issue; (c) the scheme property includes such securities or instruments issued by that or another issuer of at least six different issues; and (d) certain details have been disclosed in the trust deed and prospectus.

13. A *UCITS scheme* may invest in deposits only with an Approved Bank and which are repayable on demand or have the right to be withdrawn, and mature in no more than twelve months.

14. In and for the purposes of 6, 11 and 12 above, "issue", "issued" and "issuer" include "guarantee", "guaranteed" and "guarantor" and an issue differs from another if there is a difference as to repayment date, rate of interest, guarantor or other material terms of the issue.

15. A *UCITS scheme* may invest in approved *money-market instruments* which are dealt in on the money market, are *liquid* and whose value can be accurately determined at any time, provided:

    (a) the approved *money-market instrument* is admitted to or dealt on an eligible market; or

    (b) the issue or issuer of the approved *money-market instrument* is regulated for the purpose of protecting investors and savings and the instrument is:

        (i) issued or guaranteed by a central, regional or local authority of the United Kingdom or an *EEA State,* the Bank of England, a central bank of an *EEA State*, the European Central Bank, the European Union or the European Investment Bank, a non-*EEA State* or, in the case of a Federal State, by one of the members making up the federation, or by a public international body to which the United Kingdom or one or more *EEA States* belong; or

        (ii) issued by a body, any securities of which are dealt in on an eligible market; or

        (iii) issued or guaranteed by an establishment subject to prudential supervision in accordance with criteria defined by UK or EU law or by an establishment which is subject to and complies with prudential rules considered by the FCA to be at least as stringent as those laid down by UK or EU law; or

        (iv) it is another *money-market instrument* with a regulated issuer and the FCA has given its express consent (in the form of a waiver) for the fund to invest in it.

NIL AND PARTLY PAID SECURITIES

16. Transferable securities or approved *money-market instruments* on which any sum is unpaid falls within a power of investment only if it is reasonably foreseeable that the amount of any existing and potential call for any sum unpaid could be paid by the scheme, at the time when payment is required, without contravening the rules of Chapter 5 of the FCA Rules.

UNITS IN COLLECTIVE INVESTMENT SCHEMES

17. Not more than 30% in value of the scheme property of a *UCITS scheme* can be invested in collective investment schemes which do not comply with the conditions necessary in order to enjoy the rights conferred by the *UCITS Directive*. **As stated at 9 above, no more than 10% of the net asset value of the scheme property of the fund may consist of units or shares in collective investment schemes.**

    A *UCITS scheme* must not invest in units in a collective investment scheme unless that other scheme (1) (a) is a *UK UCITS* or satisfies the conditions necessary for it to enjoy the rights conferred by the *UCITS Directive* as implemented in the *EEA*; or (b) is a recognised scheme (as defined in the FCA Handbook) that is authorised by the supervisory authorities of Guernsey, Jersey or the Isle of Man (provided the requirements of COLL 5.2.13AR are met); or (c) is a non-UCITS retail scheme (provided the requirements of COLL 5.2.13AR (1), (3) and (4) are met); or (d) is authorised in an *EEA State* (provided the requirements of COLL 5.2.13AR are met); or is authorised by the competent authority of an OECD member country (other than an *EEA State*) which has signed the IOSCO Multilateral Memorandum of Understanding and approved the scheme's management company, rules and depositary/custody arrangements (provided the requirements of COLL 5.2.13AR are met); (2) complies with the rules on investment in associated collective investment schemes and other group schemes; and (3) has terms prohibiting more than 10% in value of the property of its scheme property consisting of units in collective investment schemes.

18. A *UCITS scheme* may invest in another collective investment scheme managed or operated by, or which has as its authorised corporate director, the manager or an associate of the manager provided that certain provisions of the FCA Rules regarding investment in such scheme are complied with.

DERIVATIVES AND FORWARD TRANSACTIONS

19. The investment objective and policy of the fund (as set out in the section titled 'Investment Objective and Policy') explains how *derivatives* will be used for the fund. Only certain types of *derivatives* and forward transactions can be effected for a *UCITS scheme*, namely:-

    - transactions in approved *derivatives* (i.e. traded or dealt in on an eligible *derivatives* market); and
    - permitted over the counter transactions in *derivatives*.

    The underlying must consist of any or all of the following (to which the scheme is dedicated): permitted transferable securities; permitted approved *money-market instruments*; permitted deposits; permitted *derivatives*; permitted collective investment scheme units; financial indices (which satisfy the criteria in 5.2.20 A R of the FCA Rules); *interest rates*; foreign exchange rates and currencies. A transaction in an approved *derivative* must be effected on or under the rules of an eligible *derivatives* market. A *derivatives* transaction must not cause a *UCITS scheme* to diverge from its stated investment objective and must not be entered into if the intended effect is to create the potential for an uncovered sale of one or more transferable securities, approved *money-market instruments*, collective investment scheme units or *derivatives*.

    A *UCITS scheme* may invest in *derivatives* and forward transactions as long as the *exposure* to which the scheme is committed by that transaction itself is suitably covered from within its scheme property. *Exposure* will include any initial outlay in respect of that transaction.

    Any forward transaction must be with an eligible institution or an Approved Bank.

    Where a *UCITS scheme* invests in *derivatives*, the *exposure* to the underlying assets must not exceed the limits in points 5 to 12 above.

    Where a transferable security or approved *money-market instrument* embeds a *derivative* this must be taken into account for the purposes of compliance.

Where a *UCITS scheme* invests in an index based *derivative*, provided the relevant index falls within 5.2.33 R of the FCA Rules the underlying constituents of the index do not have to be taken into account for the purposes of 5.2.11 R and 5.2.12 R of the FCA Rules.

A *derivative* or forward transaction which will or could lead to the delivery of property for the account of the scheme may be entered into only if such property can be held for the account of that scheme and the manager having taken reasonable care determines that delivery of the property under the transaction will not occur and will not lead to a breach of the FCA Rules.

Except in relation to deposits, no agreement by the manager to dispose of property or rights may be made unless the obligation (and any other similar obligation) could immediately be honoured by delivery of the property or the assignment (or, in Scotland, assignation) of rights and the property and rights are owned by the scheme at the time of the agreement.

A transaction in an over the counter *derivative* must be (1) with an approved counterparty (namely an eligible institution, an Approved Bank or a person whose FCA permission permits it to enter into the transaction as principal off-exchange); (2) on approved terms (i.e. the manager carries out, at least daily, a reliable and verifiable valuation in respect of that transaction corresponding to its fair value and which does not rely only on market quotations by the counterparty and can enter into one or more further transactions to sell, liquidate or close out that transaction at any time, at its fair value); and (3) capable of reliable valuation (i.e. if the manager having taken reasonable care determines that, throughout the life of the *derivative* (if the transaction is entered into), it will be able to value the investment concerned with reasonable accuracy on the basis of an up-to-date market value which the manager and the trustee have agreed is reliable or (if this is not available) on the basis of a pricing model which the manager and the trustee have agreed uses an adequate recognised methodology); and (4) subject to verifiable valuation (i.e. if throughout the life of the *derivative* (if the transaction is entered into) verification of the valuation is carried out by an appropriate third party which is independent from the counterparty at an adequate frequency in such a way that the manager is able to check it, or by a department within the manager which is independent from the department managing the scheme property and which is adequately equipped for such a purpose).

For the purposes of the above, "fair value" is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Investment in *derivatives* and forward transactions may be made as long as the *exposure* to which the fund is committed by that transaction itself is suitably covered from within the property of the fund. The fund is required to hold property sufficient in value or amount to match the *exposure* arising from a *derivative* obligation to which it is committed. In other words, the *exposure* must be covered "globally". The Manager must calculate global *exposure* on at least a daily basis, taking into account the current value of the underlying assets, the counterparty risk, future market movements and the time available to liquidate positions. The Manager must ensure that the global *exposure* relating to *derivatives* and forward transactions do not exceed the net value of the property of the fund.

In terms of the FCA Rules, the Manager uses the “absolute Value at Risk (“VaR”) approach” for the calculation of global *exposure*. VaR is a measure of the potential loss to the fund due to market risk (rather than *leverage*). The absolute VaR of the fund cannot be greater than 20% of its NAV.

Accordingly, the Manager carries out a calculation of the fund’s VaR (taking into account parameters including confidence levels, holding periods and historical observation periods) in accordance with the guidelines set out in 5.3.11 R of the FCA Rules.

As noted above, the absolute VaR approach relates to a measurement of market risk and accordingly the Manager also regularly monitors the *leverage* of the fund. The expected approximate *leverage* for the fund is 500%. Please note that this is an expected level which is not a guarantee of future levels. In accordance with current industry guidelines, *leverage* is calculated as the sum of the notional value of each *derivative* used, however this calculation takes no account of offsetting positions and is not a true measure of market risk.

EFFICIENT PORTFOLIO MANAGEMENT TECHNIQUES

In addition to the use of *derivatives* for efficient portfolio management purposes, use may be made of other techniques for efficient portfolio management purposes to reduce risk and/or costs in the fund and from time to time to produce additional capital or income in the fund, as the Manager may at its discretion consider

appropriate. Such other techniques include stock lending, underwriting, borrowing and the use of *cash* and near *cash* (more details of which are set out below).

Any income or capital generated by efficient portfolio management techniques will be paid into the scheme property of the fund.

STOCK LENDING

20. The Trustee may, acting in accordance with the instructions of the Manager, enter into certain *repo* contracts and stock lending transactions. Such transactions must comply with the requirements of the FCA Rules which state, inter alia that:-

- all the terms of the agreement under which securities are to be reacquired by the trustee are in a form which is acceptable to the trustee and are in accordance with good practice;
- the counterparty is for the purposes of the Act:
- an authorised person; or
- a person authorised by a Home State regulator; or
- a person registered as a broker or dealer with the Securities and Exchange Commission of the United States of America, or certain banks or bank branches as permitted by the FCA Rules; and
- high quality and *liquid* collateral is obtained to secure the obligation of the counterparty and the collateral is acceptable to the Trustee; is adequate in terms of the FCA Rules and is sufficiently immediate (i.e. that it can be transferred before or at the time of the transfer of the securities by the trustee or the trustee takes reasonable care to determine at the time before or at the time of transfer the collateral will be transferred at the latest by the close of business on the day of the transfer).

Such transactions must comply with the relevant requirements of the Taxation of Chargeable Gains Act 1992 together with the requirements of the FCA Rules.

UNDERWRITING PLACINGS

21. Agreements and understandings with regard to the underwriting and sub-underwriting or the acceptance of placing commitments may also, subject to certain conditions set out in the FCA Rules, be entered into for the account of a UCITS scheme.

LIQUIDITY

22. The scheme property of a *UCITS scheme* may consist of *cash* and near *cash* as may reasonably be regarded as necessary to enable the pursuit of the fund's investment objectives; or the redemption of units; or the efficient management of the fund in accordance with its objectives; or other purposes which may reasonably be regarded as ancillary to the fund's investment objectives.

BORROWING

23. The trustee may, in accordance with the FCA Rules, and on the instruction of the manager, subject to any restrictions in the trust deed borrow from eligible institutions or Approved Banks (both as defined in the FCA Rules) on the terms that the borrowing is repayable out of the property of the scheme property within the limits prescribed in the FCA Rules from time to time.

Borrowings must not be persistent. Each borrowing must be on a temporary basis and in any event must not be for a period exceeding 3 months without the prior consent of the trustee which may be given only on such conditions as appear appropriate to the trustee to ensure that the borrowing does not cease to be on a temporary basis.

The FCA Rules currently provide that the manager must ensure that the borrowing of a trust which is a *UCITS scheme* must not, on any business day, exceed 10% of the value of the property of the trust. These restrictions on the trustee's borrowing powers do not apply to a back-to-back borrowing for currency hedging purposes.

RISK MANAGEMENT

The Manager must use a risk management process enabling it to monitor and measure at any time the risk of a scheme's positions and their contribution to the overall risk profile of the scheme. Before using this process in connection with *derivatives* and forwards positions, the manager will notify the FCA of the relevant details of the risk management process.

The Manager's Risk Management Policy ("RMP"), which is available on request, details how risks are managed in relation to counterparties and collateral used for *derivative*, repurchase and reverse repurchase transactions. The RMP requires compliance with a Counterparty Credit Risk Policy ("CCRP"), which is subject to change and regular review. A counterparty must be a highly rated financial institution (constituted as companies, trusts, partnerships or their equivalent, and will be institutions subject to prudential supervision located globally) specializing in *derivative* or repurchase transactions which has their registered office in a developed country (including but not limited to OECD countries). Counterparties also undergo ongoing credit assessment to ensure a minimum acceptable level of credit worthiness. Collateral will generally be of high quality and *liquid* (i.e. *cash* and government securities). The CCRP defines "eligible" collateral including any applicable haircuts.

All collateral used to reduce counterparty risk will comply with the following criteria at all times:

- It must be highly *liquid* and traded on a regulated market;
- It must be valued at least daily;
- It must be of high quality;
- It will not be highly correlated with the performance of the counterparty;
- It will be sufficiently *diversified* in terms of country, markets and issuers;
- It will be held by the depositary or a third party custodian subject to prudential supervision who is unrelated to the provider of the collateral; and
- It will be capable of being fully enforced by the Manager at any time without reference or approval from the counterparty.

The amount of collateral to be given or obtained must be marked to market daily and shall be subject to daily transfers (subject to minimum thresholds).

Assets that exhibit high price *volatility* will not be accepted as collateral unless suitably conservative haircuts are in place. Appropriate haircuts will be determined by the Investment Manager for each asset class based on its haircut policy. The haircut policy takes into account a variety of factors, depending on the nature of the collateral received, such as the issuer’s credit standing, the maturity, currency and price *volatility* of the assets. There will not necessarily be any restrictions on the maturity of securities received as collateral.

Permitted collateral includes the following: subject to the rules on stock lending (which includes repurchase and reverse repurchase agreements) under 5.4 of the Collective Investment Schemes Sourcebook (the “FCA Rules”)

- *Cash*;
- Government and other public securities;
- Certificates of deposit issued by "relevant institutions"; and
- *Bonds* or commercial paper issued by "relevant institutions".

Non-*cash* collateral will not be sold, re-invested or pledged.
Cash collateral will only be:

- Placed on deposit;
- Invested in high-quality government *bonds*;
- Used for the purpose of reverse *repo* transactions with credit institutions that are subject to prudential supervision (and on terms that permit the Manager to recall at any time the full amount of *cash* on an accrued basis); or
- Invested in *short-term* money market funds (as defined for the purposes by the European Securities and Markets Authority ("ESMA")).

Where *cash* collateral is reinvested it will be *diversified* in accordance with guidelines published from time to time by ESMA.

Collateral is received under a title transfer arrangement and collateral received must be held by or on behalf of the Depositary.

The CCRP may from time to time include any additional restrictions which the Manager considers appropriate.

Appendix 2
Eligible Markets

The fund may deal through securities and *derivatives* markets in the United Kingdom or any *EEA State* which are regulated, operate regularly and are open to the public.

The fund may also deal through the securities and *derivatives* markets indicated below.

Investment will be made in accordance with the investment and objective of the fund. A market may be added to each of the lists below in accordance with the FCA Rules.

ELIGIBLE SECURITIES MARKETS

AUSTRALIA
ASX Group Limited
BRAZIL
BM&F Bovespa
CANADA
The Toronto Stock Exchange
TSX Ventures
CHILE
Bolsa de Comercio de Santiago
CHINA
Shanghai Stock Exchange
Shenzhen Stock Exchange
HONG KONG
Hong Kong Exchanges & Clearing Limited
Shanghai-Hong Kong Connect
Shenzhen-Hong Kong Connect
INDIA
Bombay Stock Exchange
National Stock Exchange
INDONESIA
Indonesia Stock Exchange
ISRAEL
Tel Aviv Stock Exchange
JAPAN
Tokyo Stock Exchange
Fukuoka Stock Exchange
Nagoya Stock Exchange
Osaka Securities Exchange
Sapporo Securities Exchange
JASDAQ Stock Exchange
Mothers Market
TSE J-Reit
KOREA
Korea Exchange
MALAYSIA
Bursa Malaysia Securities Berhad
MEXICO
Bolsa Mexicana de Valores (Mexican Stock Exchange)
NEW ZEALAND
New Zealand Exchange Limited
PERU
Bolsa de Valores de Lima
PHILIPPINES
Philippines Stock Exchange

SINGAPORE
Singapore Exchange
SOUTH AFRICA
Johannesburg Securities Exchange
TAIWAN
Taiwan Stock Exchange
Gre Tai Securities Market
THAILAND
Stock Exchange of Thailand
TURKEY
Istanbul Stock Exchange
UNITED STATES
Chicago Stock Exchange
International Securities Exchange
NYSE Euronext
NASDAQ
National Stock Exchange
The market in transferable securities issued by or on behalf of the Government of the United States of America conducted through those persons for the time being recognised and supervised by the Federal Reserve Bank of New York and known as primary dealers

OTHERS
SIX Group (Switzerland)

ELIGIBLE DERIVATIVES MARKETS

AUSTRALIA
ASX Group Limited
BRAZIL
BM&F Bovespa
CANADA
Montreal Exchange Inc
HONG KONG
Hong Kong Exchanges & Clearing Limited
JAPAN
Tokyo Stock Exchange
Tokyo Financial Exchange
Osaka Securities Exchange

KOREA
Korea Exchange
SINGAPORE
Singapore Exchange
SOUTH AFRICA
Johannesburg Securities Exchange
The South African Futures Exchange
UNITED STATES
CME Group
Chicago Board Options Exchange
International Securities Exchange
NYSE Euronext

OTHERS
SIX Group (Switzerland)

Appendix 3
Valuations

General

Each unit linked to the fund represents, in microcosm the overall property of the fund: so valuation of units in the fund is achieved, in broad outline, by valuing the property in the fund, and dividing that value by the number of units in existence.

Valuations

Valuations are normally made at 12 noon ('the valuation point') on each normal Dealing Day (see 'Valuation' on page 30).

The calculation of prices of units commences at or about the valuation point on each Dealing Day. The Manager may carry out additional valuations in accordance with the FCA Rules if it considers it desirable to do so. Valuations will not be made during a period of suspension of dealings (see page 27). The Manager is required to notify the unit price to the Trustee on completion of each valuation.

The property of the fund is valued on the following basis:

1. Transferable securities are valued:

   (a) if a single price for buying and selling the security is quoted, at that price; or

   (b) if separate buying and selling prices are quoted, the average of the two prices; or

   (c) if, in the opinion of the Manager, the price obtained is unreliable or no recent traded price is available or if no price exists or if the most recent price available does not reflect the Manager's best estimate of the value of the security, at a value which in the opinion of the Manager is fair and reasonable.

2. Collective investment schemes are valued:

   (a) if a single price for buying and selling units or shares is quoted, at that price; or

   (b) if separate buying and selling prices are quoted, at the average of the two prices provided the buying price has been reduced by any initial or preliminary charge included therein and the selling price has been increased by any exit or redemption charge attributable thereto; or

   (c) if, in the opinion of the Manager, the price obtained is unreliable or no recent traded price is available or if no recent price exists or if the most recent price available does not reflect the Manager's best estimate of the value of the units or shares, at a value which, in the opinion of the Manager, is fair and reasonable.

3. Any other property will be valued at what the Manager considers a fair and reasonable mid-market price.

4. *Cash* and amounts held in current, deposit and margin accounts and other time-related deposits are valued at their nominal value.

5. Approved *money market instruments* which have a residual maturity of less than three months and have no specific sensitivity to market parameters, including credit risk, shall be valued on an amortised cost basis.

6. Exchange-traded *derivative* contracts will be valued:

   (a) if a single price for buying and selling the exchange-traded *derivative* contract is quoted, at that price; or
   (b) if separate buying and selling prices are quoted, at the average of the two prices.

7. Over-the-counter *derivative* contracts shall be valued on the basis of an up-to-date market valuation which the Manager and the Trustee have agreed is reliable or if this is not available, on the basis of a pricing model which the Manager and the Trustee have agreed.

8. In valuing assets, any fiscal or other charges paid or payable on the acquisition or disposal of the asset are excluded.

9. Deductions are made for anticipated tax liabilities, for an estimated amount of other liabilities payable out of the property of the fund and for outstanding borrowing together with accrued but unpaid interest.

10. Amounts are added in respect of estimated, recoverable tax and any other amounts due to be paid into the fund, including interest accrued or deemed to accrue.

11. Currencies or values in currencies other than base currency of the fund shall be converted at the relevant valuation point at a rate of exchange that is not likely to result in any material prejudice to the interests of holders or potential holders of units.

For all of the above purposes, all instructions given to issue or cancel units shall be assumed to have been carried out (and any *cash* paid or received) whether or not this is the case.

In circumstances where the accuracy of the securities data supplied by the vendor employed by the Manager for such purposes is in question, or there is a failure on the part of the vendor's data delivery system, the Manager's data collection system, or the communication between the two, the Manager reserves the right to make use of validated market indices for pricing purposes. This method of pricing known as Indexation would be used in the pricing of the fund until such time as the Manager is satisfied that the accuracy of the data received from the vendor is no longer in question, or until restoration of the relevant delivery or collection system, or the communication between the two.

Appendix 4
Citibank UK Limited
List of Sub-delegates

Country	Citibank N.A. (Global Custody London & Luxembourg Global Window)
Argentina	The Branch of Citibank, N.A. in the Republic of Argentina
Australia	Citigroup Pty. Limited
Austria	Citibank Europe plc
Bahrain	Citibank, N.A., Bahrain Branch
Bangladesh	Citibank, N.A., Bangladesh Branch
Belgium	Citibank Europe plc
Bermuda	The Hong Kong & Shanghai Banking Corporation Limited acting through its agent, HSBC Bank Bermuda Limited
Bosnia-Herzegovina (Sarajevo)	UniCredit Bank d.d.
Bosnia-Herzegovina: Srpska (Banja Luka)	UniCredit Bank d.d.
Botswana	Standard Chartered Bank of Botswana Limited
Brazil	Citibank, N.A., Brazilian Branch
Bulgaria	Citibank Europe plc Bulgaria Branch
Canada	Citibank Canada
Chile	Banco de Chile
China B Shanghai	Citibank, N.A., Hong Kong Branch (For China B shares)
China B Shenzhen	Citibank, N.A., Hong Kong Branch (For China B shares)
China A Shares	Citibank (China) Co., Ltd (China A shares)

China Hong Kong Stock Connect	Citibank, N.A., Hong Kong Branch
Clearstream ICSD	
Colombia	Cititrust Colombia S.A. Sociedad Fiduciaria
Costa Rica	Banco Nacional de Costa Rica
Croatia	Privedna Banka Zagreb d.d.
Cyprus	Citibank Europe plc,Greece Branch
Czech Republic	Citibank Europe plc, organizacni slozka
Denmark	Citibank Europe plc
Egypt	Citibank, N.A., Egypt
Estonia	Swedbank AS
Euroclear	Euroclear Bank SA/NV
Finland	Nordea Bank Abp.
France	Citibank Europe plc
Georgia	JSC Bank of Georgia
Germany	Citibank Europe plc
Ghana	Standard Chartered Bank of Ghana Limited
Greece	Citibank Europe plc, Greece Branch
Hong Kong	Citibank N.A., Hong Kong Branch
Hungary	Citibank Europe plc, Hungarian Branch Office
Iceland	Islandsbanki hf

India	Citibank, N.A. Mumbai Branch
Indonesia	Citibank, N.A., Jakarta Branch
Ireland	Citibank N.A., London Branch
Israel	Citibank, N.A., Israel Branch
Italy	Citibank Europe plc
Jamaica	Scotia Investments Jamaica Limited
Japan	Citibank N.A., Tokyo Branch
Jordan	Standard Chartered Bank Jordan Branch
Kazakhstan	Citibank Kazakhstan JSC
Kenya	Standard Chartered Bank Kenya Limited
Korea (South)	Citibank Korea Inc.
Kuwait	Citibank N.A., Kuwait Branch
Latvia	Swedbank AS, based in Estonia and acting through its Latvian branch, Swedbank AS
Lithuania	Swedbank AS, based in Estonia and acting through its Lithuanian branch, Swedbank AB
Luxembourg	only offered through the ICSDs- Euroclear & Clearstream
Macedonia	Raiffeisen Bank International AG
Malaysia	Citibank Berhad
Malta	Citibank is a direct member of Clearstream Banking, which is an ICSD.
Mauritius	The Hong Kong & Shanghai Banking Corporation Limited
Mexico	Banco Nacional de Mexico, SA

Morocco	Citibank Maghreb S.A
Namibia	Standard Bank of South Africa Limited acting through its agent, Standard Bank Namibia Limited
Netherlands	Citibank Europe plc
New Zealand	Citibank, N.A., New Zealand Branch
Nigeria	Citibank Nigeria Limited
Norway	Citibank Europe plc
Oman	The Hong Kong & Shanghai Banking Corporation Limited acting through its agent, HSBC Bank Oman S.A.O.G
Pakistan	Citibank, N.A., Pakistan Branch
Panama	Citibank N.A., Panama Branch
Peru	Citibank del Peru S.A
Philippines	Citibank, N.A., Philippine Branch
Poland	Bank Handlowy w Warszawie SA
Portugal	Citibank Europe plc
Qatar	The Hong Kong & Shanghai Banking Corporation Limited acting through its agent, HSBC Bank Middle East Limited
Romania	Citibank Europe plc, Dublin - Romania Branch
Russia	AO Citibank*
Saudi Arabia	The Hong Kong & Shanghai Banking Corporation Limited acting through its agent, HSBC Saudi Arabia Ltd.
Serbia	UniCredit Bank Srbija a.d.
Singapore	Citibank, N.A., Singapore Branch
Slovak Republic	Citibank Europe plc pobocka zahranicnej banky

Slovenia	UniCredit Banka Slovenia d.d. Ljubljana
South Africa	Citibank N.A., South Africa Branch
Spain	Citibank Europe plc
Sri Lanka	Citibank, N.A. Sri Lanka Branch
Sweden	Citibank Europe plc, Sweden Branch
Switzerland	Citibank N.A., London Branch
Taiwan	Citibank Taiwan Limited
Tanzania	Standard Bank of South Africa acting through its affiliate Stanbic Bank Tanzania Ltd
Thailand	Citibank, N.A., Bangkok Branch
Tunisia	Union Internationale de Banques
Turkey	Citibank, A.S.
Uganda	Standard Chartered Bank of Uganda Limited
Ukraine	JSC Citibank
UAE- Abu Dhabi Securities Exchange	Citibank N.A., UAE
United Arab Emirates DFM	Citibank N.A., UAE
United Arab Emirates NASDAQ Dubai	Citibank N.A., UAE
United Kingdom	Citibank N.A., London Branch
United States*	Citibank N.A., New York offices

Uruguay	Banco Itau Uruguay S.A.
Vietnam	Citibank N.A., Hanoi Branch

* Due to international sanctions, at the date of this Prospectus investing in or transferring assets in and/or out of Russia is not permitted.

Appendix 5
Annual Management Charge

The following table shows the current rate of Annual Management Charge for each unit class of the fund.

The Annual Management Charge is taken from the capital of the fund or the income generated by it. Where the charge is normally deducted from income of a fund but the income generated by the fund is insufficient to meet it, the charge may then be deducted from the capital of that fund. Where the charge is taken from the capital of the fund, this may result in capital erosion or constrain capital growth.

Retail Units	Institutional Units	ZA Units, ZB Units and ZC Units	Platform Units	Charge deducted from capital or income
1.3%	0.75% 1.5% - Institutional "A" Units 0.60% - Institutional "S" Units	0%	0.75% Platform 1 Units	Income

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