



# abrdn SICAV III

Prospectus  
30 September 2024

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

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## IMPORTANT INFORMATION

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

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

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

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

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

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

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

### **United States of America**

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

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

### **Canada**

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

### **Shareholder Rights**

abrdn SICAV III draws the attention of investors to the fact that any investor will only be able to fully exercise his investor rights directly against abrdn SICAV III, notably the right to participate in General Meetings of Shareholders if the investor is registered himself and in his own name in the register of Shareholders of abrdn SICAV III. In case an investor invests in abrdn SICAV III through an intermediary, (i) it may not always be possible for the investor to exercise certain shareholder rights directly against abrdn SICAV III and (ii) investors' rights to indemnification in the event of NAV errors/non-compliance with the investment rules applicable to a Fund may be impacted and only exercisable indirectly. Investors are advised to take advice on their rights.

**General**

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

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

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

## GLOSSARY

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

<b>Application Form</b>	The application form available from the Management Company, the Transfer Agent or local distributors.
<b>Articles of Incorporation</b>	The articles of incorporation of abrdrn SICAV III.
<b>Associate</b>	A company within the abrdrn plc group of companies.
<b>Base Currency</b>	In relation to a Fund means the base currency for the relevant Fund detailed under "Fund Information".
<b>Benchmark Regulation</b>	Regulation (EU) 2016/1011 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds.
<b>Board of Directors/Board</b>	The board of directors of abrdrn SICAV III.
<b>Business Day</b>	A day on which banks in Luxembourg are open for business (24 December is not a Business Day).
<b>Callable Bonds</b>	A bond that the issuer may redeem before it reaches the stated (Legal) maturity date but shall not include bonds that may be called within 95 days of that maturity date or if there is the right to exercise a "make whole call" provision.
<b>CEMBI</b>	The JP Morgan Corporate Emerging Markets Bond Index.
<b>CIS</b>	A free association of former Soviet republics in the Soviet Union prior to its dissolution in December 1991. The original member states include: Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Russia, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan. Georgia, originally a member, withdrew from the association in 2009 but is included in the group for the purposes of this Prospectus.
<b>Class(es) of Shares/Share Class(es)/ Classes</b>	Pursuant to the Articles of Incorporation, the Board of Directors may decide to issue, within each Fund, separate classes of Shares (hereinafter referred to as a "Share Class" or "Class of Shares" or "Class", as appropriate) whose assets will be commonly invested but where a specific initial or redemption charge structure, fee structure, minimum subscription amount, currency, dividend policy or other feature may be applied.
<b>Connected Person</b>	A person or corporation related by common ownership as more fully defined in Article 16 of the Articles of Incorporation.
<b>Credit Default Swaps</b>	A contract between a credit protection seller and a credit protection buyer where, in consideration of the buyer paying the seller an agreed fee, the seller agrees to pay out an agreed sum to the buyer if certain default events occur in respect of a third party's (or group of third parties') debt obligations.
<b>CSDCC</b>	The China Securities Depository and Clearing Corporation Limited.
<b>CSRC</b>	The China Securities Regulatory Commission.
<b>CSSF</b>	<i>Commission de Surveillance du Secteur Financier</i> or its successor.
<b>Dealing Day</b>	With respect to any Fund, a day on which Shares are available for subscription and redemption. Dealing Days are specified under the section "Dealing in Shares of abrdrn SICAV III".
<b>Debt and Debt-Related Securities</b>	Includes but is not limited to convertible and non-convertible corporate and non-corporate debt securities, preferred securities, privately placed securities (which are securities sold directly in a negotiated sale to institutional or private investors rather than a public offering such as privately placed bonds), fixed and floating rate bonds, zero-coupon and discount bonds, debentures, notes, certificates of deposit, banker's acceptances, bills of exchange, commercial paper, treasury bills, asset-backed securities and mortgage-backed securities.
<b>Defaulted security</b>	A security in relation to which the borrower has not made a scheduled payment of interest or principal.
<b>Directive 2009/65/EC</b>	Directive 2009/65/EC on the coordination of laws, regulations and administrative provision relating to undertakings for collective investment in Transferable Securities, as amended.
<b>Directors</b>	Members of the Board.

<b>Distressed security</b>	A security which has either defaulted, is under bankruptcy protection, or is under distress and moving towards the aforementioned situations in the near future.
<b>EEA</b>	The European Economic Area (the EU, Norway, Iceland and Liechtenstein).
<b>Eligible Market</b>	A stock exchange or Regulated Market in one of the Eligible States.
<b>Eligible State</b>	Any Member State of the EU or any other state in Eastern and Western Europe, Asia, Africa, Australia, North America, South America and Oceania.
<b>Emerging Market</b>	Any country that is included in the MSCI Emerging Markets series of indices or FTSE Emerging Markets series of indices or JP Morgan Emerging Market series of indices (or composites thereof or any successor series) or any country classified by the World Bank as a low to upper middle income country.
<b>EU</b>	European Union.
<b>Euro</b>	All references to "Euro" and "€" are to the currency introduced at the third stage of economic union pursuant to the Treaty establishing the European Union.
<b>Fund</b>	A sub-fund of abrdn SICAV III.
<b>Institutional Investor</b>	An institutional investor within the meaning of the Law and the practice of the CSSF.
<b>Gross Investment Amount</b>	The amount submitted by or on behalf of an investor for investment in any of the Funds and out of which any initial or other charges will be paid prior to investment.
<b>Investment Grade</b>	Having a rating of at least BBB- by Standard & Poor's or at least Baa3 by Moody's Investor Services or at least BBB- by Fitch Ratings, or be considered equivalent by the Investment Manager using similar credit criteria at the time of purchase. In the case of split ratings, the median rating will be used except in relation to abrdn SICAV III – Global Bond Fixed Maturity 2025-II Fund where the lowest rating can be used.
<b>PRIIPS KID<sup>1</sup></b>	Key information documents for retail and insurance-based packaged investment products within the meaning of Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for retail and insurance-based packaged investment products, as amended.
<b>Law</b>	The Luxembourg law of 17 December 2010 on undertakings for collective investment, as amended.
<b>Mainland China</b>	PRC excluding Hong Kong, Macau and Taiwan.
<b>Maturity Date</b>	With respect to any Fund, the date defined as the "Maturity Date" in the relevant Investment Policy and Objective.
<b>Member State</b>	A member state as defined in the Law.
<b>MiFID</b>	Directive 2014/65/EU on markets in financial instruments and Regulation EU 600/2014 on markets in financial instruments and any EU or Luxembourg implementing laws and regulations.
<b>Money Market Instruments</b>	Instruments normally dealt in on the money market which are liquid, and have a value which can be accurately determined at any time.
<b>Net Asset Value</b>	The value of the net assets of the Company (or a Fund or Class of Shares in a Fund as the context requires) and calculated in accordance with the provisions described in Section 1 of Appendix B.
<b>Other UCIs</b>	An undertaking for collective investment which has as its sole object the collective investment in Transferable Securities and/or other liquid financial assets of capital raised from the public and which operates on the principle of risk spreading and the units/shares of which are at the request of holders repurchased or redeemed directly or indirectly out of those undertakings' assets provided that action taken to ensure that the stock exchange value of such units/shares does not significantly vary shall be regarded as equivalent to such repurchase or redemption.
<b>PRC</b>	People's Republic of China.

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

<b>Regulated Market</b>	A regulated market as defined in MiFID, namely a market which appears on the list of the regulated markets drawn up by each Member State, which functions regularly, is characterized by the fact that regulations issued or approved by the competent authorities define the conditions for the operation of the market, the conditions for access to the market and the conditions that must be satisfied by a financial instrument before it can effectively be dealt in on the market, requiring compliance with all the reporting and transparency requirements laid down by MiFID and any other market which is regulated, operates regularly and is recognised and open to the public in an Eligible State.
<b>RESA</b>	<i>Recueil Electronique des Sociétés et Associations.</i>
<b>Share</b>	Any share of any Class of a Fund.
<b>Shareholder</b>	Any person holding Shares of a Fund.
<b>Share Price</b>	The price of a Share in any one of the Funds, this price being the Net Asset Value of that Share Class divided by the number of Shares in issue in that Class, adjusted and calculated as described in Section 2 of Appendix B.
<b>Sterling</b>	All references to "Sterling", "£" and "pounds" are to the pound Sterling, the currency of the United Kingdom.
<b>Sub-Investment Grade</b>	Having a rating which is below Investment Grade.
<b>Swiss Franc</b>	All references to "Swiss Franc" and "CHF" are to the Swiss Franc, the currency of Switzerland.
<b>Transferable Securities</b>	Shares and other securities equivalent to shares, Debt and Debt-Related Securities and any other negotiable securities which carry the right to acquire any such transferable securities by subscription or exchange referred to in article 41 of the Law, excluding the techniques and instruments referred to in article 42 of the Law.
<b>UCITS</b>	An Undertaking for Collective Investment in Transferable Securities.
<b>UK</b>	The United Kingdom.
<b>US Dollars</b>	All references to "US Dollars" and "US\$" are to the United States Dollar, the currency of the United States of America.
<b>Yen</b>	All references to "Yen" and "¥" are to the Japanese Yen, the currency of Japan.

## THE abrdn ORGANISATION

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

## BOARD OF DIRECTORS OF abrdn SICAV III

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

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

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

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

**Xavier Meyer** was appointed Chief Client Officer at abrdn in July 2022 and is responsible for client and distribution activity globally, and latterly, was appointed CEO of UK & EMEA. He has over 20 years' experience in asset management. Previously Xavier was Regional Chief Executive for North Asia, Europe & Americas at Eastspring Investments and prior to this role, Xavier was Eastspring Investment's Global Head of Distribution. Before this Xavier held a number of roles at BNP Paribas in Europe and in Asia. He holds a Master's degree in Economics & Finance from Sciences Po Paris and a Master's degree from NEOMA Business School.

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

**Emily Smart** is the Chief Product Officer at abrdn. Emily and her team are responsible for collaborating across the business and driving product innovation, delivery, and management across traditional asset classes (equity and fixed income); liquid alternatives and thematic areas including Sustainability. Prior to joining the Product team in 2018, Emily spent 5 years as an Institutional Client Director, covering a broad range of clients and asset classes. Emily joined the company in 2013 and prior to this spent 10 years in Private Banking at UBS and Barclays, primarily as an Alternatives investment specialist.



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

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**Andreia Camara** is Director and Conducting Officer of abrdn Investments Luxembourg S.A. primarily covering risk management and valuation. Andreia joined abrdn as a result of the merger between Aberdeen Asset Management and Standard Life in August 2017. Andreia joined Aberdeen Asset Management in 2013 after 12 years at Ernst & Young, working in assurance and advisory services for alternative investments. From 2011 Andreia was part of Ernst & Young's AIFMD implementation team and is since then actively involved in the ALFI Risk Management Committees.

Andreia has a degree from the University of Minho in Portugal in Business Management and a Post Graduate degree in Tax law and Finance from the University of Economics of Oporto. She is also certified as a Luxembourg CPA and a qualified professional of RICS (MRICS).

**Paul Hughes** is the Global Head of Oversight, Analytics and Execution at abrdn. Paul is responsible for a range of teams covering investment risk and investment process oversight, modelling and quantitative analytics, mandate compliance, investment execution and research oversight. This is across all abrdn products globally. In addition, he oversees development of process, people, technology and strategy in these areas, working with clients and prospects externally and the investment teams internally. Paul is active in a number of industry groups and has served on a number of fund boards. He is a former chair of the CFA UK Scottish committee. Paul joined the company at the beginning of 2020 from Martin Currie Investment Management where latterly he was Chief Operating Officer Investments with responsibility for Investment Risk, Trading and Quant. Prior to this he spent 10 years with Britannic Asset Management.

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

## MANAGEMENT AND ADMINISTRATION

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

<b>Registered Office</b>	<b>abrdrn SICAV III</b> 35a, avenue John F. Kennedy L-1855 Luxembourg Grand Duchy of Luxembourg
<b>Management Company and Domiciliary Agent,</b>	<b>abrdrn Investments Luxembourg S.A.</b> 35a, avenue John F. Kennedy L-1855 Luxembourg Grand Duchy of Luxembourg
<b>Registrar and Transfer Agent</b>	<b>International Financial Data Services (Luxembourg) S.A.</b> 49, avenue J. F. Kennedy, L 855, Luxembourg, R.C.S Luxembourg, B81997
<b>For Shareholder Services</b>	<b>abrdrn Investments Luxembourg S.A.</b> c/o International Financial Data Services (Luxembourg) S.A. 49, avenue J. F. Kennedy L-1855 Luxembourg Grand Duchy of Luxembourg  Tel (Enquiries): +(352) 46 40 10 7425 / +(44) 1224 425 257 Tel (Dealing): +(352) 46 40 10 7015 / +(44) 1224 425 259 Fax: (352) 24 52 90 56
<b>Paying Agent</b>	<b>State Street Bank International GmbH, Luxembourg Branch</b> 49, avenue John F. Kennedy L-1855 Luxembourg Grand Duchy of Luxembourg
<b>Depository and Administrator</b>	<b>Citibank Europe plc, Luxembourg Branch</b> 31 Z.A. Bourmicht, Bertrange Grand Duchy of Luxembourg
<b>Investment Manager</b>	<b>abrdrn Investments Limited</b> 1 George Street Edinburgh EH2 2LL United Kingdom  abrdrn Investments Limited is authorised and regulated by the Financial Conduct Authority
<b>Sub-Investment Manager or Investment Advisor</b>	<b>abrdrn Asia Limited</b> 7 Straits View #23-04 Marina One East Tower Singapore 018936
<b>Auditors</b>	<b>KPMG Luxembourg, Société Coopérative</b> 39, avenue John F. Kennedy L-1855 Luxembourg Grand Duchy of Luxembourg
<b>Legal Advisers as to matters of Luxembourg law</b>	<b>Elvinger Hoss Prussen, société anonyme</b> 2 Place Winston Churchill L-1340 Luxembourg Grand Duchy of Luxembourg

## PRINCIPAL AGREEMENTS

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### The Management Company

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

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

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

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

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

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

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

#### *Remuneration Policy*

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

The Remuneration Policy has been designed to:

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

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

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

Details of the up-to-date Remuneration Policy, including, but not limited to, a description of how remuneration and benefits are calculated, and the identity of the persons responsible for awarding remuneration and benefits including the composition of the remuneration committee, is available at [www.abrdn.com](http://www.abrdn.com) under "Fund Literature". A paper copy is made available free of charge upon request at the Management Company's registered office.

#### *Queries and Complaints*

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

#### **The Domiciliary Agent**

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

#### **Registrar and Transfer Agent**

The Management Company has appointed International Financial Data Services (Luxembourg) S.A. to carry out the Registrar and Transfer Agent functions, namely to provide dealing, registration and transfer agency services in Luxembourg in accordance with the requirements of the laws governing Luxembourg collective investment schemes.

### **The Distributors**

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

### **The Investment Manager and Sub-Investment Manager**

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

### **Investment Advisor**

Under the terms of an Investment Advisory Agreement, abrdn Asia Limited has been appointed by Investment Manager to act as Investment Advisor to provide non-discretionary investment advice in respect of the Asian assets of abrdn SICAV III – Global Bond Fixed Maturity 2025 Fund. This agreement is terminable by any party at any time upon three months' written notice or with immediate effect when this is in the interest of the Shareholders. The Investment Manager will remunerate abrdn Asia Limited out of its own fees.

### **The Depositary**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

#### **Paying Agent**

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

#### **The Administrator**

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

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

## STRUCTURE

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### Funds & Base Currencies

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

### Types of Shares & Share Price Calculations

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

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

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

The Shares relating to each Fund are issued in the following main Classes, namely Class A, Class I, Class K, Class L, Class X, and Class Z Shares. Share Class definitions can be found under Appendix D of this Prospectus.

All Classes of Shares may also be offered in currency hedged versions. Hedged Share Classes are offered in a currency (as determined by the Directors of abrdn SICAV III from time to time) other than the Base Currency of the relevant Fund. Unless stated otherwise, all references to Classes of Shares include the Hedge Share Classes thereof.

Hedged Share Classes will include "Hedged" and the relevant currency in their name (e.g. ASInc Hedged EUR). Please refer to the section "Dividend Policy" for further explanation on Share Class denominations.

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

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

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

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

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

### Currency Hedged Share Classes

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

To effect currency hedging, subscriptions into a hedged Share Class will be converted into the Base Currency of the Fund and that currency exposure will then be hedged at the current forward foreign exchange rate (with this hedging transaction rolled over periodically thereafter).

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

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

### **General Information regarding Hedged Share Classes**

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

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

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

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

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

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

## **FUND INFORMATION**

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abrdn SICAV III aims to provide investors with a range of actively-managed fixed maturity Funds which, through their specific investment objectives and individual portfolios, offer investors the opportunity to conveniently build a diversified bond portfolio to meet individuals investment goals.

The overall strategy of abrdn SICAV III and the separate Funds is to seek diversification through investment primarily in Transferable Securities. All Funds may hold liquid assets on an ancillary basis.

Funds may hold ancillary liquid assets (i.e. bank deposits at sight, such as cash held in current accounts with a bank accessible at any time) up to 20% of their net assets for treasury purposes. That is, to cover current or exceptional payments, or for the time necessary to reinvest in eligible assets provided under article 41(1) of the Law or for a period of time strictly necessary in case of unfavourable market conditions. On a temporary basis and if justified by exceptionally unfavourable market conditions, a Fund may, in order to take measures to mitigate risks relative to such exceptional market conditions in the best interests of the Shareholders, hold ancillary liquid assets up to 100% of its net assets.

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

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

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

The funds are not investing in equities or equity related securities. In the case of equities resulting from convertible bonds no more than 10% of the Net Asset Value of the Fund may be invested in equities or equity related securities.

No more than 10% of the Net Asset Value of any Fund may be invested in distressed/defaulted securities.

No more than 20% of the Net Asset Value of any Fund may be invested in ABS and/or MBS.

For any Fund and subject to its investment policy, any security which is downgraded after purchase to Sub-Investment Grade will not be sold unless, in the opinion of the Investment Manager, this is in the best interest of Shareholders.



Any Fund may enter into securities lending transactions within the limits and restrictions laid down in section "Investment Techniques and Instruments and use of Financial Derivative Instruments".

## **Investment Philosophy and Process**

### **Sustainability Risk Integration**

abrdrn, through its Management Company and Investment Managers, integrates sustainability risks and opportunities into its research, analysis and investment decision-making processes for the Funds. abrdrn believes that the consideration of sustainability risks and opportunities can have a material impact on long-term returns for investors.

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

abrdrn's sustainability risk integration requires, in addition to its inclusion in the investment decision making process, appropriate monitoring of sustainability considerations in risk management and portfolio monitoring. Where the Management Company believes it can influence or gain insight, the Management Company actively engages with the companies and assets in which it invests. The Management Company believes this will create long-term value, including in relation to ESG practice. Where the Management Company has rights, the Management Company also votes at annual general meetings of target companies to drive change. abrdrn also engages with policymakers on sustainability risk and stewardship matters.

Combining the integration of sustainability risks and opportunities with broader monitoring and engagement activities may affect the value of investments and therefore returns.

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

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

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

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

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

The SFDR Article to which each Fund is subject is set out in its investment objective and policy.

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

Under SFDR all Funds have to indicate whether they consider PAIs on sustainability factors and if so, how this is applied. PAI indicators are metrics that measure the negative effects on environmental and social matters.

Article 6 Funds do not commit in any binding way to consider PAIs in the investment process, because the Funds do not commit to achieving a sustainable outcome nor to reducing negative impacts on ESG matters. However, Article 6 Funds do consider and integrate sustainability risks into their investment process (as set out above). Principal adverse impact indicators, as provided by Commission Delegated Regulation (EU) 2022/1288, may be considered as part of this risk assessment.

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

The EU Taxonomy regulation provides a methodology to identify whether economic activities can be considered environmentally sustainable ("**Taxonomy-aligned**") or not.

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

## **Fixed Income Investment Philosophy and Process**

The Investment Manager aim to add value through deep fundamental research, across Corporate and Sovereign debt markets investment grade credit, emerging market debt, Sub-Investment Grade bonds and private debt markets while integrating environmental, social and governance considerations. This is achieved by combining a top-down investment approach with bottom up security selection. The top-down investment decisions are derived from fundamental analysis of the global macroeconomic



environment and building an economic assessment covering the key economic regions and countries, forming the foundation upon which the Investment Manager determines investment themes and implement strategies. Bottom-up security selection requires diligent and thoughtful company and/or country research integrating ESG factors to allow the Investment Manager to build up a picture of the company's or country's ability to generate free cash flows. This underwriting process considers factors such as a company's business plan (or country fundamentals), capital structure and liquidity in order to assess the likelihood of that company not paying interest and principal on its debt. Across all debt markets the Investment Manager holds securities or combinations of securities that reflect their views on company and/or country fundamentals, market technicals and relative valuations of a market or sector of a market. We invite you to visit [www.abrdn.com](http://www.abrdn.com) under "Responsible Investing" to find out more about our Sustainable Development investment principles which apply to the fixed income investments made by all the Funds.

**Distinct investment objectives have been established for each Fund, which, together with their investment policies, where applicable, and Base Currencies, are as follows:**

### **ABRDN SICAV III – EMERGING MARKETS BOND FIXED MATURITY 2024 FUND**

#### **Investment Policy and Objective**

This Fund is subject to Article 6 of the SFDR. Further information can be found under section "Sustainability-related disclosure in line with EU SFDR".

The Fund's investment objective is to provide income over the term of the Fund by investing at least 70% of its Net Asset Value in Investment Grade and Sub-Investment Grade Debt and Debt-Related Securities, denominated in US Dollars and issued by corporations (including holding companies of such corporations) with their registered office, principal place of business or majority of their business activities in an Emerging Markets and/or governments or government-related bodies domiciled in an Emerging Market and with a final maturity up to the "**Maturity Date**", being 28 October 2024.

The Fund may also invest up to 30% of its Net Asset Value in investments matching the criteria set out above but subject to the following variations:

- such investments may be in any country worldwide;
- such investments may have a maturity beyond the Maturity Date, subject to no individual security having a maturity falling 12 months after the Maturity Date; and
- such investments may include Callable Bonds.

The Fund may invest up to 50% of its Net Asset Value in Sub-Investment Grade Debt and Debt-Related Securities.

The Fund may also invest up to 20% of its Net Asset Value in convertible bonds (including contingent convertibles).

The Fund may also invest in cash and Money Market Instruments directly or indirectly through the use of UCITS or Other UCIs (including those managed by abrdn). Investment in these securities will also help to maintain a prudent buffer in order to support the collateral and margin requirements of any derivatives in the Fund.

During a period of two months after the launch, the Fund will not necessarily be in line with the investment policy described above and may hold up to 100% of its net assets in deposits, cash equivalent investments or short-term debt securities.

Approximately 12 months preceding the Maturity Date, the Fund will no longer be subject to investing at least 70% of its Net Asset Value in Debt and Debt-Related Securities matching the criteria set out above (in the first paragraph). Instead, the Fund will be managed so that investments match the Maturity Date, by investing in shorter-dated financial instruments issued by governments or by corporate issuers such as commercial paper, bonds, notes, bills, deposits, certificates of deposits and cash, and/or in collective investment schemes which invest in these instruments, as well as in financial derivatives instruments. The Fund is a fixed maturity product and is expected to be liquidated on the Maturity Date, with proceeds distributed to investors at the prevailing Net Asset Value per Share.

The Investment Manager will seek to reduce the risk of losses, and the expected change (as measured by annual volatility) in the value of the Fund is not ordinarily expected to exceed 7.5%.

The Fund has been principally designed for investors who will invest in the Fund on the day of launch and will hold their investments until the Maturity Date. After the launch date of the Fund, the Fund may, in exceptional circumstances, accept further subscriptions, if specifically approved by the Board of Directors. The Board of Directors may apply a dilution adjustment to any of these subsequent subscriptions to preserve the interests of existing Shareholders (as set out under "Dealing in Shares of abrdn SICAV III"). Therefore, except for in these limited circumstances, the Fund will generally be closed for subscriptions after the launch date and will only remain open for redemptions.

All redemptions made before the Fund's Maturity Date will be subject to redemption charge or a dilution adjustment. Any such amount will be retained for the benefit of the Fund. Details are provided in sections "Dealing in Shares of abrdn SICAV III" and "Charges and Expenses" of this Prospectus.

The minimum viable amount for the Fund shall be \$100 million (the "**Minimum Viable Amount**"). In the event that the aggregate amount of subscriptions prior to the launch date does not reach the Minimum Viable Amount or the Net Asset Value of the Fund falls below the Minimum Viable Amount, or in case the Investment Manager deems the Fund's investment objective can no longer be met, the Board of Directors may decide to liquidate the Fund.

The Fund is actively managed and does not use a benchmark for portfolio construction, risk management or performance assessment purposes.

Base Currency: US Dollar

Investment Manager: abrdn Investments Limited

Investment Process: Fixed Income

Investor Profile: This Fund gives access to a global range of Debt securities and may be suitable for investors willing to accept a high level of risk within the fixed investment spectrum and whose investment horizon is aligned with the Maturity Date. The Fund is not appropriate for investors who plan to withdraw their money before the Maturity Date. Investors should be aware of the redemption charge/dilution adjustment which may be applicable to the Fund which is referred to in the Investment Objective and Policy and in section "Charges and Expenses" (redemption charge) or "Dealing in Shares of abrdn SICAV III" (dilution adjustment) in this Prospectus. Investors should be aware that no exchange (or switch) is permitted within, into or out of, this Fund.

### **Risk warnings specific to abrdn SICAV III – Emerging Markets Bond Fixed Maturity 2024 Fund**

In addition to the general risk factors set out under "General Risk Factors" potential investors should be aware of certain fund specific risks:

- The Fund is not a guaranteed fund and returns can be negative. Furthermore, the Fund is intended to be held to the Maturity Date. Investors who do not hold their Shares to the Maturity Date may suffer significant losses.
- The level of coupon payments is not guaranteed, however, due to the income objective of the Fund, in certain circumstances income may be paid out of capital. This may affect the value of the capital investors get back upon redemption.
- The Fund's underlying investments are subject to interest rate risk and credit risk (including default risk). Interest rate fluctuations affect the capital value of investments. Where long-term interest rates rise, the capital value of bonds is likely to fall and vice versa. Credit risk reflects the ability of a bond issuer to meet its obligations and in some instances, fail to do so resulting in a default. Investors holding defaulted securities may likely incur loss of income and capital. Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
- The Fund invests in debt securities, including Sub-Investment Grade securities. Consequently, the Fund's portfolio may have a significant position in Sub-Investment Grade bonds, which means that there is more risk to investors' capital and income than from a fund investing in Investment Grade bonds.
- The risk profile of the Fund is expected to change significantly between the launch date of the Fund and the final year prior to the Maturity Date. This means that:
  - Investments in the Fund will typically be replaced by a more concentrated portfolio of investments ahead of the expected liquidation of the Fund at Maturity Date.
  - Investors will be exposed to reinvestment risk (where interest or principal received from underlying fixed interest investments may not be able to be reinvested at the same rate of return),This may affect the value of the capital investors get back upon redemption.
- The Fund invests in Emerging Markets which tend to be more volatile than mature markets and its value could move sharply up or down. In some circumstances, the underlying investments may become less liquid which may constrain the Investment Manager's ability to realise some or all of the portfolio. The registration and settlement arrangements in Emerging Markets may be less developed than in more mature markets so the operational risks of investing are higher. Political risks and adverse economic circumstances are more likely to arise.
- Convertible bonds are a hybrid between debt and equity, which in principle allow holders to convert their holding in the bond into shares in the issuing company at a defined date in the future. Investment in convertibles will entail greater volatility than straight bond investments, with an increased risk of capital loss, but with the potential of higher returns.
- The Fund may be invested in contingent convertible bonds. If the financial strength of a bond's issuer falls by a predetermined threshold, the bond may suffer substantial or total losses of capital. Investors should refer to the risk factor "Contingent Securities" in the section "General Risk Factors" for information on other risks associated with contingent convertible bonds).
- The Fund may hold Callable Bonds. In some circumstances such as in a decreasing yield environment, Callable Bonds entail a call risk resulting in the possibility that an issuer may exercise its right to redeem a fixed income security earlier than expected (at a date planned in the schedule of callable dates). The redemption of a Callable Bond having a higher than average yield may cause a decrease in a Fund's yield and expose investors to reinvestment risk. In other circumstances such as in a rising yield environment, or if the issuer's credit rating deteriorates, Callable Bonds may either be called later than their expected call date (at a date planned in the schedule of callable dates) or not be called at all. In these instances the Fund may incur additional costs related to the sale of such bonds, particularly in the context of redeeming capital to investors when the Fund reaches its Maturity Date.

## ABRDN SICAV III – EMERGING MARKETS BOND FIXED MATURITY 2025 FUND

### Investment Policy and Objective

This Fund is subject to Article 6 of the SFDR. Further information can be found under section "Sustainability-related disclosure in line with EU SFDR".

The Fund's investment objective is to provide income over the term of the Fund by investing at least 70% of its Net Asset Value in Investment Grade and Sub-Investment Grade Debt and Debt-Related Securities, denominated in US Dollars and issued by corporations (including holding companies of such corporations) with their registered office, principal place of business or majority of their business activities in an Emerging Markets and/or governments or government-related bodies domiciled in an Emerging Market and with a final maturity up to the "**Maturity Date**" (being the date falling approximately four years after the launch date of the Fund).

The Fund may also invest up to 30% of its Net Asset Value in investments matching the criteria set out above but subject to the following variations:

- such investments may be in any country worldwide;
- such investments may have a maturity beyond the Maturity Date, subject to no individual security having a maturity falling 12 months after the Maturity Date; and
- such investments may include Callable Bonds.

The Fund may invest up to 50% of its Net Asset Value in Sub-Investment Grade Debt and Debt-Related Securities.

The Fund may also invest up to 20% of its Net Asset Value in convertible bonds (including contingent convertibles).

The Fund may also invest in cash and Money Market Instruments directly or indirectly through the use of UCITS or Other UCIs (including those managed by abrdn). Investment in these securities will also help to maintain a prudent buffer in order to support the collateral and margin requirements of any derivatives in the Fund.

During a period of two months after the launch, the Fund will not necessarily be in line with the investment policy described above and may hold up to 100% of its net assets in deposits, cash equivalent investments or short-term debt securities.

Approximately 12 months preceding the Maturity Date, the Fund will no longer be subject to investing at least 70% of its Net Asset Value in Debt and Debt-Related Securities matching the criteria set out above (in the first paragraph). Instead, the Fund will be managed so that investments match the Maturity Date, by investing in shorter-dated financial instruments issued by governments or by corporate issuers such as commercial paper, bonds, notes, bills, deposits, certificates of deposits and cash, and/or in collective investment schemes which invest in these instruments, as well as in financial derivatives instruments.

The Fund is a fixed maturity product and is expected to be liquidated on the Maturity Date, with proceeds distributed to investors at the prevailing Net Asset Value per Share. The exact Maturity Date will be confirmed on or before the launch of the Fund. Once set, the Maturity Date will be published at [www.abrdn.com](http://www.abrdn.com) and in the PRIIPS KIDs, and the Prospectus will be updated accordingly at the next available opportunity.

The Investment Manager will seek to reduce the risk of losses, and the expected change (as measured by annual volatility) in the value of the Fund is not ordinarily expected to exceed 7.5%.

The Fund has been principally designed for investors who will invest in the Fund on the day of launch and will hold their investments until the Maturity Date. After the launch date of the Fund, the Fund may, in exceptional circumstances, accept further subscriptions, if specifically approved by the Board of Directors. The Board of Directors may apply a dilution adjustment to any of these subsequent subscriptions to preserve the interests of existing Shareholders (as set out under "Dealing in Shares of abrdn SICAV III"). Therefore, except for in these limited circumstances, the Fund will generally be closed for subscriptions after the launch date and will only remain open for redemptions.

All redemptions made before the Fund's Maturity Date will be subject to redemption charge or a dilution adjustment. Any such amount will be retained for the benefit of the Fund. Details are provided in sections "Dealing in Shares of abrdn SICAV III" and "Charges and Expenses" of this Prospectus.

The minimum viable amount for the Fund shall be \$100 million (the "**Minimum Viable Amount**"). In the event that the aggregate amount of subscriptions prior to the launch date does not reach the Minimum Viable Amount or the Net Asset Value of the Fund falls below the Minimum Viable Amount, or in case the Investment Manager deems the Fund's investment objective can no longer be met, the Board of Directors may decide to liquidate the Fund.

The Fund is actively managed and does not use a benchmark for portfolio construction, risk management or performance assessment purposes.

Base Currency: US Dollar

Investment Manager: abrdn Investments Limited

Investment Process: Fixed Income

Investor Profile: This Fund gives access to a global range of Debt securities and may be suitable for investors willing to accept a high level of risk within the fixed investment spectrum and whose investment horizon is aligned with the Maturity Date. The Fund is not appropriate for investors who plan to withdraw their money before the Maturity Date. Investors should be aware of the redemption charge/dilution

adjustment which may be applicable to the Fund which is referred to in the Investment Objective and Policy and in section "Charges and Expenses" (redemption charge) or "Dealing in Shares of abrdn SICAV III" (dilution adjustment) in this Prospectus. Investors should be aware that no exchange (or switch) is permitted within, into or out of, this Fund.

### **Risk warnings specific to abrdn SICAV III – Emerging Markets Bond Fixed Maturity 2025 Fund**

In addition to the general risk factors set out under "General Risk Factors" potential investors should be aware of certain fund specific risks:

- The Fund is not a guaranteed fund and returns can be negative. Furthermore, the Fund is intended to be held to the Maturity Date. Investors who do not hold their Shares to the Maturity Date may suffer significant losses.
- The level of coupon payments is not guaranteed, however, due to the income objective of the Fund, in certain circumstances income may be paid out of capital. This may affect the value of the capital investors get back upon redemption.
- The Fund's underlying investments are subject to interest rate risk and credit risk (including default risk). Interest rate fluctuations affect the capital value of investments. Where long-term interest rates rise, the capital value of bonds is likely to fall and vice versa. Credit risk reflects the ability of a bond issuer to meet its obligations and in some instances, fail to do so resulting in a default. Investors holding defaulted securities may likely incur loss of income and capital. Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
- The Fund invests in debt securities, including Sub-Investment Grade securities. Consequently, the Fund's portfolio may have a significant position in Sub-Investment Grade bonds, which means that there is more risk to investors' capital and income than from a fund investing in Investment Grade bonds.
- The risk profile of the Fund is expected to change significantly between the launch date of the Fund and the final year prior to the Maturity Date. This means that:
  - Investments in the Fund will typically be replaced by a more concentrated portfolio of investments ahead of the expected liquidation of the Fund at Maturity Date.
  - Investors will be exposed to reinvestment risk (where interest or principal received from underlying fixed interest investments may not be able to be reinvested at the same rate of return),This may affect the value of the capital investors get back upon redemption.
- The Fund invests in Emerging Markets which tend to be more volatile than mature markets and its value could move sharply up or down. In some circumstances, the underlying investments may become less liquid which may constrain the Investment Manager's ability to realise some or all of the portfolio. The registration and settlement arrangements in Emerging Markets may be less developed than in more mature markets so the operational risks of investing are higher. Political risks and adverse economic circumstances are more likely to arise.
- Convertible bonds are a hybrid between debt and equity, which in principle allow holders to convert their holding in the bond into shares in the issuing company at a defined date in the future. Investment in convertibles will entail greater volatility than straight bond investments, with an increased risk of capital loss, but with the potential of higher returns.
- The Fund may be invested in contingent convertible bonds. If the financial strength of a bond's issuer falls by a predetermined threshold, the bond may suffer substantial or total losses of capital. Investors should refer to the risk factor "Contingent Securities" in the section "General Risk Factors" for information on other risks associated with contingent convertible bonds).
- The Fund may hold Callable Bonds. In some circumstances such as in a decreasing yield environment, Callable Bonds entail a call risk resulting in the possibility that an issuer may exercise its right to redeem a fixed income security earlier than expected (at a date planned in the schedule of callable dates). The redemption of a Callable Bond having a higher than average yield may cause a decrease in a Fund's yield and expose investors to reinvestment risk. In other circumstances such as in a rising yield environment, or if the issuer's credit rating deteriorates, Callable Bonds may either be called later than their expected call date (at a date planned in the schedule of callable dates) or not be called at all. In these instances the Fund may incur additional costs related to the sale of such bonds, particularly in the context of redeeming capital to investors when the Fund reaches its Maturity Date.

### **ABRDN SICAV III – EMERGING MARKETS BOND FIXED MATURITY 2026-II FUND**

#### **Investment Policy and Objective**

This Fund is subject to Article 6 of the SFDR. Further information can be found under section "Sustainability-related disclosure in line with EU SFDR".

The Fund's investment objective is to provide income over the term of the Fund by investing at least 70% of its Net Asset Value in Investment Grade and Sub-Investment Grade Debt and Debt-Related Securities, denominated in US Dollars and issued by corporations (including holding companies of such corporations) with their registered office, principal place of business or majority

of their business activities in an Emerging Markets and/or governments or government-related bodies domiciled in an Emerging Market and with a final maturity up to the "**Maturity Date**" (being the date falling approximately three years after the launch date of the Fund).

The Fund may also invest up to 30% of its Net Asset Value in investments matching the criteria set out above but subject to the following variations:

- such investments may be in any country worldwide;
- such investments may have a maturity beyond the Maturity Date, subject to no individual security having a maturity falling 12 months after the Maturity Date; and
- such investments may include Callable Bonds.

The Fund may invest up to 50% of its Net Asset Value in Sub-Investment Grade Debt and Debt-Related Securities.

The Fund may also invest up to 20% of its Net Asset Value in convertible bonds (including contingent convertibles).

The Fund may also invest in cash and Money Market Instruments directly or indirectly through the use of UCITS or Other UCIs (including those managed by abrdn). Investment in these securities will also help to maintain a prudent buffer in order to support the collateral and margin requirements of any derivatives in the Fund.

The Fund may hold ancillary liquid assets (i.e. bank deposits at sight, such as cash held in current accounts with a bank accessible at any time) up to 20% of its net assets for treasury purposes. On a temporary basis and if justified by exceptionally unfavourable market conditions, the Fund may, in order to take measures to mitigate risks relative to such exceptional market conditions in the best interests of the Shareholders, hold ancillary liquid assets up to 100% of its net assets.

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

During a period of two months after the launch, the Fund will not necessarily be in line with the investment policy described above and may hold up to 100% of its net assets in deposits and other investments, such as cash equivalent investments or short-term debt securities.

Approximately 12 months preceding the Maturity Date, the Fund will no longer be subject to investing at least 70% of its Net Asset Value in Debt and Debt-Related Securities matching the criteria set out above (in the first paragraph). Instead, the Fund will be managed so that investments match the Maturity Date, by investing in shorter-dated financial instruments issued by governments or by corporate issuers such as commercial paper, bonds, notes, bills, deposits, certificates of deposits and cash, and/or in collective investment schemes which invest in these instruments, as well as in financial derivatives instruments.

The Fund is a fixed maturity product and is expected to be liquidated on the Maturity Date, with proceeds distributed to investors at the prevailing Net Asset Value per Share. The exact Maturity Date will be confirmed on or before the launch of the Fund. Once set, the Maturity Date will be published at [www.abrdn.com](http://www.abrdn.com) and in the PRIIPS KIDs, and the Prospectus will be updated accordingly at the next available opportunity.

The Investment Manager will seek to reduce the risk of losses, and the expected change (as measured by annual volatility) in the value of the Fund is not ordinarily expected to exceed 7.5%.

The Fund has been principally designed for investors who will invest in the Fund on the day of launch and will hold their investments until the Maturity Date. After the launch date of the Fund, the Fund may, in exceptional circumstances, accept further subscriptions, if specifically approved by the Board of Directors. The Board of Directors may apply a dilution adjustment to any of these subsequent subscriptions to preserve the interests of existing Shareholders (as set out under "Dealing in Shares of abrdn SICAV III"). Therefore, except for in these limited circumstances, the Fund will generally be closed for subscriptions after the launch date and will only remain open for redemptions.

All redemptions made before the Fund's Maturity Date will be subject to redemption charge or a dilution adjustment. Any such amount will be retained for the benefit of the Fund. Details are provided in sections "Dealing in Shares of abrdn SICAV III" and "Charges and Expenses" of this Prospectus.

The minimum viable amount for the Fund shall be \$100 million (the "**Minimum Viable Amount**"). In the event that the aggregate amount of subscriptions prior to the launch date does not reach the Minimum Viable Amount or the Net Asset Value of the Fund falls below the Minimum Viable Amount, or in case the Investment Manager deems the Fund's investment objective can no longer be met, the Board of Directors may decide to liquidate the Fund.

The Fund is actively managed and does not use a benchmark for portfolio construction, risk management or performance assessment purposes.

The investment policy of the Fund may be similar or close to those of other Funds. However, the Fund may be launched on a different date. Therefore, the Fund's portfolio may differ from the portfolio of such other Funds as it will reflect an investment universe in accordance with prevailing market conditions and the term of the Fund.

Base Currency: US Dollar  
Investment Manager: abrdn Investments Limited  
Investment Process: Fixed Income

**Investor Profile:** This Fund gives access to a global range of Debt securities and may be suitable for investors willing to accept a high level of risk within the fixed investment spectrum and whose investment horizon is aligned with the Maturity Date. The Fund is not appropriate for investors who plan to withdraw their money before the Maturity Date. Investors should be aware of the redemption charge/dilution adjustment which may be applicable to the Fund which is referred to in the Investment Objective and Policy and in section "Charges and Expenses" (redemption charge) or "Dealing in Shares of abrdn SICAV III" (dilution adjustment) in this Prospectus. Investors should be aware that no exchange (or switch) is permitted within, into or out of, this Fund.

### **Risk warnings specific to abrdn SICAV III – Emerging Markets Bond Fixed Maturity 2026-II Fund**

In addition to the general risk factors set out under "General Risk Factors" potential investors should be aware of certain fund specific risks:

- The Fund is not a guaranteed fund and returns can be negative. Furthermore, the Fund is intended to be held to the Maturity Date. Investors who do not hold their Shares to the Maturity Date may suffer significant losses.
- The level of coupon payments is not guaranteed, however, due to the income objective of the Fund, in certain circumstances income may be paid out of capital. This may affect the value of the capital investors get back upon redemption.
- The Fund's underlying investments are subject to interest rate risk and credit risk (including default risk). Interest rate fluctuations affect the capital value of investments. Where long-term interest rates rise, the capital value of bonds is likely to fall and vice versa. Credit risk reflects the ability of a bond issuer to meet its obligations and in some instances, fail to do so resulting in a default. Investors holding defaulted securities may likely incur loss of income and capital. Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
- The Fund invests in debt securities, including Sub-Investment Grade securities. Consequently, the Fund's portfolio may have a significant position in Sub-Investment Grade bonds, which means that there is more risk to investors' capital and income than from a fund investing in Investment Grade bonds.
- The risk profile of the Fund is expected to change significantly between the launch date of the Fund and the final year prior to the Maturity Date. This means that:
  - Investments in the Fund will typically be replaced by a more concentrated portfolio of investments ahead of the expected liquidation of the Fund at Maturity Date.
  - Investors will be exposed to reinvestment risk (where interest or principal received from underlying fixed interest investments may not be able to be reinvested at the same rate of return), This may affect the value of the capital investors get back upon redemption.
- The Fund invests in Emerging Markets which tend to be more volatile than mature markets and its value could move sharply up or down. In some circumstances, the underlying investments may become less liquid which may constrain the Investment Manager's ability to realise some or all of the portfolio. The registration and settlement arrangements in Emerging Markets may be less developed than in more mature markets so the operational risks of investing are higher. Political risks and adverse economic circumstances are more likely to arise.
- Convertible bonds are a hybrid between debt and equity, which in principle allow holders to convert their holding in the bond into shares in the issuing company at a defined date in the future. Investment in convertibles will entail greater volatility than straight bond investments, with an increased risk of capital loss, but with the potential of higher returns.
- The Fund may be invested in contingent convertible bonds. If the financial strength of a bond's issuer falls by a predetermined threshold, the bond may suffer substantial or total losses of capital. Investors should refer to the risk factor "Contingent Securities" in the section "General Risk Factors" for information on other risks associated with contingent convertible bonds).
- The Fund may hold Callable Bonds. In some circumstances such as in a decreasing yield environment, Callable Bonds entail a call risk resulting in the possibility that an issuer may exercise its right to redeem a fixed income security earlier than expected (at a date planned in the schedule of callable dates). The redemption of a Callable Bond having a higher than average yield may cause a decrease in a Fund's yield and expose investors to reinvestment risk. In other circumstances such as in a rising yield environment, or if the issuer's credit rating deteriorates, Callable Bonds may either be called later than their expected call date (at a date planned in the schedule of callable dates) or not be called at all. In these instances the Fund may incur additional costs related to the sale of such bonds, particularly in the context of redeeming capital to investors when the Fund reaches its Maturity Date.

### **ABRDN SICAV III – EMERGING MARKETS BOND FIXED MATURITY 2027 FUND**

#### **Investment Policy and Objective**

This Fund is subject to Article 6 of the SFDR. Further information can be found under section "Sustainability-related disclosure in line with EU SFDR".

The Fund's investment objective is to provide income over the term of the Fund by investing at least 70% of its Net Asset Value in Investment Grade and Sub-Investment Grade Debt and Debt-Related Securities, denominated in US Dollars and issued by corporations (including holding companies of such corporations) with their registered office, principal place of business or majority



of their business activities in an Emerging Markets and/or governments or government-related bodies domiciled in an Emerging Market and with a final maturity up to the "**Maturity Date**" (being the date falling approximately four years after the launch date of the Fund).

The Fund may also invest up to 30% of its Net Asset Value in investments matching the criteria set out above but subject to the following variations:

- such investments may be in any country worldwide;
- such investments may have a maturity beyond the Maturity Date, subject to no individual security having a maturity falling 12 months after the Maturity Date; and
- such investments may include Callable Bonds.

The Fund may invest up to 50% of its Net Asset Value in Sub-Investment Grade Debt and Debt-Related Securities.

The Fund may also invest up to 20% of its Net Asset Value in convertible bonds (including contingent convertibles).

The Fund may also invest in cash and Money Market Instruments directly or indirectly through the use of UCITS or Other UCIs (including those managed by abrdn). Investment in these securities will also help to maintain a prudent buffer in order to support the collateral and margin requirements of any derivatives in the Fund.

The Fund may hold ancillary liquid assets (i.e. bank deposits at sight, such as cash held in current accounts with a bank accessible at any time) up to 20% of its net assets for treasury purposes. On a temporary basis and if justified by exceptionally unfavourable market conditions, the Fund may, in order to take measures to mitigate risks relative to such exceptional market conditions in the best interests of the Shareholders, hold ancillary liquid assets up to 100% of its net assets.

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

During a period of two months after the launch, the Fund will not necessarily be in line with the investment policy described above and may hold up to 100% of its net assets in deposits and other investments, such as cash equivalent investments or short-term debt securities.

Approximately 12 months preceding the Maturity Date, the Fund will no longer be subject to investing at least 70% of its Net Asset Value in Debt and Debt-Related Securities matching the criteria set out above (in the first paragraph). Instead, the Fund will be managed so that investments match the Maturity Date, by investing in shorter-dated financial instruments issued by governments or by corporate issuers such as commercial paper, bonds, notes, bills, deposits, certificates of deposits and cash, and/or in collective investment schemes which invest in these instruments, as well as in financial derivatives instruments.

The Fund is a fixed maturity product and is expected to be liquidated on the Maturity Date, with proceeds distributed to investors at the prevailing Net Asset Value per Share. The exact Maturity Date will be confirmed on or before the launch of the Fund. Once set, the Maturity Date will be published at [www.abrdn.com](http://www.abrdn.com) and in the PRIIPS KIDs, and the Prospectus will be updated accordingly at the next available opportunity.

The Investment Manager will seek to reduce the risk of losses, and the expected change (as measured by annual volatility) in the value of the Fund is not ordinarily expected to exceed 7.5%.

The Fund has been principally designed for investors who will invest in the Fund on the day of launch and will hold their investments until the Maturity Date. After the launch date of the Fund, the Fund may, in exceptional circumstances, accept further subscriptions, if specifically approved by the Board of Directors. The Board of Directors may apply a dilution adjustment to any of these subsequent subscriptions to preserve the interests of existing Shareholders (as set out under "Dealing in Shares of abrdn SICAV III"). Therefore, except for in these limited circumstances, the Fund will generally be closed for subscriptions after the launch date and will only remain open for redemptions.

All redemptions made before the Fund's Maturity Date will be subject to redemption charge or a dilution adjustment. Any such amount will be retained for the benefit of the Fund. Details are provided in sections "Dealing in Shares of abrdn SICAV III" and "Charges and Expenses" of this Prospectus.

The minimum viable amount for the Fund shall be \$100 million (the "**Minimum Viable Amount**"). In the event that the aggregate amount of subscriptions prior to the launch date does not reach the Minimum Viable Amount or the Net Asset Value of the Fund falls below the Minimum Viable Amount, or in case the Investment Manager deems the Fund's investment objective can no longer be met, the Board of Directors may decide to liquidate the Fund.

The Fund is actively managed and does not use a benchmark for portfolio construction, risk management or performance assessment purposes.

Base Currency: US Dollar

Investment Manager: abrdn Investments Limited

Investment Process: Fixed Income

Investor Profile: This Fund gives access to a global range of Debt securities and may be suitable for investors willing to accept a high level of risk within the fixed investment spectrum and whose investment horizon is aligned with the Maturity Date. The Fund is not appropriate for investors who plan to withdraw their money before the Maturity Date. Investors should be aware of the redemption charge/dilution

adjustment which may be applicable to the Fund which is referred to in the Investment Objective and Policy and in section "Charges and Expenses" (redemption charge) or "Dealing in Shares of abrdn SICAV III" (dilution adjustment) in this Prospectus. Investors should be aware that no exchange (or switch) is permitted within, into or out of, this Fund.

### **Risk warnings specific to abrdn SICAV III –Emerging Markets Bond Fixed Maturity 2027 Fund**

In addition to the general risk factors set out under "General Risk Factors" potential investors should be aware of certain fund specific risks:

- The Fund is not a guaranteed fund and returns can be negative. Furthermore, the Fund is intended to be held to the Maturity Date. Investors who do not hold their Shares to the Maturity Date may suffer significant losses.
- The level of coupon payments is not guaranteed, however, due to the income objective of the Fund, in certain circumstances income may be paid out of capital. This may affect the value of the capital investors get back upon redemption.
- The Fund's underlying investments are subject to interest rate risk and credit risk (including default risk). Interest rate fluctuations affect the capital value of investments. Where long-term interest rates rise, the capital value of bonds is likely to fall and vice versa. Credit risk reflects the ability of a bond issuer to meet its obligations and in some instances, fail to do so resulting in a default. Investors holding defaulted securities may likely incur loss of income and capital. Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
- The Fund invests in debt securities, including Sub-Investment Grade securities. Consequently, the Fund's portfolio may have a significant position in Sub-Investment Grade bonds, which means that there is more risk to investors' capital and income than from a fund investing in Investment Grade bonds.
- The risk profile of the Fund is expected to change significantly between the launch date of the Fund and the final year prior to the Maturity Date. This means that:
  - Investments in the Fund will typically be replaced by a more concentrated portfolio of investments ahead of the expected liquidation of the Fund at Maturity Date.
  - Investors will be exposed to reinvestment risk (where interest or principal received from underlying fixed interest investments may not be able to be reinvested at the same rate of return),This may affect the value of the capital investors get back upon redemption.
- The Fund invests in Emerging Markets which tend to be more volatile than mature markets and its value could move sharply up or down. In some circumstances, the underlying investments may become less liquid which may constrain the Investment Manager's ability to realise some or all of the portfolio. The registration and settlement arrangements in Emerging Markets may be less developed than in more mature markets so the operational risks of investing are higher. Political risks and adverse economic circumstances are more likely to arise.
- Convertible bonds are a hybrid between debt and equity, which in principle allow holders to convert their holding in the bond into shares in the issuing company at a defined date in the future. Investment in convertibles will entail greater volatility than straight bond investments, with an increased risk of capital loss, but with the potential of higher returns.
- The Fund may be invested in contingent convertible bonds. If the financial strength of a bond's issuer falls by a predetermined threshold, the bond may suffer substantial or total losses of capital. Investors should refer to the risk factor "Contingent Securities" in the section "General Risk Factors" for information on other risks associated with contingent convertible bonds).
- The Fund may hold Callable Bonds. In some circumstances such as in a decreasing yield environment, Callable Bonds entail a call risk resulting in the possibility that an issuer may exercise its right to redeem a fixed income security earlier than expected (at a date planned in the schedule of callable dates). The redemption of a Callable Bond having a higher than average yield may cause a decrease in a Fund's yield and expose investors to reinvestment risk. In other circumstances such as in a rising yield environment, or if the issuer's credit rating deteriorates, Callable Bonds may either be called later than their expected call date (at a date planned in the schedule of callable dates) or not be called at all. In these instances the Fund may incur additional costs related to the sale of such bonds, particularly in the context of redeeming capital to investors when the Fund reaches its Maturity Date.

### **ABRDN SICAV III – GLOBAL BOND FIXED MATURITY 2025 FUND**

#### **Investment Policy and Objective**

This Fund is subject to Article 6 of the SFDR. Further information can be found under section "Sustainability-related disclosure in line with EU SFDR".

The Fund's investment objective is provide income over the term of the Fund by investing at least 60% of its Net Asset Value in Investment Grade and Sub-Investment Grade Debt and Debt-Related Securities, denominated in US Dollars, issued by corporations (including holding companies of such corporations) and/or governments or government related bodies worldwide, including Emerging Market countries and with a final maturity up to the "**Maturity Date**", 22 April 2025.

The Fund may also invest up to 40% of its Net Asset Value in investments matching the criteria set out above but subject to the following variations:



- such investments may include Callable Bonds; and
- such investments may have a maturity beyond the Maturity Date, subject to no individual security maturing (or in the case of a Callable Bond, expected to be redeemed) more than 12 months after the Maturity Date.

The Fund may invest up to 100% of its Net Asset Value in Emerging Market countries.

The Fund may invest up to 50% of its Net Asset Value in Sub-Investment Grade Debt and Debt-Related Securities.

The Fund may hold up to 10% of its Net Asset Value, convertible bonds (excluding contingent convertibles). The Fund will not invest in mortgage-backed securities, asset-backed securities or collateralised loan obligations.

In addition, the Fund applies a set of exclusions in relation to gambling, alcohol and tobacco. Details of how these exclusions are applied are captured within our "Global Bond Fixed Maturity 2025 Fund - Investment Approach", which is published at [www.abrdn.com](http://www.abrdn.com) under "Fund Centre".

The Fund may invest in cash and Money Market Instruments directly or indirectly through the use of UCITS or Other UCIs (including those managed by abrdn). Investment in these securities will also help to maintain a prudent buffer in order to support the collateral and margin requirements of any derivatives in the Fund.

Approximately 12 months preceding the Maturity Date, the Fund will no longer be subject to investing at least 60% of its Net Asset Value in Debt and Debt-Related Securities matching the criteria set out above (in the first paragraph). Instead, the Fund will be managed so that investments match the Maturity Date, by investing in shorter-dated financial instruments issued by governments or by corporate issuers such as commercial paper, bonds, notes, bills, deposits, certificates of deposits and cash, and/or in UCITS or Other UCIs which invest in these instruments, as well as in financial derivative instruments.

The Fund is a fixed maturity product and is expected to be liquidated on the Maturity Date with proceeds distributed to investors at the prevailing Net Asset Value per Share.

The Investment Manager will seek to reduce the risk of losses, and the expected change (as measured by annual volatility) in the value if the Fund is not ordinarily expected to exceed 7.5%.

The Fund has been principally designed for investors who will invest in the Fund on the day of launch and will hold their investments until the Maturity Date. After the launch date of the Fund, the Fund may, in exceptional circumstances, accept further subscriptions, if specifically approved by the Board of Directors. The Board of Directors may apply a dilution adjustment to any of these subsequent subscriptions to preserve the interests of existing Shareholders (as set out under "Dealing in Shares of abrdn SICAV III"). Therefore, except for in these limited circumstances, the Fund will generally be closed for subscriptions after the launch date and will only remain open for redemptions.

All redemptions made before the Fund's Maturity Date will be subject to a redemption charge or a dilution adjustment. Any such amount will be retained for the benefit of the Fund. Details are provided in sections "Dealing in Shares of abrdn SICAV III" and "Charges and Expenses" of this Prospectus.

The minimum viable amount for the Fund shall be \$100 million (the "**Minimum Viable Amount**"). In the event that the aggregate amount of subscriptions prior to the launch date does not reach the Minimum Viable Amount or the Net Asset Value of the Fund falls below the Minimum Viable Amount, or in case the Investment Manager deems the Fund's investment objective can no longer be met, the Board of Directors may decide to liquidate the Fund.

The Fund is actively managed and does not use a benchmark for portfolio construction, risk management or performance assessment purposes.

Base currency:	US Dollar
Investment Manager:	abrdn Investments Limited
Investment Advisor (non-discretionary):	abrdn Asia Limited (Asian assets only)
Investment Process:	Fixed Income

**Investor Profile:** This Fund gives access to a global range of Debt securities and may be suitable for investors willing to accept a medium level of risk within the fixed investment spectrum and whose investment horizon is aligned with the Maturity Date. The Fund is not appropriate for investors who plan to withdraw their money before the Maturity Date. Investors should be aware of the redemption charge/dilution adjustment which may be applicable to the Fund which is referred to in the Investment Objective and Policy and in section "Charges and Expenses" (redemption charge) or "Dealing in Shares of abrdn SICAV III" (dilution adjustment) in this Prospectus. Investors should be aware that no exchange (or switch) is permitted within, into or out of, this Fund.

#### **Risk warnings specific to abrdn SICAV III – Global Bond Fixed Maturity 2025 Fund**

In addition to the general risk factors set out under "General Risk Factors" potential investors should be aware of certain fund specific risks:

- The Fund is not a guaranteed fund and returns can be negative. Furthermore, the Fund is intended to be held to the Maturity Date. Investors who do not hold their Shares to the Maturity Date may suffer significant losses.

- The level of coupon payments is not guaranteed, however, due to the income objective of the Fund in certain circumstances income may be paid out of capital. This may affect the value of the capital investors get back upon redemption.
- The Fund's underlying investments are subject to interest rate risk and credit risk (including default risk). Interest rate fluctuations affect the capital value of investments. Where long-term interest rates rise, the capital value of bonds is likely to fall and vice versa. Credit risk reflects the ability of a bond issuer to meet its obligations and in some instances, fail to do so resulting in a default. Investors holding defaulted securities may likely incur loss of income and capital. Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
- The Fund invests in debt securities, including Sub-Investment Grade securities. Consequently, the Fund's portfolio may have a significant position in Sub-Investment Grade bonds, which means that there is more risk to investors' capital and income than from a fund investing in Investment Grade bonds.
- The risk profile of the Fund is expected to change significantly between the launch date of the Fund and the final year prior to the Maturity Date. This means that:
  - Investments in the Fund will typically be replaced by a more concentrated portfolio of investments ahead of the expected liquidation of the Fund at Maturity Date.
  - Investors will be exposed to reinvestment risk (where interest or principal received from underlying fixed interest investments may not be able to be reinvested at the same rate of return), This may affect the value of the capital investors get back upon redemption.
- The Fund invests in Emerging Markets which tend to be more volatile than mature markets and its value could move sharply up or down. In some circumstances, the underlying investments may become less liquid which may constrain the Investment Manager's ability to realise some or all of the portfolio. The registration and settlement arrangements in Emerging Markets may be less developed than in more mature markets so the operational risks of investing are higher. Political risks and adverse economic circumstances are more likely to arise.
- Convertible bonds are a hybrid between debt and equity, which in principle allow holders to convert their holding in the bond into shares in the issuing company at a defined date in the future. Investment in convertibles will entail greater volatility than straight bond investments, with an increased risk of capital loss, but with the potential of higher returns.
- The Fund may hold Callable Bonds. In some circumstances such as in a decreasing yield environment, Callable Bonds entail a call risk resulting in the possibility that an issuer may exercise its right to redeem a fixed income security earlier than expected (at a date planned in the schedule of callable dates). The redemption of a Callable Bond having a higher than average yield may cause a decrease in a Fund's yield and expose investors to reinvestment risk. In other circumstances such as in a rising yield environment, or if the issuer's credit rating deteriorates, Callable Bonds may either be called later than their expected call date (at a date planned in the schedule of callable dates) or not be called at all. In these instances the Fund may incur additional costs related to the sale of such bonds, particularly in the context of redeeming capital to investors when the Fund reaches its Maturity Date.

## **ABRDN SICAV III – GLOBAL BOND FIXED MATURITY 2025 - II FUND**

### **Investment Policy and Objective**

This Fund is subject to Article 6 of the SFDR. Further information can be found under section "Sustainability-related disclosure in line with EU SFDR".

The Fund's investment objective is provide income over the term of the Fund by investing at least 60% of its Net Asset Value in Investment Grade and Sub-Investment Grade Debt and Debt-Related Securities, denominated in US Dollars, issued by corporations (including holding companies of such corporations) and/or governments or government related bodies worldwide, including Emerging Market countries and with a final maturity up to the "**Maturity Date**", 30 June 2025.

The Fund may also invest up to 40% of its Net Asset Value in investments matching the criteria set out above but subject to the following variations:

- such investments may include Callable Bonds; and
- such investments may have a maturity beyond the Maturity Date, subject to no individual security maturing (or in the case of a Callable Bond, expected to be redeemed) more than 12 months after the Maturity Date.

The Fund may invest up to 40% of its Net Asset Value in Sub-Investment Grade Debt and Debt-Related Securities.

The Fund will not invest in securities of the following types: mortgage backed securities, asset backed securities, convertible bonds (including contingent convertibles) and collateralised loan obligations.

The Fund may invest in cash and Money Market Instruments directly or indirectly through the use of UCITS or Other UCIs (including those managed by abrdn). Investment in these securities will also help to maintain a prudent buffer in order to support the collateral and margin requirements of any derivatives in the Fund.

Approximately 12 months preceding the Maturity Date, the Fund will no longer be subject to investing at least 60% of its Net Asset Value in Debt and Debt-Related Securities matching the criteria set out above (in the first paragraph). Instead, the Fund will be managed so that investments match the Maturity Date, by investing in shorter-dated financial instruments issued by governments or by corporate issuers such as commercial paper, bonds, notes, bills, deposits, certificates of deposits and cash, and/or in UCITS or Other UCIs which invest in these instruments, as well as in financial derivative instruments.

The Fund is a fixed maturity product and is expected to be liquidated on the Maturity Date, with proceeds distributed to investors at the prevailing Net Asset Value per Share.

The Investment Manager will seek to reduce the risk of losses, and the expected change (as measured by annual volatility) in the value if the Fund is not ordinarily expected to exceed 7.5%.

The Fund has been principally designed for investors who will invest in the Fund on the day of launch and will hold their investments until the Maturity Date. After the launch date of the Fund, the Fund may, in exceptional circumstances, accept further subscriptions, if specifically approved by the Board of Directors. The Board of Directors may apply a dilution adjustment to any of these subsequent subscriptions to preserve the interests of existing Shareholders (as set out under "Dealing in Shares of abrdn SICAV III"). Therefore, except for in these limited circumstances, the Fund will generally be closed for subscriptions after the launch date and will only remain open for redemptions.

All redemptions made before the Fund's Maturity Date will be subject to a redemption charge or a dilution adjustment. Any such amount will be retained for the benefit of the Fund. Details are provided in sections "Dealing in Shares of abrdn SICAV III" and "Charges and Expenses" of this Prospectus.

The minimum viable amount for the Fund shall be \$100 million (the "**Minimum Viable Amount**"). In the event that the aggregate amount of subscriptions prior to the launch date does not reach the Minimum Viable Amount or the Net Asset Value of the Fund falls below the Minimum Viable Amount, or in case the Investment Manager deems the Fund's investment objective can no longer be met, the Board of Directors may decide to liquidate the Fund.

The Fund is actively managed and does not use a benchmark for portfolio construction, risk management or performance assessment purposes.

The investment policy of the Fund may be similar or close to those of other Funds. However, the Fund may be launched on a different date. Therefore, the Fund's portfolio may differ from the portfolio of such other Funds as it will reflect an investment universe in accordance with prevailing market conditions and the term of the Fund.

Base currency: US Dollar

Investment Manager: abrdn Investments Limited

Sub-Investment Manager: abrdn Asia Limited

Investment Process: Fixed Income

Investor Profile: This Fund gives access to a global range of Debt securities and may be suitable for investors willing to accept a medium level of risk within the fixed investment spectrum and whose investment horizon is aligned with the Maturity Date. The Fund is not appropriate for investors who plan to withdraw their money before the Maturity Date. Investors should be aware of the redemption charge/dilution adjustment which may be applicable to the Fund which is referred to in the Investment Objective and Policy and in section "Charges and Expenses" (redemption charge) or "Dealing in Shares of abrdn SICAV III" (dilution adjustment) in this Prospectus. Investors should be aware that no exchange (or switch) is permitted within, into or out of, this Fund.

#### **Risk warnings specific to abrdn SICAV III – Global Bond Fixed Maturity 2025-II Fund**

In addition to the general risk factors set out under "General Risk Factors" potential investors should be aware of certain fund specific risks:

- The Fund is not a guaranteed fund and returns can be negative. Furthermore, the Fund is intended to be held to the Maturity Date. Investors who do not hold their Shares to the Maturity Date may suffer significant losses.
- The level of coupon payments is not guaranteed, however, due to the income objective of the Fund in certain circumstances income may be paid out of capital. This may affect the value of the capital investors get back upon redemption.
- The Fund's underlying investments are subject to interest rate risk and credit risk (including default risk). Interest rate fluctuations affect the capital value of investments. Where long-term interest rates rise, the capital value of bonds is likely to fall and vice versa. Credit risk reflects the ability of a bond issuer to meet its obligations and in some instances, fail to do so resulting in a default. Investors holding defaulted securities may likely incur loss of income and capital. Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
- The Fund invests in debt securities, including Sub-Investment Grade securities. Consequently, the Fund's portfolio may have a significant position in Sub-Investment Grade bonds, which means that there is more risk to investors' capital and income than from a fund investing in Investment Grade bonds.
- The risk profile of the Fund is expected to change significantly between the launch date of the Fund and the final year prior to the Maturity Date. This means that:
  - Investments in the Fund will typically be replaced by a more concentrated portfolio of investments ahead of the expected liquidation of the Fund at Maturity Date.
  - Investors will be exposed to reinvestment risk (where interest or principal received from underlying fixed interest investments may not be able to be reinvested at the same rate of return),

This may affect the value of the capital investors get back upon redemption.

- The Fund invests in Emerging Markets which tend to be more volatile than mature markets and its value could move sharply up or down. In some circumstances, the underlying investments may become less liquid which may constrain the Investment Manager's ability to realise some or all of the portfolio. The registration and settlement arrangements in Emerging Markets may be less developed than in more mature markets so the operational risks of investing are higher. Political risks and adverse economic circumstances are more likely to arise.
- The Fund may hold Callable Bonds. In some circumstances such as in a decreasing yield environment, Callable Bonds entail a call risk resulting in the possibility that an issuer may exercise its right to redeem a fixed income security earlier than expected (at a date planned in the schedule of callable dates). The redemption of a Callable Bond having a higher than average yield may cause a decrease in a Fund's yield and expose investors to reinvestment risk. In other circumstances such as in a rising yield environment, or if the issuer's credit rating deteriorates, Callable Bonds may either be called later than their expected call date (at a date planned in the schedule of callable dates) or not be called at all. In these instances the Fund may incur additional costs related to the sale of such bonds, particularly in the context of redeeming capital to investors when the Fund reaches its Maturity Date.

## **ABRDN SICAV III – GLOBAL BOND FIXED MATURITY 2026 - III FUND**

### **Investment Policy and Objective**

This Fund is subject to Article 6 of the SFDR. Further information can be found under section "Sustainability-related disclosure in line with EU SFDR".

The Fund's investment objective is provide income over the term of the Fund by investing at least 60% of its Net Asset Value in Investment Grade and Sub-Investment Grade Debt and Debt-Related Securities, denominated in US Dollars, issued by corporations (including holding companies of such corporations) and/or governments or government related bodies worldwide, including Emerging Market countries and with a final maturity up to the "**Maturity Date**" (being the date falling approximately three years after the launch date of the Fund).

The Fund may also invest up to 40% of its Net Asset Value in investments matching the criteria set out above but subject to the following variations:

- such investments may include Callable Bonds; and
- such investments may have a maturity beyond the Maturity Date, subject to no individual security maturing (or in the case of a Callable Bond, expected to be redeemed) more than 12 months after the Maturity Date.

The Fund may invest up to 50% of its Net Asset Value in Sub-Investment Grade Debt and Debt-Related Securities.

The Fund may hold up to 10% of its Net Asset Value in securities of the following types: mortgage backed securities, asset backed securities, convertible bonds (excluding contingent convertibles) and collateralised loan obligations.

The Fund may invest in cash and Money Market Instruments directly or indirectly through the use of UCITS or Other UCIs (including those managed by abrdn). Investment in these securities will also help to maintain a prudent buffer in order to support the collateral and margin requirements of any derivatives in the Fund.

The Fund may hold ancillary liquid assets (i.e. bank deposits at sight, such as cash held in current accounts with a bank accessible at any time) up to 20% of its net assets for treasury purposes. On a temporary basis and if justified by exceptionally unfavourable market conditions, the Fund may, in order to take measures to mitigate risks relative to such exceptional market conditions in the best interests of the Shareholders, hold ancillary liquid assets up to 100% of its net assets.

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

During a period of two months after the launch, the Fund will not necessarily be in line with the investment policy described above and may hold up to 100% of its net assets in deposits and other investments, such as cash equivalent investments or short-term debt securities.

Approximately 12 months preceding the Maturity Date, the Fund will no longer be subject to investing at least 60% of its Net Asset Value in Debt and Debt-Related Securities matching the criteria set out above (in the first paragraph). Instead, the Fund will be managed so that investments match the Maturity Date, by investing in shorter-dated financial instruments issued by governments or by corporate issuers such as commercial paper, bonds, notes, bills, deposits, certificates of deposits and cash, and/or in UCITS or Other UCIs which invest in these instruments, as well as in financial derivative instruments.

The Fund is a fixed maturity product and is expected to be liquidated on the Maturity Date with proceeds distributed to investors at the prevailing Net Asset Value per Share. The exact Maturity Date will be confirmed on or before the launch of the Fund. Once set, the Maturity Date will be published at [www.abrdn.com](http://www.abrdn.com) and in the PRIIPS KIDs, and the Prospectus will be updated accordingly at the next available opportunity.

The Investment Manager will seek to reduce the risk of losses, and the expected change (as measured by annual volatility) in the value if the Fund is not ordinarily expected to exceed 7.5%.

The Fund has been principally designed for investors who will invest in the Fund on the day of launch and will hold their investments until the Maturity Date. After the launch date of the Fund, the Fund may, in exceptional circumstances, accept further subscriptions, if specifically approved by the Board of Directors. The Board of Directors may apply a dilution adjustment to any of these subsequent subscriptions to preserve the interests of existing Shareholders (as set out under "Dealing in Shares of abrdn SICAV III"). Therefore, except for in these limited circumstances, the Fund will generally be closed for subscriptions after the launch date and will only remain open for redemptions.

All redemptions made before the Fund's Maturity Date will be subject to a redemption charge or a dilution adjustment. Any such amount will be retained for the benefit of the Fund. Details are provided in sections "Dealing in Shares of abrdn SICAV III" and "Charges and Expenses" of this Prospectus.

The minimum viable amount for the Fund shall be \$100 million (the "**Minimum Viable Amount**"). In the event that the aggregate amount of subscriptions prior to the launch date does not reach the Minimum Viable Amount or the Net Asset Value of the Fund falls below the Minimum Viable Amount, or in case the Investment Manager deems the Fund's investment objective can no longer be met, the Board of Directors may decide to liquidate the Fund.

The Fund is actively managed and does not use a benchmark for portfolio construction, risk management or performance assessment purposes.

Base currency: US Dollar

Investment Manager: abrdn Investments Limited

Sub-Investment Manager: abrdn Asia Limited

Investment Process: Fixed Income

Investor Profile: This Fund gives access to a global range of Debt securities and may be suitable for investors willing to accept a medium level of risk within the fixed investment spectrum and whose investment horizon is aligned with the Maturity Date. The Fund is not appropriate for investors who plan to withdraw their money before the Maturity Date. Investors should be aware of the redemption charge/dilution adjustment which may be applicable to the Fund which is referred to in the Investment Objective and Policy and in section "Charges and Expenses" (redemption charge) or "Dealing in Shares of abrdn SICAV III" (dilution adjustment) in this Prospectus. Investors should be aware that no exchange (or switch) is permitted within, into or out of, this Fund.

#### **Risk warnings specific to abrdn SICAV III – Global Bond Fixed Maturity 2026 - III Fund**

In addition to the general risk factors set out under "General Risk Factors" potential investors should be aware of certain fund specific risks:

- The Fund is not a guaranteed fund and returns can be negative. Furthermore, the Fund is intended to be held to the Maturity Date. Investors who do not hold their Shares to the Maturity Date may suffer significant losses.
- The level of coupon payments is not guaranteed, however, due to the income objective of the Fund, in certain circumstances income may be paid out of capital. This may affect the value of the capital investors get back upon redemption.
- The Fund's underlying investments are subject to interest rate risk and credit risk (including default risk). Interest rate fluctuations affect the capital value of investments. Where long-term interest rates rise, the capital value of bonds is likely to fall and vice versa. Credit risk reflects the ability of a bond issuer to meet its obligations and in some instances, fail to do so resulting in a default. Investors holding defaulted securities may likely incur loss of income and capital. Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner. The Fund invests in debt securities, including Sub-Investment Grade securities. Consequently, the Fund's portfolio may have a significant position in Sub-Investment Grade bonds, which means that there is more risk to investors' capital and income than from a fund investing in Investment Grade bonds.
- The risk profile of the Fund is expected to change significantly between the launch date of the Fund and the final year prior to the Maturity Date. This means that:
  - Investments in the Fund will typically be replaced by a more concentrated portfolio of investments ahead of the expected liquidation of the Fund at Maturity Date.
  - Investors will be exposed to reinvestment risk (where interest or principal received from underlying fixed interest investments may not be able to be reinvested at the same rate of return),This may affect the value of the capital investors get back upon redemption.
- The Fund invests in Emerging Markets which tend to be more volatile than mature markets and its value could move sharply up or down. In some circumstances, the underlying investments may become less liquid which may constrain the Investment Manager's ability to realise some or all of the portfolio. The registration and settlement arrangements in Emerging Markets may be less developed than in more mature markets so the operational risks of investing are higher. Political risks and adverse economic circumstances are more likely to arise.
- The Fund may invest its assets in Asset-Backed Securities (ABS) including Mortgage Backed Securities (MBS), which are debt securities based on a pool of assets or collateralised by the cash flows from a specific pool of underlying assets. ABS and MBS assets may be highly illiquid and therefore prone to substantial price volatility.

- The Fund may invest their assets in collateralised loan obligations (CLO), which are debt securities whose payments derive from a pool of loans and which are divided into tranches with different levels of exposure to any loans that may have a low credit rating. These securities may become less liquid and/or volatile and may be subject to greater credit, liquidity and interest rate risk.
- Convertible bonds are a hybrid between debt and equity, which in principle allow holders to convert their holding in the bond into shares in the issuing company at a defined date in the future. Investment in convertibles will entail greater volatility than straight bond investments, with an increased risk of capital loss, but with the potential of higher returns.
- The Fund may hold Callable Bonds. In some circumstances such as in a decreasing yield environment, Callable Bonds entail a call risk resulting in the possibility that an issuer may exercise its right to redeem a fixed income security earlier than expected (at a date planned in the schedule of callable dates). The redemption of a Callable Bond having a higher than average yield may cause a decrease in a Fund's yield and expose investors to reinvestment risk. In other circumstances such as in a rising yield environment, or if the issuer's credit rating deteriorates, Callable Bonds may either be called later than their expected call date (at a date planned in the schedule of callable dates) or not be called at all. In these instances the Fund may incur additional costs related to the sale of such bonds, particularly in the context of redeeming capital to investors when the Fund reaches its Maturity Date.

## **ABRDN SICAV III – GLOBAL BOND FIXED MATURITY 2027 FUND**

### **Investment Policy and Objective**

This Fund is subject to Article 6 of the SFDR. Further information can be found under section "Sustainability-related disclosure in line with EU SFDR".

The Fund's investment objective is provide income over the term of the Fund by investing at least 60% of its Net Asset Value in Investment Grade and Sub-Investment Grade Debt and Debt-Related Securities, denominated in US Dollars, issued by corporations (including holding companies of such corporations) and/or governments or government related bodies worldwide, including Emerging Market countries and with a final maturity up to the "**Maturity Date**" (being the date falling approximately four years after the launch date of the Fund).

The Fund may also invest up to 40% of its Net Asset Value in investments matching the criteria set out above but subject to the following variations:

- such investments may include Callable Bonds; and
- such investments may have a maturity beyond the Maturity Date, subject to no individual security maturing (or in the case of a Callable Bond, expected to be redeemed) more than 12 months after the Maturity Date.

The Fund may invest up to 50% of its Net Asset Value in Sub-Investment Grade Debt and Debt-Related Securities.

The Fund may hold up to 10% of its Net Asset Value in securities of the following types: mortgage backed securities, asset backed securities, convertible bonds (excluding contingent convertibles) and collateralised loan obligations.

The Fund may invest in cash and Money Market Instruments directly or indirectly through the use of UCITS or Other UCIs (including those managed by abrdn). Investment in these securities will also help to maintain a prudent buffer in order to support the collateral and margin requirements of any derivatives in the Fund.

The Fund may hold ancillary liquid assets (i.e. bank deposits at sight, such as cash held in current accounts with a bank accessible at any time) up to 20% of its net assets for treasury purposes. On a temporary basis and if justified by exceptionally unfavourable market conditions, the Fund may, in order to take measures to mitigate risks relative to such exceptional market conditions in the best interests of the Shareholders, hold ancillary liquid assets up to 100% of its net assets.

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

During a period of two months after the launch, the Fund will not necessarily be in line with the investment policy described above and may hold up to 100% of its net assets in deposits and other investments, such as cash equivalent investments or short-term debt securities.

Approximately 12 months preceding the Maturity Date, the Fund will no longer be subject to investing at least 60% of its Net Asset Value in Debt and Debt-Related Securities matching the criteria set out above (in the first paragraph). Instead, the Fund will be managed so that investments match the Maturity Date, by investing in shorter-dated financial instruments issued by governments or by corporate issuers such as commercial paper, bonds, notes, bills, deposits, certificates of deposits and cash, and/or in UCITS or Other UCIs which invest in these instruments, as well as in financial derivative instruments.

The Fund is a fixed maturity product and is expected to be liquidated on the Maturity Date with proceeds distributed to investors at the prevailing Net Asset Value per Share. The exact Maturity Date will be confirmed on or before the launch of the Fund. Once set, the Maturity Date will be published at [www.abrdn.com](http://www.abrdn.com) and in the PRIIPS KIDs, and the Prospectus will be updated accordingly at the next available opportunity.

The Investment Manager will seek to reduce the risk of losses, and the expected change (as measured by annual volatility) in the value if the Fund is not ordinarily expected to exceed 7.5%.



The Fund has been principally designed for investors who will invest in the Fund on the day of launch and will hold their investments until the Maturity Date. After the launch date of the Fund, the Fund may, in exceptional circumstances, accept further subscriptions, if specifically approved by the Board of Directors. The Board of Directors may apply a dilution adjustment to any of these subsequent subscriptions to preserve the interests of existing Shareholders (as set out under "Dealing in Shares of abrdn SICAV III"). Therefore, except for in these limited circumstances, the Fund will generally be closed for subscriptions after the launch date and will only remain open for redemptions.

All redemptions made before the Fund's Maturity Date will be subject to a redemption charge or a dilution adjustment. Any such amount will be retained for the benefit of the Fund. Details are provided in sections "Dealing in Shares of abrdn SICAV III" and "Charges and Expenses" of this Prospectus.

The minimum viable amount for the Fund shall be \$100 million (the "**Minimum Viable Amount**"). In the event that the aggregate amount of subscriptions prior to the launch date does not reach the Minimum Viable Amount or the Net Asset Value of the Fund falls below the Minimum Viable Amount, or in case the Investment Manager deems the Fund's investment objective can no longer be met, the Board of Directors may decide to liquidate the Fund.

The Fund is actively managed and does not use a benchmark for portfolio construction, risk management or performance assessment purposes.

Base currency: US Dollar

Investment Manager: abrdn Investments Limited

Sub-Investment Manager: abrdn Asia Limited

Investment Process: Fixed Income

Investor Profile: This Fund gives access to a global range of Debt securities and may be suitable for investors willing to accept a medium level of risk within the fixed investment spectrum and whose investment horizon is aligned with the Maturity Date. The Fund is not appropriate for investors who plan to withdraw their money before the Maturity Date. Investors should be aware of the redemption charge/dilution adjustment which may be applicable to the Fund which is referred to in the Investment Objective and Policy and in section "Charges and Expenses" (redemption charge) or "Dealing in Shares of abrdn SICAV III" (dilution adjustment) in this Prospectus. Investors should be aware that no exchange (or switch) is permitted within, into or out of, this Fund.

#### **Risk warnings specific to abrdn SICAV III – Global Bond Fixed Maturity 2027 Fund**

In addition to the general risk factors set out under "General Risk Factors" potential investors should be aware of certain fund specific risks:

- The Fund is not a guaranteed fund and returns can be negative. Furthermore, the Fund is intended to be held to the Maturity Date. Investors who do not hold their Shares to the Maturity Date may suffer significant losses.
- The level of coupon payments is not guaranteed, however, due to the income objective of the Fund, in certain circumstances income may be paid out of capital. This may affect the value of the capital investors get back upon redemption.
- The Fund's underlying investments are subject to interest rate risk and credit risk (including default risk). Interest rate fluctuations affect the capital value of investments. Where long-term interest rates rise, the capital value of bonds is likely to fall and vice versa. Credit risk reflects the ability of a bond issuer to meet its obligations and in some instances, fail to do so resulting in a default. Investors holding defaulted securities may likely incur loss of income and capital. Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner. The Fund invests in debt securities, including Sub-Investment Grade securities. Consequently, the Fund's portfolio may have a significant position in Sub-Investment Grade bonds, which means that there is more risk to investors' capital and income than from a fund investing in Investment Grade bonds.
- The risk profile of the Fund is expected to change significantly between the launch date of the Fund and the final year prior to the Maturity Date. This means that:
  - Investments in the Fund will typically be replaced by a more concentrated portfolio of investments ahead of the expected liquidation of the Fund at Maturity Date.
  - Investors will be exposed to reinvestment risk (where interest or principal received from underlying fixed interest investments may not be able to be reinvested at the same rate of return),This may affect the value of the capital investors get back upon redemption.
- The Fund invests in Emerging Markets which tend to be more volatile than mature markets and its value could move sharply up or down. In some circumstances, the underlying investments may become less liquid which may constrain the Investment Manager's ability to realise some or all of the portfolio. The registration and settlement arrangements in Emerging Markets may be less developed than in more mature markets so the operational risks of investing are higher. Political risks and adverse economic circumstances are more likely to arise.
- The Fund may invest its assets in Asset-Backed Securities (ABS) including Mortgage Backed Securities (MBS), which are debt securities based on a pool of assets or collateralised by the cash flows from a specific pool of underlying assets. ABS and MBS assets may be highly illiquid and therefore prone to substantial price volatility.

- The Fund may invest their assets in collateralised loan obligations (CLO), which are debt securities whose payments derive from a pool of loans and which are divided into tranches with different levels of exposure to any loans that may have a low credit rating. These securities may become less liquid and/or volatile and may be subject to greater credit, liquidity and interest rate risk.
- Convertible bonds are a hybrid between debt and equity, which in principle allow holders to convert their holding in the bond into shares in the issuing company at a defined date in the future. Investment in convertibles will entail greater volatility than straight bond investments, with an increased risk of capital loss, but with the potential of higher returns.
- The Fund may hold Callable Bonds. In some circumstances such as in a decreasing yield environment, Callable Bonds entail a call risk resulting in the possibility that an issuer may exercise its right to redeem a fixed income security earlier than expected (at a date planned in the schedule of callable dates). The redemption of a Callable Bond having a higher than average yield may cause a decrease in a Fund's yield and expose investors to reinvestment risk. In other circumstances such as in a rising yield environment, or if the issuer's credit rating deteriorates, Callable Bonds may either be called later than their expected call date (at a date planned in the schedule of callable dates) or not be called at all. In these instances the Fund may incur additional costs related to the sale of such bonds, particularly in the context of redeeming capital to investors when the Fund reaches its Maturity Date.

## GENERAL RISK FACTORS

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### General

Investors should remember that the price of Shares of any of the Funds and any income from them may fall as well as rise and that investors may not get back the full amount invested. Past performance is not a guide to future performance and the Fund(s) should be regarded as medium to long term investment(s).

The Fund's investment portfolio may fall in value due to any of the key risk factors and therefore your investment in the Fund may suffer losses. There is no guarantee of the repayment of principal.

A number of the risk warnings below have been included because the Funds may invest in other collective investment schemes to which these apply. The following statements are intended to summarise some of the risks, but are not exhaustive, nor do they offer advice on the suitability of investments.

### Investment Objective

There is no guarantee or assurance that the investment objectives of any of the Funds will be achieved. Investors should also be aware that the investment objectives of a Fund may state that it may invest on a limited basis into areas not naturally associated with the name of the Fund. These other markets may act with more or less volatility than the core investment area and performance will be in part dependent on these investments. Investors should ensure (prior to any investment being made) that they are satisfied with the risk profile of the overall objectives disclosed.

### Capital Erosion Risk

Dividends of Gross Income Shares will include all income generated by the relevant Shares, with any costs taken directly from the capital of such Share. Therefore, Gross Income Shares carry the risk of capital erosion where costs are higher than capital growth.

Fixed Distribution Shares will declare and distribute a fixed amount per annum. Where the costs taken are greater than the income generated by the Fund, these costs will be taken from the capital of such Share. Therefore, Fixed Distribution Shares carry the risk of capital erosion where costs are higher than income and capital growth combined.

### Currency Risk

Where the currency of the relevant Fund varies from the currency invested, or where the currency of the relevant Fund varies from the currencies of the markets in which the Fund invests, there is the prospect of additional loss (or the prospect of additional gain) to the investor greater than the usual risks of investment.

A Fund may invest in securities denominated in a number of different currencies other than the Base Currency in which the Fund is denominated. Changes in foreign currency exchange rates may adversely affect the value of a Fund's investments and the income thereon.

### Regulatory Risk

The Funds are domiciled in Luxembourg and investors should note that all the regulatory protections provided by local regulatory authorities may not apply. Investors should consult their financial advisors for further information in this area.

### Regulatory Risk In Non-EU Jurisdictions

A Fund may be registered in jurisdictions outside of the EU. As a result of such registrations, such Fund may be subject, without any notice to the shareholders in the Fund concerned, to more restrictive regulatory regimes. In such cases such Fund will abide by these more restrictive requirements. This may prevent such Fund from making the fullest possible use of the investment limits.

### Operational Risk

Operational risk, which is defined as the risk of loss that can arise from inadequate or failed internal processes, people and systems, or from external events such as fraud, can occur and have a negative effect on abrdn SICAV III's operations. It can manifest itself in various ways, including business interruption, poor performance, information systems malfunctions or failures, regulatory or contractual breaches, human error, negligent execution, employee misconduct, fraud or other criminal acts. In the



event of a bankruptcy or insolvency of a service provider, investors could experience delays (for example, delays in the processing of subscriptions, conversions and redemption of shares) or other disruptions.

#### **Liquidity Risk**

A Fund may invest in certain securities that subsequently become difficult to sell because of reduced liquidity which may have an adverse impact on their market price and consequently the Net Asset Value of the Fund. Reduced liquidity for such securities may be driven by unusual or extraordinary economic or market events, such as the deterioration in the creditworthiness of an issuer or the lack of efficiency of a given market. In such circumstances, or in case of unusually high volumes of redemption requests, where the Fund is not able to sell securities readily and does not hold sufficient cash or other liquid assets to meet redemption requests, the Fund may, in accordance with the Articles of Incorporation and the Prospectus of abrdn SICAV III and in the best interests of Shareholders, be subject to deferral or suspension of redemption requests or have an extended settlement timeframe, amongst other measures which may be available to it at the time.

#### **Counterparty Risk**

Each Fund may enter into contracts that entail a credit exposure to certain counterparties. To the extent that a counterparty defaults on its obligation and the Fund is delayed or prevented from exercising its rights with respect to the investments in its portfolio, it may experience a decline in the value of its position, a loss of income and possible additional costs associated with asserting its rights.

#### **Depository Risk**

The assets of abrdn SICAV III and its Funds shall be held in custody by the Depository and its sub-custodian(s) and/or any other custodians, prime broker and/or broker-dealers appointed by abrdn SICAV III. Investors are hereby informed that cash and fiduciary deposits may not be treated as segregated assets and might therefore not be segregated from the relevant depository, sub-custodian(s), other custodian/third party bank, prime broker and/or broker dealer's own assets in the event of the insolvency or the opening of bankruptcy, moratorium, liquidation or reorganization proceedings of the depository, sub-custodian(s), other custodian/third party bank, prime broker or the broker dealer as the case may be. Subject to specific depositor's preferential rights in bankruptcy proceedings set forth by regulation in the jurisdiction of the relevant depository, sub-custodian(s), other custodian/third party bank, prime broker or the broker dealer, abrdn SICAV III's claim might not be privileged and may only rank *pari passu* with all other unsecured creditors' claims. abrdn SICAV III and/or its Funds might not be able to recover all of their assets in full.

#### **Callable Bonds**

Callable Bonds entail a call risk resulting in the possibility that an issuer may exercise its right to redeem a fixed income security earlier than expected (at a date planned in the schedule of callable dates). The redemption of a callable bond having a higher than average yield may cause a decrease in a Fund's yield.

#### **Credit Default Swaps**

The risks specific to Credit Default Swaps transactions are the following:

- Counterparty risk, which is the risk that the counterparty of the credit default swaps transaction will default on its obligations. As protection buy, counterparty risk materialises only when a credit event occurs and if the protection seller would not be able to pay the protection buyer the face value of the contract. As protection seller the counterparty risk materialises if the protection buyer is not able to pay the periodic fees under the contract. The counterparty risk is however mitigated by the fact that the Fund will only enter into credit default swaps transactions with highly rated financial institutions specialised in the type of transaction as approved by the Investment Manager as derivative counterparties;
- Credit risk, which is the risk carried out by the protection seller that a credit event would occur in respect to the reference entity. In case of occurrence of a credit event, the capital loss for the protection seller might be substantial (and in case of the Fund rise to a total loss of the Fund's assets) as the protection seller would have to pay the face value of the contract to the protection buyer against being delivered by the protection buyer the obligations mentioned in the contract having a market value near to recovery rate;
- Mark-to-market risk, which is the risk that a credit default swap investor runs by unwinding its position before the maturity of the contract. This risk is affected by the liquidity of the underlying contract. The lower the liquidity, the higher the unwinding costs; and
- Settlement risk, which is the risk of the protection buyer to deliver the underlying issues not held by him when entering into the credit default swap transaction.

#### **Specific Risks Related To OTC Derivative Transactions**

In general, there is less governmental regulation and supervision of transactions in the OTC markets (in which currencies, forwards and certain options on currencies are generally traded) than of transactions entered into on organised exchanges. In addition, many of the protections afforded to participants on some organised exchanges, such as the performance guarantee of an exchange clearinghouse, may not be available in connection with OTC transactions. Therefore, any Fund entering into OTC transactions will be subject to the risk that its direct counterparty will not perform its obligations under the transactions and that the Fund will incur losses. A Fund will only enter into transactions with counterparties which it believes to be creditworthy, and may reduce the exposure incurred in connection with such transactions through the receipt of letters of credit or collateral from certain counterparties. Regardless of the measures the Fund may seek to implement to reduce counterparty credit risk, however, there can be no assurance that a counterparty will not default or that the Fund will not sustain losses as a result.

#### **Inflation/Deflation Risk**

Inflation risk refers to the possibility of a reduction in the value of the income or assets as inflation decreases the value of money. The real value of a Fund's portfolio could decline as a result of increasing inflation. Deflation risk refers to the possibility of a decline in the prices throughout the economy over time. Deflation may have an adverse effect on the creditworthiness of issuers and may make issuer default more likely, which may result in a decline in the value of a Fund's portfolio.

**Increased Volatility**

The value of some Funds may be susceptible to increased volatility as a consequence of the composition of the portfolio or the investment techniques used (e.g. where a Fund has more concentrated portfolio or where a Fund makes more extensive use of Financial Derivative Instruments for investment purposes).

**Leverage Risk**

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

**Suspension of Share Class Dealing**

Investors are reminded that in certain circumstances their right to redeem from Funds may be suspended (See Appendix C, section 10. "Suspension").

**Share Class Hedging**

Certain Classes of Shares may be made available in currencies other than the Base Currency of the relevant Fund. The Investment Manager may hedge the Shares of such Classes in relation to the Base Currency of the relevant Fund. Where such hedging is undertaken it may substantially protect investors against a decrease in the value of the Base Currency of the Fund relative to the hedged currency but may also preclude investors from benefiting from an increase in the value of the Base Currency of the Fund.

With hedged Share Classes, the risk of an overall depreciation of a Fund's Base Currency against the alternate currency of the Share Class is reduced significantly by hedging the Net Asset Value of the respective Class - calculated in the Fund's Base Currency - against the respective alternate currency by means of the financial derivative instruments mentioned under the sections "Currency Hedged Share Classes" and "General Information regarding Hedged Share Classes". Consequently, it is the currency of the hedged Share Classes that is hedged against the Base Currency rather than the investment currencies of the Fund's portfolio. This may result in the hedged Share Class being over or under-hedged at any one time against the investment currencies of the Fund's portfolio. Costs incurred in the Share Class hedging process are borne solely by the hedged Share Class concerned.

Investors should be aware that certain market events or circumstances could result in the Investment Manager no longer being able to perform hedging transactions for a hedged Share Class or that such hedging may no longer be economically viable.

**Holding Securities Overseas**

Securities held with a local correspondent or clearing/settlement system or securities correspondent ("Securities System") may not be as well protected as those held within Luxembourg. In particular, losses may be incurred as a consequence of the insolvency of the local correspondent or Securities System. In some markets, the segregation or separate identification of a beneficial owner's securities may not be possible or the practices of segregation or separate identification may differ from practices in more developed markets.

**Restricted Securities**

abrdn SICAV III may invest in securities which may only be offered to qualified institutional investors (such as but not limited to QIBS as defined in the US Securities Act of 1933) or other securities that contain restrictions of their negotiability and/or issue. Such investments may be less liquid, making it difficult to acquire or to dispose of such investments which may lead to the Funds experiencing adverse price movements upon any such disposal. Such restricted securities may be but are not limited to securities known as "Rule 144A Securities".

Rule 144A securities are privately offered securities that can be resold only to certain qualified institutional buyers. As such securities are traded among a limited number of investors, certain Rule 144A securities may be illiquid and involve the risk that a Fund may not be able to dispose of these securities quickly or in adverse market conditions.

**Potential Conflicts of Interest**

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

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

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

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

**Specific Risks Linked To Securities Lending Transactions**

Whilst value of the collateral of Securities Lending Agreements will be maintained to at least equal to the value of the securities transferred, in the event of a sudden market movement there is a risk that the value of such collateral may fall below the value of

the securities transferred. abrdn SICAV III will seek to mitigate this risk by requiring any securities lending agent to indemnify the relevant Funds against such a fall in the value of collateral (save where such collateral has been re-invested at the instructions of the Fund).

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

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

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

#### **Asset-Backed Securities, Mortgage Backed Securities and Collateralised Loan Obligations**

Some Funds may invest their assets in Asset-Backed Securities (ABS) including Mortgage Backed Securities (MBS) and in collateralised loan obligations (CLO), which are debt securities based on a pool of assets or collateralised by the cash flows from a specific pool of underlying assets. Those assets may be highly illiquid and therefore prone to substantial price volatility and may be subject to greater credit, liquidity and interest rate risk.

#### **Exchange Rates**

The Funds may invest in securities denominated in a number of different currencies other than the Base Currency in which the Funds are denominated. Changes in foreign currency exchange rates may adversely affect the value of a Fund's investments and the income thereon.

#### **Brexit**

On 23 June 2016, the United Kingdom (the "UK") held a referendum on its membership of the European Union (the "EU") and the UK formally left the EU on 31 January 2020.

Transitional arrangements applied until the end of 2020 and a bilateral trade agreement (the "EU-UK Trade and Cooperation Agreement" or "TCA") is now in force.

Despite the TCA, the relationship between the UK and the EU has fundamentally changed and there is still uncertainty about the impact of the new arrangements. Given the size and importance of the UK's economy, uncertainty or unpredictability about its legal, political and economic relationship with the EU, will be a source of instability, may create significant currency fluctuations, and otherwise adversely affect international markets, trading or other arrangements (whether economic, tax, fiscal, legal, regulatory or otherwise) for the foreseeable future. Any business that depends on the free movement of goods or the provision of cross-border services between the UK and the European Economic Area (as currently constituted) could be adversely affected. The inability to provide cross-border services, restrictions on movements of employees, non-tariff barriers on goods, potential tariffs being imposed either due to "rules of origin" or non-compliance with the aspects of the TCA, increased transit times, and other factors, have the potential to materially impair the profitability of a business. Consequences for some businesses could involve re-establishing the business in an EU member state, moving personnel and, if applicable seeking authorization from local regulator(s) – all of which are costly and disruptive. All these factors could adversely affect abrdn SICAV III, the performance of its investments and its ability to fulfil its investment objectives. Any decision of another member state to withdraw from the EU could exacerbate such uncertainty and instability and may present similar and/or additional potential risks.

#### **Contingent securities**

abrdn SICAV III may invest in contingent securities structured as Contingent Convertible Securities also known as CoCos. A contingent convertible security is a hybrid debt security either convertible into equity at a predetermined share price, written down or written off in value based on the specific terms of the individual security if a pre-specified trigger event occurs. Contingent convertible securities are subject to the risks associated with bonds and equities, and to the risks specific to convertible securities in general. Contingent convertible securities are also subject to additional risks specific to their structure including:

##### Conversion risk

In some cases, the issuer may cause a convertible security to convert to common stock. If a convertible security converts to common stock, a Fund may hold such common stock in its portfolio even if it does not ordinarily invest in common stock.

##### Trigger level risk

Trigger levels differ and determine exposure to conversion risk depending on the distance of the capital ratio to the trigger level. It might be difficult for the Investment Manager of the relevant Fund to anticipate the triggering events that would require the debt to convert into equity.

#### Capital structure inversion risk

Contingent convertible securities are typically structurally subordinated to traditional convertible bonds in the issuer's capital structure. In certain scenarios, investors in contingent convertible securities may suffer a loss of capital ahead of equity holders or when equity holders do not.

#### Written down risk

In some cases, the issuer may cause a convertible security to be written down in value based on the specific terms of the individual security if a pre-specified trigger event occurs. There is no guarantee that a Fund will receive return of principal on contingent convertible securities.

#### Yield / Valuation risk

The valuation of contingent convertible securities is influenced by many unpredictable factors such as:

- (i) the creditworthiness of the issuer and the fluctuations in the issuer's capital ratios;
- (ii) the supply and demand for contingent convertible securities;
- (iii) the general market conditions and available liquidity; and
- (iv) the economic, financial and political events that affect the issuer, the market it is operating in or the financial markets in general.

#### Liquidity risk

Convertible securities are subject to liquidity risk.

#### Coupon cancellation risk

In addition, coupon payments on contingent convertible securities are discretionary and may be cancelled by the issuer at any point, for any reason, and for any length of time. The discretionary cancellation of payments is not an event of default and there are no possibilities to require re-instatement of coupon payments or payment of any passed missed payments. Coupon payments may also be subject to approval by the issuer's regulator and may be suspended in the event there are insufficient distributable reserves. As a result of uncertainty surrounding coupon payments, contingent convertible securities may be volatile and their price may decline rapidly in the event that coupon payments are suspended.

#### Call extension risk

Contingent convertible securities are subject to extension risk. Contingent convertible securities are perpetual instruments and may only be callable at predetermined dates upon approval of the applicable regulatory authority. There is no guarantee that a Fund will receive return of principal on contingent convertible securities.

#### Unknown risk

Convertible contingent securities are a newer form of instrument and the market and regulatory environment for these instruments is still evolving. As a result it is uncertain how the overall market for contingent convertible securities would react to a trigger event or coupon suspension applicable to one issuer.

#### **Taxation**

Investors should note in particular that the proceeds from the sale of securities in some markets or the receipt of any dividends or other income may be or may become subject to tax, levies, duties or other fees or charges imposed by the authorities in that market, including taxation levied by withholding at source. Tax law and practice in certain countries into which a Fund invests or may invest in the future (in particular Russia and other Emerging Markets) is not clearly established. Tax law and practice may equally be subject to change in developed countries, where governments implement fiscal reforms. It is possible therefore that the current interpretation of the law or understanding of practice might change, or that the law might be changed with retrospective effect. It is therefore possible that abrdn SICAV III could become subject to additional taxation in such countries that is not anticipated either at the date of the Prospectus or when investments are made, valued or disposed of.

In relation to Brazil, investors should be aware that the Brazilian Presidential Decree no. 6.306/10, as amended from time to time, details the current IOF tax rate (Tax on Financial Operations), that applies to foreign exchange inflows and outflows. Funds investing in Brazil, where IOF tax is not offset by a dilution adjustment may see the Net Asset Value per Share reduced as a consequence.

#### **Financial Derivative Instruments**

A Fund may invest in financial derivative instruments as part of its strategy.

As detailed under section "Investment Techniques and Instruments and Use of Financial Derivative Instruments" abrdn SICAV III may use, under certain conditions, options on indices and interest rates, bond futures and futures on indices and interest rates for investment purposes. Also, the Funds may hedge market and currency risks using futures, options and forward exchange contracts within the limits described in the section "Investment Techniques and Instruments and Use of Financial Derivative Instruments".

Different financial derivative instruments involve different levels of exposure to risk and can entail a high degree of leverage. In particular, investors should be aware of the following:

##### **a) Futures**

Transactions in futures involve the obligation to make, or to take, delivery of the underlying asset of the contract at a future date, or in some cases to settle the Fund's position with cash. They carry a high degree of risk. The "gearing" or "leverage" often obtainable in futures trading means that a small deposit or down payment can lead to large losses as well as gains. It also means that a relatively small market movement can lead to a proportionately much larger movement in the value of the Fund's investment, and this can work against the Fund as well as for the Fund. Futures transactions have a contingent liability, and investors should be aware of the implications of this, in particular the margining requirements.

**b) Swaps**

The Fund may enter into swap agreements. Swap agreements can be individually negotiated and structured to include exposure to a variety of different types of investments or market factors. Depending on their structure, swap agreements may increase or decrease the Fund's exposure to strategies, equity securities, long-term or short term interest rates, foreign currency values, corporate borrowing rates or other factors. Swap agreements can take many different forms and are known by a variety of names. Depending on how they are used, swap agreements may increase or decrease the overall volatility of the Fund. The most significant factor in the performance of swap agreements is the change in the individual equity values, the Fund's Net Asset Value, specific interest rate, currency or other factors that determine the amounts of payments due to and from the counterparties. If a swap agreement calls for payments by the Fund, the Fund must be prepared to make such payments when due. In addition, if a counterparty's creditworthiness declines, the value of swap agreements with such counterparty can be expected to decline, potentially resulting in losses to the Fund.

**c) Options**

There are many different types of options with different characteristics subject to different conditions:

**(i) Buying Options**

Buying options involves less risk than selling options because, if the price of the underlying asset moves against the Fund, the Fund can simply allow the option to lapse. The maximum loss is limited to the premium, plus any commission or other transaction charges. However, if the Fund buys a call option on a futures contract and the Fund later exercises the option, the Fund will acquire the future. This will expose the Fund to the risks described under "Futures" and "Contingent Liability Transactions".

**(ii) Writing Options**

If the Fund writes an option, the risk involved is considerably greater than buying options. The Fund may be liable for margin to maintain its position and a loss may be sustained well in excess of any premium received. By writing an option, the Fund accepts a legal obligation to purchase or sell the underlying asset if the option is exercised against the Fund, however far the market price has moved away from the exercise price. If the Fund already owns the underlying asset which the Fund has contracted to sell (known as "covered call options") the risk is reduced. If the Fund does not own the underlying asset (known as "uncovered call options") the risk can be unlimited. Subject to the overall limit on leverage which may be utilised by the Fund, there is no restriction on the Fund's ability to write options. Certain options markets operate on a margined basis under which buyers do not pay the full premium on their option at the time they purchase it. In this situation the Fund may subsequently be called upon to pay margin on the option up to the level of its premium. If the Fund fails to do so as required, the Fund's position may be closed or liquidated in the same way as a futures position.

**(iii) Contracts for Differences**

Futures and options contracts can also be referred to, as well as include, contracts for differences. These can be options and futures on any index, as well as currency and interest rate swaps. However, unlike other futures and options, these contracts can only be settled in cash. Investing in a contract for differences carries the same risks as investing in a future or option. Transactions in contracts for differences may also have a contingent liability and an investor should be aware of the implications of this as set out below.

**(iv) Off-Exchange Transactions**

While some off-exchange markets are highly liquid, transactions in off-exchange, or non-transferable, derivatives may involve greater risk than investing in on-exchange derivatives instruments because there is no exchange market on which to close out an open position. It may be impossible to liquidate an existing position, to assess the value of the position arising from an off-exchange transaction or to assess the exposure to risk. Bid and offer prices need not be quoted, and even where they are, they will be established by dealers in these instruments and, consequently, it may be difficult to establish what is a fair price.

**(v) Contingent Liability Transactions**

Contingent liability transactions which are margined require the Fund to make a series of payments against the purchase price, instead of paying the whole purchase price immediately. If the Fund trades in futures, contracts for differences or sells options, the Fund may sustain a total loss of the margin it deposits with the broker to establish or maintain a position. If the market moves against the Fund, the Fund may be called upon to pay substantial additional margin at short notice to maintain the position. If the Fund fails to do so within the time required, its position may be liquidated at a loss and the Fund will be liable for any resulting deficit. Even if a transaction is not margined, it may still carry an obligation to make further payments in certain circumstances over and above any amount paid when the contract was entered into. Contingent liability transactions which are not traded on or under the rules of a recognised or designated investment exchange may expose you to substantially greater risks.

**(vi) Suspensions of Trading**

Under certain trading conditions it may be difficult or impossible to liquidate a position. This may occur, for example, at times of rapid price movement if the price rises or falls in one trading session to such an extent that under the rules of the relevant exchange trading is suspended or restricted. Placing a stop-loss order will not necessarily limit losses to the intended amounts, because market conditions may make it impossible to execute such an order at the stipulated price.

**(vii) Clearing House Protections**

On many exchanges, the performance of a transaction by a broker (or the third party with whom he is dealing on the Fund's behalf) is "guaranteed" by the exchange or its clearing house. However, this guarantee is unlikely in most circumstances to cover the Fund as the customer and may not protect the Fund if the broker or another party defaults on its obligations to the Fund. There is no clearing house for traditional options, nor normally for off-exchange instruments which are not traded under the rules of a recognised or designated investment exchange.

**(viii) Insolvency**

A derivative broker's insolvency or default, or that of any other brokers involved with the Fund's transactions, may lead to positions being liquidated or closed out without the Fund's consent. In certain circumstances, the Fund may not get back the actual assets which it lodged as collateral and the Fund may have to accept any available payment in cash.

## **RISKS RELATING TO INVESTMENT IN OTHER FUNDS**

### **Investing in other collective investment schemes**

A Fund incurs costs of its own management and administration comprising the fees paid to the Management Company and other service providers. It should be noted that, in addition, such a Fund incurs similar costs in its capacity as an investor in UCITS or Other UCI's (together referred to as "Investment Funds") which in turn pay similar fees to their manager and other service providers. Furthermore, the investment strategies and techniques employed by certain Investment Funds may involve frequent changes in positions and a consequent portfolio turnover. This may result in brokerage commission expenses which exceed significantly those of other Investment Funds of comparable size. Investment Funds may be required to pay performance fees to their manager. Under these arrangements the managers will benefit from the appreciation, including unrealised appreciation of the investments of such Investment Funds, but they may not be similarly penalised for realised or unrealised losses. As a consequence, the direct and indirect costs borne by a Fund investing in Investment Funds are likely to represent a higher percentage of the Net Asset Value than would typically be the case for a Fund which invests directly in the relevant underlying investments (and not through other Investment Funds).

As a shareholder of another collective investment scheme, a Fund would bear, along with other shareholders, its pro rata portion of the expenses of the other collective investment scheme, including management and/or other fees (excluding subscription or redemption charges). These fees would be in addition to the Management Fee and other expenses which a Fund bears directly in connection with its own operations.

### **Reliance on third party fund management**

A Fund investing in other collective investment schemes will not have an active role in the day-to-day management of the collective investment schemes in which a Fund invests. Moreover, a Fund will generally not have the opportunity to evaluate the specific investments made by any underlying collective investment schemes before they are made. Accordingly, the returns of a Fund will primarily depend on the performance of these unrelated underlying fund managers and could be substantially adversely affected by the unfavourable performance of such underlying fund managers.

### **Convertible bond arbitrage**

Underlying fund managers may engage in convertible bond arbitrage. Positions intended to offset against each other may not move as expected. In addition to risks associated with fixed income investments, this strategy also has risks which are associated with equity investments. They include: (i) risks in takeovers or merger transactions, during which a convertible bond's conversion premium may decrease or be eliminated; (ii) short equity buy-in risk, since the strategy is typically long convertibles and short equities and is subject to possible short squeezes; and (iii) liquidity and trading spread risks. Although underlying fund managers are, generally, expected to hedge all equity exposure, there can be no assurance that an Underlying Fund Manager will not, from time to time, have such exposures or that such hedges will be effective.

## **RISKS RELATED TO INVESTMENT IN EMERGING MARKETS**

### **Investing in Russia and CIS**

Investments in Russia and CIS either through the Russian Trading System (RTS) and Moscow Interbank Currency Exchange (MICEX) or on other non-Regulated Markets are subject to increased risk with regard to ownership and custody of securities.

There are significant risks inherent in investing in Russia and the CIS including: (a) delays in settling transactions and the risk of loss arising out of the systems of securities registration and custody; (b) the lack of corporate governance provisions or general rules or regulations relating to investor protection; (c) pervasiveness of corruption, insider trading, and crime in the Russian and CIS economic systems; (d) difficulties associated in obtaining accurate market valuations of many Russian and CIS securities, based partly on the limited amount of publicly available information; (e) tax regulations are ambiguous and unclear and there is a risk of imposition of arbitrary or onerous taxes; (f) the general financial condition of Russian and CIS companies, which may involve particularly large amounts of inter-company debt; (g) banks and other financial systems are not well developed or regulated and as a result tend to be untested and have low credit ratings and (h) the risk that the governments of Russia and CIS member states or other executive or legislative bodies may decide not to continue to support the economic reform programmes implemented since the dissolution of the Soviet Union.

The concept of fiduciary duty on the part of a company's management is generally non-existent. Local laws and regulations may not prohibit or restrict a company's management from materially changing the company's structure without shareholder consent. Foreign investors cannot be guaranteed redress in a court of law for breach of local laws, regulations or contracts. Regulations governing securities investment may not exist or may be applied in an arbitrary and inconsistent manner.

Evidence of legal title in many cases will be maintained in "book-entry" form and a Fund could lose its registration and ownership of securities through fraud, negligence or even oversight. Securities in Russia and in the CIS are issued only in book entry form and ownership records are maintained by registrars who are under contract with the issuers. The registrars are neither agents of, nor responsible to, abrdn SICAV III, the Depositary or their local agents in Russia or in the CIS. Transferees of securities have no proprietary rights in respect of securities until their name appears in the register of holders of the securities of the issuer. The law and practice relating to registration of holders of securities are not well developed in Russia and in the CIS and registration delays and failures to register securities can occur. Although Russian and CIS sub-custodians will maintain copies of the registrar's records ("Records") on its premises, such Records may not, however, be legally sufficient to establish ownership of securities. Further a quantity of forged or otherwise fraudulent securities, Records or other documents are in circulation in the Russian and CIS markets and there is therefore a risk that a Fund's purchases may be settled with such forged or fraudulent securities. In common with other Emerging Markets, Russia and the CIS have no central source for the issuance or publication of corporate actions information. The Depositary therefore cannot guarantee the completeness or timeliness of the distribution of corporate actions notifications.

Although exposure to these equity markets is substantially hedged through the use of ADRs and GDRs, Funds may, in accordance with their investment policy, invest in securities which require the use of local depository or custodial services.

### **Investing in Emerging Markets and Frontier Markets**

In Emerging Markets and Frontier Markets, in which some of the Funds will invest, the legal, judicial and regulatory infrastructure is still developing and there is much legal uncertainty both for local market participants and their overseas counterparts. Frontier Markets are differentiated from Emerging Markets in that Frontier Markets are considered to be somewhat less economically developed than Emerging Markets. Some markets carry significant risks for investors who should therefore ensure that, before investing, they understand the relevant risks and are satisfied that an investment is suitable.

The following statements are intended to summarise some of the risks in Emerging Markets and Frontier Markets countries, but are not exhaustive, nor do they offer advice on the suitability of investments.

#### **Political and Economic Risks**

- Economic and/or political instability could lead to legal, fiscal and regulatory changes or the reversal of legal/fiscal/regulatory/market reforms. Assets could be compulsorily acquired without adequate compensation.
- A country's external debt position could lead to the sudden imposition of taxes or exchange controls.
- High inflation can mean that businesses have difficulty obtaining working capital.
- Local management are often inexperienced in operating companies in free market conditions.
- A country may be heavily dependent on its commodity and actual resource exports and therefore be vulnerable to weaknesses in world prices for these products.

#### **Legal Environment**

- The interpretation and application of decrees and legislative acts can be often contradictory and uncertain particularly in respect of matters relating to taxation.
- Legislation could be imposed retrospectively or may be issued in the form of internal regulations which the public may not be made aware of.
- Judicial independence and political neutrality cannot be guaranteed.
- State bodies and judges may not adhere to the requirements of the law and the relevant contract.
- There is no certainty that investors will be compensated in full or in part for any damage incurred or loss suffered as a result of legislation imposed or decisions of state bodies or judges.

#### **Accounting Practices**

- The accounting and audit systems may not accord with international standards.
- Even when reports have been brought into line with international standards, they may not always contain correct information.
- Obligations of companies to publish financial information may also be limited.

#### **Shareholder Risk**

- Existing legislation may not yet be adequately developed to protect the rights of minority shareholders.
- There is generally no concept of fiduciary duty to shareholders on the part of management.
- There may be limited recourse for violation of such shareholders' rights as pertain.

#### **Market and Settlement Risks**

- The securities markets of some countries lack the liquidity, efficiency, regulatory and supervisory controls of more developed markets.
- Lack of liquidity may adversely affect the value or ease of disposal of assets.
- The share register may not be properly maintained and the ownership interests may not be, or remain, fully protected.
- Registration of securities may be subject to delay and during the period of delay it may be difficult to prove beneficial ownership of the securities.
- The provision for custody of assets may be less developed than in other more mature markets and thus provides an additional level of risk for the Funds.

#### **Price Movement and Performance**

- Factors affecting the value of securities in some markets cannot easily be determined.
- Investment in securities in some markets carries a high degree of risk and the value of such investments may decline or be reduced to zero.

#### **Currency Risk**

- Conversion into foreign currency or transfer from some markets of proceeds received from the sale of securities cannot be guaranteed.
- The value of the currency in some markets, in relation to other currencies, may decline such that the value of the investment is adversely affected.
- Exchange rate fluctuations may also occur between the trade date for a transaction and the date on which the currency is acquired to meet settlement obligations.

#### **Execution and Counterparty Risk**

- In some markets there may be no secure method of delivery against payment which would avoid exposure to counterparty risk. It may be necessary to make payment on a purchase or delivery on a sale before receipt of the securities or, as the case may be, sale proceeds.

### **Taxation**

Investors should note in particular that the proceeds from the sale of securities in some markets or the receipt of any dividends or other income may be or may become subject to tax, levies, duties or other fees or charges imposed by the authorities in that market, including taxation levied by withholding at source. Tax law and practice in certain countries into which a Fund invests or may invest in the future (in particular Russia and other Emerging Markets) is not clearly established. Tax law and practice may

equally be subject to change in developed countries, where governments implement fiscal reforms. It is possible therefore that the current interpretation of the law or understanding of practice might change, or that the law might be changed with retrospective effect. It is therefore possible that abrdn SICAV III could become subject to additional taxation in such countries that is not anticipated either at the date of the Prospectus or when investments are made, valued or disposed of.

## **RISKS RELATING TO DEBT**

### **Credit Risk**

Credit risk, a fundamental risk relating to all debt or debt related securities as well as Money Market Instruments, is the chance that an issuer will fail to make principal and interest payments when due.

Issuers with higher credit risk typically offer higher yields for this added risk. Conversely, issuers with lower credit risk typically offer lower yields. Generally, government securities are considered to be the safest in terms of credit risk, while corporate debt, especially those with poorer credit ratings, have the highest credit risk. Changes in the financial condition of an issuer, changes in economic and political conditions in general, or changes in economic and political conditions specific to an issuer, are all factors that may have an adverse impact on an issuer's credit quality and security values.

### **Interest Rate Risk**

Funds that invest in debt securities or Money Market Instruments are subject to interest rate risk. The value of a debt or debt related security will generally increase when interest rates fall and decrease in value when interest rates rise. Interest rate risk is the chance that such movements in interest rates will negatively affect the value of a security or, in a Fund's case, its Net Asset Value. Securities with greater interest rate sensitivity and longer maturities tend to produce higher yields, but are subject to greater fluctuations in value. As a result, securities with a longer maturity tend to offer higher yields for this added risk. While changes in interest rates may affect a Fund's interest income, such changes may positively or negatively affect the Net Asset Value of a Fund's Shares on a daily basis.

### **Pre-Payment Risk**

Certain debt or debt related securities, such as mortgage-backed, asset-backed securities and Callable Bonds, give an issuer the right to call its securities before their maturity date. The possibility of such prepayment risk may force the Fund to reinvest the proceeds of such investments in securities offering lower yields.

### **Downgrading / Upgrading Risk**

The value of a bond will fall in the event of the default or reduced credit rating of the issuer, similarly an increase in credit rating can lead to capital appreciation. Generally the higher the rate of interest on any bond, the higher the perceived credit risk of the issuer.

Investment Grade bonds may be subject to the risk of being downgraded to Sub-Investment Grade bonds. Inversely, a Sub-Investment Grade Bond may be upgraded to Investment Grade Status. If an Investment Grade bond is downgraded to Sub-Investment Grade, or if a Sub-Investment Grade Bond is upgraded to Investment Grade, the relevant asset will not be sold unless, in the opinion of the Investment Manager, it is in the interest of Shareholders to do so.

Bonds which are rated below Investment Grade, have a lower credit rating or are unrated are generally considered to have a higher credit risk and a greater possibility of default than more highly rated bonds. If the issuer defaults, or such bonds or their underlying assets cannot be realised, or performed badly, investor may suffer substantial losses. In addition, the market for bonds which are rated below Investment Grade, have a lower credit rating or are unrated generally has lower liquidity and is less active than that for higher rated bonds and a Fund's ability to liquidate its holdings in response to changes in the economy or the financial markets may be further limited by such factors as adverse publicity and investor perceptions.

### **Sub-Investment Grade**

Some Funds are permitted to invest in Sub-Investment Grade securities. Investment in such securities involves greater price volatility and risk of loss of principal and income than investment in securities of a higher investment grade quality.

### **Unrated Securities**

Some Funds are permitted to invest in unrated securities which involve higher risks and are more sensitive to adverse changes in general economic conditions and in the industries in which the issuers are engaged and to changes in the financial conditions of the issuers of such securities. Investment in unrated securities means that the relevant Fund must rely on the Investment Manager's credit assessment of such securities and is in particular subject to a high credit risk and a high risk of default.

### **Sovereign Debt Risk**

Certain developed and developing countries are especially large debtors to commercial banks and foreign governments. Investment in debt obligations ("Sovereign Debt") issued or guaranteed by such governments or their agencies and instrumentalities ("governmental entities") involves a higher degree of risk. The governmental entity that controls the repayment of Sovereign Debt may not be able or willing to repay the principal and/or interest when due in accordance with the terms of such debt. A governmental entity's willingness or ability to repay principal and interest due in a timely manner may be affected by, among other factors, its cash flow situation, the extent of its foreign reserves, the availability of sufficient foreign exchange on the date a payment is due, the relative size of the debt service burden to the economy as a whole, the governmental entity's policy towards the International Monetary Fund and the political constraints to which a governmental entity may be subject. Governmental entities may also be dependent on expected disbursements from foreign governments, multilateral agencies and others abroad to reduce principal and interest arrearage on their debt.

The commitment on the part of these governments, agencies and others to make such disbursements may be conditioned on a governmental entity's implementation of economic or fiscal reforms and/or economic performance and the timely service of such debtor's obligations. Failure to implement such reforms, achieve such levels of economic performance or repay principal or interest when due may result in the cancellation of such third parties' commitments to lend funds to the governmental entity, which may further impair such debtor's ability or willingness to service its debt on a timely basis. Consequently, governmental entities may



default on their Sovereign Debt. Holders of Sovereign Debt, including a Fund, may be requested to participate in the rescheduling of such debt and to extend further loans to governmental entities. There is no bankruptcy proceeding by which Sovereign Debt on which a governmental entity has defaulted may be collected in whole or in part.

In light of the fiscal conditions and concerns on sovereign debt of certain European countries, a Fund with exposure to Europe may be subject to an increased amount of volatility, liquidity, price and currency risk associated with investments in Europe. The performance of the relevant Fund could deteriorate should there be any adverse credit events in the European region (e.g. downgrade of the sovereign credit rating of a European country).

Where a Fund may have investment exposure to Europe in the context of the investment objective and strategy that it is pursuing, in light of the fiscal conditions and concerns on sovereign debt of certain European countries, such Fund may be subject to a number of risks arising from a potential crisis in Europe. The risks are present both in respect of direct investment exposure (for example if the Fund holds a security issued by a sovereign issuer and that issuer suffers a downgrade or defaults) and indirect investment exposure, such as the Fund facing an increased amount of volatility, liquidity, price and currency risk associated with investments in Europe.

In a case when any country should cease using the Euro as their local currency or should a collapse of the Eurozone monetary union occur, such countries may revert back to their former (or another) currency, which may lead to additional performance, legal and operational risks to the Fund and may ultimately negatively impact the value of the Fund. The performance and value of the Fund may potentially be adversely affected by any or all of the above factors, or there may be unintended consequences in addition to the above arising from the potential European crisis that adversely affect the performance and value of the Fund.

#### **ESG Investment Risk**

Applying ESG and sustainability criteria in the investment process may result in the exclusion of securities in which the Fund might otherwise invest. Such securities could be part of the benchmark against which the Fund is managed, or be within the universe of potential investments. This may have a positive or negative impact on performance and may mean that the Fund's performance profile differs to that of funds which are managed against the same benchmark or invest in a similar universe of potential investments but without applying ESG or sustainability criteria.

Furthermore, the lack of common or harmonised definitions and labels regarding ESG and sustainability criteria may result in different approaches by managers when integrating ESG and sustainability criteria into investment decisions. This means that it may be difficult to compare funds with ostensibly similar objectives and that these funds will employ different security selection and exclusion criteria. Consequently, the performance profile of otherwise similar funds may deviate more substantially than might otherwise be expected. Additionally, in the absence of common or harmonised definitions and labels, a degree of subjectivity is required and this will mean that a fund may invest in a security that another manager or an investor would not.

**abrdn SICAV III, the Management Company or the Investment Manager do not make any representation or warranty, express or implied, with respect to the fairness, correctness, accuracy, reasonableness or completeness of any ESG assessment of the underlying investments.**

## **DEALING IN SHARES OF abrdn SICAV III**

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### **MARKET TIMING AND LATE TRADING**

The Management Company applies a number of policies and procedures designed to protect the Funds from being adversely impacted by the trading strategies of investors including application of a dilution adjustment. Further information about the application of any dilution adjustment can be found in the "Share Prices and Dilution Adjustment" section below.

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

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

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

### **SUSPENSION OF DEALINGS**

The Board of Directors of abrdn SICAV III may suspend dealing in the event that a reliable price cannot be established as at the valuation point. Investors are reminded that, in certain circumstances, the issue and redemption of Shares may be suspended (See Appendix C, section 10, "Suspension").

A Fund may without prior notice to Shareholders be closed to new subscriptions into that Fund (but not to redemptions) if, in the opinion of the Board of Directors, this is necessary to protect the interests of the Fund and its existing Shareholders. One such circumstance would be where the Fund has reached a size such that the capacity of the market and/or the capacity of the relevant Investment Manager has been reached, and where to permit further inflows would be detrimental to the performance of the Fund.

### **SWING PRICING**

The Board of Directors current policy is to impose a swing pricing adjustment to the Net Asset Value of each Class of Shares in a given Fund in the following circumstances (but generally only where a redemption charge has not been applied – please refer to "Redemption Charges" under the "Charges and Expenses" section below):

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

If charged the swing pricing adjustment will be paid into the relevant Fund and become part of the assets of the relevant Fund.

As a result of a swing pricing adjustment, the Share price for subscription or redemption of Shares will be higher or lower than the Share price for subscription or redemption of Shares which would otherwise have been applied in the absence of a swing pricing adjustment.

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

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

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

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

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

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

The Management Company has implemented a swing pricing policy, which has been approved by the Board of Directors as well as specific operational procedures governing the day-to-day application of the swing pricing.

The above applies to all Funds.

## PREVENTION OF MONEY LAUNDERING AND FINANCING OF TERRORISM

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

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

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

The right is reserved by abrdn SICAV III to reject any application for subscription of Shares in whole or in part. If an application is rejected, the application monies or balance thereof will be returned, once sufficient evidence of identification has been produced, at the risk of the applicant and without interest as soon as reasonably practicable, at the cost of the applicant, by bank transfer.

## DEALING TIMES

Applications for subscription and instructions for redemptions must be made to the Transfer Agent and delivered to the Transfer Agent's office between 09:00 and 17:00 hours (Luxembourg time) on any Dealing Day for the Fund or Funds concerned.

With respect to any Fund, a Dealing Day is any Business Day other than, days during a period of suspension of dealing in Shares in that Fund or, days (as determined by the Board in its discretion) on which any exchange or market on which a substantial portion of the relevant Fund's portfolio is traded, is closed. The Business Days which are not Dealing Days will be available at the registered office of abrdn SICAV III and at [www.abrdn.com](http://www.abrdn.com).

A Business Day is a day on which banks in Luxembourg are open for business (24 December is not a Business Day).

## SUBSCRIPTION FOR SHARES

### Application for Shares

All Funds have been principally designed for investors who will invest in the Funds on the day of launch and will hold their investments until the Maturity Date. After the launch date of each Fund, such Fund may accept further subscriptions, if specifically approved by the Board of Directors. The Board of Directors may apply a dilution adjustment to any of these subsequent subscriptions to preserve the interests of existing Shareholders (as set out below).

The Funds are valued at 13:00 hours Luxembourg time on each Dealing Day.

Subject to limitations set out in relation to a particular Fund, Investors may apply for either a specific number of Shares or Shares of a specified value on any Dealing Day. Applications received by the Transfer Agent up to 13:00 hours Luxembourg time on any Dealing Day will be executed at the relevant Share Price(s) calculated on that Dealing Day for the Fund or Funds concerned. If received after 13:00 hours Luxembourg time, the application will be treated as having been received on the next following Dealing Day and will be executed at the Share Price(s) calculated on such following Dealing Day.

The following information is for your guidance in submitting applications and remitting payment for Shares. If you are in any doubt about what to do, please contact the Transfer Agent at the following address:

**International Financial Data Services (Luxembourg) S.A.**  
**49, avenue John F. Kennedy**  
**L-1855 Luxembourg, Grand Duchy of Luxembourg**  
**Tel: (352) 46 40 10 820**  
**Fax: (352) 24 52 90 56**

Applications to subscribe for Shares should be made either directly to the Transfer Agent in Luxembourg or through one of abrdn SICAV III's paying agents to be forwarded to abrdn SICAV III.

Subscriptions should be made by using abrdn SICAV III's Application Form or, in the case of subsequent subscriptions, at the discretion of abrdn SICAV III, by letter, fax or such other means as agreed, containing all the information detailed below. Failure to include all requisite information will cause delay in acceptance and allotment of Shares.

Completed applications should be sent to the Transfer Agent together with the relevant documents required to verify the identity of the investor.

Applications for subsequent subscriptions which are not made on the Application Form or "Top-up" application form MUST include the following:

1. The full name(s), address of the applicant(s) and email address (for those Shareholders having accepted notifications by email as form of notice), the address for correspondence (if different) and details of the agent/authorised financial intermediary (if any). Please note that initials are not acceptable as confirmation of applicants' names;
2. Full registration details of all applicants including family name, forename(s), date of birth, address, nationality, occupation and telephone number, country of tax residence and tax identification number for no more than four joint applicants;
3. The full name of the Fund and the Class of Shares being applied for;
4. The currency amount to be invested or the number of Shares applied for;
5. How and, in which currency and, for what value date payment will be made;
6. Acknowledgement of receipt of this Prospectus and that the application is made on the basis of the information contained in this Prospectus and the Articles of Incorporation of abrdn SICAV III and agreement to abide by the terms and conditions therein;
7. Declaration that the Shares are not being acquired either directly or indirectly by or on behalf of any U.S. Person (as defined in this Prospectus) or by any other person restricted by the law of any relevant jurisdiction from acquiring the Shares and

that the applicant will not sell, transfer or otherwise dispose of any such Shares, directly or indirectly, to or for the account of any U.S. Person or in the United States;

8. In the case of Institutional Investors, a signed declaration that they qualify as such;
9. If the applicant does not wish for dividends to be reinvested, that fact and bank details and currency requirements if the applicant wishes for dividend payments to be made, at the expense of the applicant, by electronic transfer and/or in a currency other than the Base Currency of the relevant Fund;
10. The applicant must provide the Transfer Agent with all necessary information which the Transfer Agent may reasonably require to verify the identity of the applicant. Failure to do so may result in abrdn SICAV III refusing to accept the subscription for Shares in the Fund. Applicants must indicate whether they invest on their own account or on behalf of a third party. Except for companies who are regulated professionals of the financial sector, bound in their country by rules on the prevention of money laundering and terrorism financing enforcing equivalent obligations to those applicable in Luxembourg, any applicant applying is obliged to submit to the Transfer Agent in Luxembourg all necessary information required under the applicable money-laundering regulations which the Transfer Agent may reasonably require to verify the identity of the applicant and in the case of it acting on behalf a third party, of the beneficial owner(s). Furthermore any such applicant hereby undertakes that it will notify the Transfer Agent prior to the occurrence of any change in the identity of any such beneficial owner;
11. For those applicants who are resident in an EU/EEA State or Switzerland, a declaration that they have received and read the current relevant PRIIPS KID for each Share Class in which they are investing.

abrdn SICAV III reserves the right to direct the Transfer Agent to reject any application for subscription of Shares in whole or in part, for any reason. If an application is rejected, the Transfer Agent will, at the applicant's risk, once sufficient evidence of identification has been produced, normally return the Gross Investment Amount or the balance thereof within five Business Days of rejection by bank transfer at cost to the applicant.

#### Minimum Gross Investment Amounts

Share class	Minimum Gross Investment Amount		
	Initial Investment amount	Subsequent Investment amount	Holding amount
	in US\$ or currency equivalent		
A	1,000	1,000	500
I	1,000,000	10,000	500,000
K	5,000,000	10,000	1,000,000
L	1,000,000	10,000	500,000
X	1,000	1,000	500
Z	1,000,000	10,000	500,000

These minima may be waived at abrdn SICAV III's discretion.

An up-to-date list of launched Classes of Shares, as well as information on available Classes of Shares, including information on the availability of currency hedged Classes of Shares (if any), any (initial or subsequent) offering price and offering period, will be further disclosed in the subscription form and/or can be obtained on the following website: [www.abrdn.com](http://www.abrdn.com).

#### Allotment/Settlement Period

Shares are provisionally allotted at the Share Price calculated on the date an application is accepted. Cleared monies have to be received by the Transfer Agent no later than three Business Days (excluding any non-Dealing Days) after the application is accepted and Shares are allotted, except as noted below.

The relevant Shares will be issued upon receipt of cleared monies.

#### Non-receipt of Cleared Monies

If monies are not received as described above, then abrdn SICAV III reserves the right to cancel any allotment of the relevant Shares without prejudice to the right of abrdn SICAV III to obtain compensation for any loss directly or indirectly resulting from the failure of an applicant to effect settlement, including in respect of overdraft charges and interest incurred.

If an allotment is cancelled and cleared monies are subsequently received, abrdn SICAV III may issue Shares on the date cleared monies are received, at that day's Share Price but subject to any applicable charges.

#### Methods of Payment

Payment of the total amount due should be made in the currency of denomination of the relevant Share Class (this being the relevant Fund's Base Currency). Payment for Shares can be made in Australian Dollars, Canadian Dollar, Euro, Hong Kong Dollars, Japanese Yen, Sterling, Swiss Franc, US Dollars, Singapore Dollars or in any other currency as agreed with the Transfer Agent from time to time. However, if the currency of investment is different to the currency denomination of the relevant Share Class the necessary foreign exchange transaction will be arranged on behalf of, and at the expense of, the applicant. Normal

banking charges will be included in the foreign exchange rate given and will be charged to the investor. Applicants must state on their Application Form if they wish to make payment in a currency other than the currency of denomination of the relevant Share Class. Certain intermediaries may offer their own foreign exchange services. In these cases, the services will be described in the application forms used by those intermediaries.

Investors are reminded that if they make payment to anyone other than abrdn SICAV III, they should satisfy themselves that such persons are authorised to receive such payments. Certain intermediaries may have specific arrangements with abrdn SICAV III for the payment of investment monies. In these cases the arrangements will be described in the Application Forms used by those intermediaries. In the absence of such arrangements, no payments should be made to the intermediary. Any queries should be addressed to the Transfer Agent. The Transfer Agent and abrdn SICAV III cannot accept liability for any payments made to unauthorised persons. In the absence of such arrangements no investment monies should be paid to an intermediary.

Payment should be made by bank transfer net of all bank charges (i.e. at the investors' expense) from a bank account in the name(s) of the investor(s). A copy of the bank transfer form (stamped by the bank) should be attached to the Application Form in order to avoid delays. Cash, cheques or traveller's cheques will not be accepted.

All such remittances should be made payable to abrdn SICAV III.

Shares are not available to be redeemed until the Business Day after the relevant settlement period or the actual settlement date of the subscription, whichever is later.

#### **Shares held in Euroclear or Clearstream**

Any transaction in Shares held by an investor in an account with Euroclear or Clearstream must be notified immediately to the Registrar and Transfer Agent. The Transfer Agent has the right to refuse any such transaction where the investor does not hold sufficient Shares in their account with Clearstream or Euroclear.

#### **REDEMPTION OF SHARES**

Investors may redeem either a specific number of Shares or Shares of a specified value on any Dealing Day. Any redemption requests received by the Transfer Agent before 13:00 hours Luxembourg time on a Dealing Day will be redeemed at the Share Price for the relevant Fund calculated on that Dealing Day, subject to any applicable charges. Any redemption requests received at or after 13:00 hours Luxembourg time will be redeemed on the next Dealing Day for that Fund.

If a redemption request would result in a Shareholder's investment in any one Fund or Class being less than the required minimum holding, abrdn SICAV III reserves the right to redeem the full Shareholding in that Fund (or Class) and pay the proceeds to the Shareholder. Shares are cancelled when redeemed.

The price at which Shares are redeemed may be higher or lower than the price at which Shares were purchased, depending on the value of the underlying assets.

Redemption requests may only be withdrawn during a period for which redemption rights have been suspended or deferred by abrdn SICAV III.

Redemption requests can be made by letter, fax or such other means as agreed. Redemption requests must state the full name(s) and address of the Shareholders, the name of the Fund, the Class, the number or value of Shares in each Fund to be redeemed and full settlement instructions. Such requests must be signed by all Shareholders. The Transfer Agent reserves the right to require the Shareholder's signature on a redemption request to be verified in a manner acceptable to the Transfer Agent. Confirmation of the redemption will be sent to the Shareholder on completion of the transaction.

The Transfer Agent may from time to time make arrangements to allow Shares to be redeemed electronically or through other communication media. Certain Institutional Investors may communicate electronically as agreed with the Transfer Agent. For further details and conditions Shareholders should contact the Transfer Agent.

Shares are not available to be redeemed until the second Business Day after the relevant settlement period or the actual settlement date of the subscription, whichever is later.

#### **Redemption Proceeds**

Payments to Shareholders are normally made to the bank account in the name of the Shareholders in Australian Dollars, Canadian Dollar, Euro, Hong Kong Dollars, Japanese Yen, Sterling, Swiss Francs, US Dollars, Singapore Dollars or in any other currency as agreed with the Transfer Agent from time to time (as indicated at the time of the original application) or, if no indication was given, in the currency of denomination of the relevant Share Class of the Fund(s) concerned (this being the relevant Fund's Base Currency) at the expense and risk of the Shareholder. No third party payments can be made. Redemption proceeds, less any applicable charges, which may include normal banking charges included in any foreign exchange rate given, will be paid in accordance with the Shareholder's instructions given on application for the relevant Shares unless otherwise amended or requested in writing.

Proceeds of redemption will normally be paid at Shareholders' expense by bank transfer into the Shareholders' nominated bank account on the third Business Day following the date on which the applicable Share Price was determined, except as noted below.

If, in exceptional circumstances, the liquidity of the relevant Fund is insufficient to enable redemption proceeds to be paid within these periods, or if there are other reasons, such as exchange controls or other regulations which delay payment, payment will be made as soon as reasonably practicable thereafter, but without interest. Payments by telegraphic transfer will normally be made at the expense of the Shareholder. All payments are made at the Shareholder's risk.

#### **EXCHANGE (OR SWITCHING) OF SHARES**

**No exchange (or switch) is permitted within, into or out of, any of the Funds.**

## CHARGES AND EXPENSES

### SALES CHARGES

Type of Charge	Classes A and Class L	Classes I, K, X	Class Z
Initial Sales Charge (Max.) % Gross Investment Amount	5	0	0

#### Initial Sales Charge

It shall be collected by the Management Company or by the relevant agent/authorised financial intermediary when investors choose not to invest in the Funds directly.

The Management Company may apply or lift a waiver (whether partial or total) or rebate it (whether totally or partially) by way of a commission or discount to certain individuals or institutions, both in accordance with applicable laws and regulations.

### REDEMPTION CHARGES

In addition to other charges and adjustments referred to in this Prospectus, the following redemption charges apply in respect of all Funds (subject to the provision that only a redemption charge or a dilution adjustment will be applied, please see \* below).

The proceeds of any redemption of Shares in the Funds by a Shareholder will be reduced in accordance with the following percentage scale. This represents a reducing redemption charge liability for Shareholders and will be calculated in the manner which results in the lowest possible charge on the assumption that the first shares acquired by the Shareholder are the first shares sold by that Shareholder. The scale is as follows:

Years to Maturity Date	Redemption charge as a percentage of relevant share price (maximum)
5 or above	2.50%
4	2.00%
3	1.50%
2	1.00%
1	1.00%

\* Please note that if the sum of:

- (a) any dealing charges (which shall include any commission and/or other costs); and/or
- (b) any bid/offer spread that is applied (as per the "dilution adjustment" provisions set out in the Prospectus)

is greater than the redemption charge that would be applied as per the table above, then, in general, the redemption charge will not be payable and instead, a dilution adjustment will be made (please refer to the "Dealing in Shares of abrdn SICAV III"). The Board of Directors retains the discretion to apply the dilution adjustment rather than the redemption charge, if felt appropriate.

### ANNUAL CHARGES

#### Investment Management Fees

The Investment Manager receives fees for the provision and co-ordination of investment services to abrdn SICAV III (the "**Investment Management Fee**"), which shall not exceed 3% of the Net Asset Value of the Fund. The fees are calculated as a percentage of the Net Asset Value of each Fund as set out in the table below.

For the purpose of the calculation, the value of each Fund (and the value attributable to each Share Class) is taken as at the Net Asset Value per Share on the previous Dealing Day, taking into account any subscriptions and/or redemptions on that day.

These fees are accrued daily and are paid monthly in arrears to the Investment Manager. abrdn Investments Limited pays the fees of the Sub-Investment Manager. For certain Classes of Shares, the Investment Manager reserves the right, at their discretion, to reallocate any Investment Management Fee they receive to certain recognised financial intermediaries or institutions in compliance with applicable laws and regulations.

At least three (3) months' prior notice, or such lesser period as permitted or provided under applicable laws and regulatory requirements, will be given to all Shareholders in respect of any increase of the maximum amount of the Investment Management Fee.

The maximum Investment Management Fee for each Class is set out in the table below:

Fund Name	Class A	Classes I and L	Class K and X	Class Z
abrdrn SICAV III – Global Bond Fixed Maturity 2025 Fund	1.00%	0.50%	0.25%	0.00%
abrdrn SICAV III – Global Bond Fixed Maturity 2025 – II Fund	1.00%	0.25%	0.25%	0.00%
abrdrn SICAV III – Global Bond Fixed Maturity 2026 - III Fund	1.00%	0.50%	0.25%	0.00%
abrdrn SICAV III – Global Bond Fixed Maturity 2027 Fund	1.00%	0.50%	0.25%	0.00%
abrdrn SICAV III – Emerging Markets Bond Fixed Maturity 2024 Fund	1.20%	0.60%	0.30%	0.00%
abrdrn SICAV III – Emerging Markets Bond Fixed Maturity 2025 Fund	1.20%	0.60%	0.30%	0.00%
abrdrn SICAV III – Emerging Markets Bond Fixed Maturity 2026-II Fund	1.20%	0.60%	0.30%	0.00%
abrdrn SICAV III – Emerging Markets Bond Fixed Maturity 2027 Fund	1.20%	0.60%	0.30%	0.00%

#### Management Company Charge

abrdrn SICAV III will pay an annual charge to the Management Company (the "**Management Company Charge**"), up to a maximum of 0.05% of the Net Asset Value of each Fund. For the purpose of the calculation, the value of each Fund (and the value attributable to each Share Class) is taken as at the Net Asset Value per Share on the previous Dealing Day, taking into account any subscriptions and/or redemptions on that day. The Management Company Charge shall be accrued daily and payable monthly in arrears. The Management Company Charge shall be used to pay the Management Company for the services it provides as the management company of the Company (in particular the performance of its monitoring role) and shall include reimbursement for any additional regulatory capital costs incurred by the Management Company by reason of its appointment.

**At least three (3) months' prior notice, or such lesser period as permitted or provided under applicable laws and regulatory requirements, will be given to all Shareholders in respect of any increase of the maximum amount of the Management Company Charge.**

#### OTHER CHARGES

##### General

For certain Classes of Shares, the Investment Manager may share the whole or any part of the charges or fees outlined herein with the Transfer Agent or with any sub-distributor or intermediary in compliance with applicable laws and regulations. The Transfer Agent may act as the collecting or processing agent for such charges or fees.

#### GENERAL ADMINISTRATION CHARGE

The operating expenses incurred by abrdrn SICAV III will generally be paid out of the assets of the relevant Fund. To seek to minimise the variability of these expenses, for a number of these operating expenses, a fixed rate charge of up to a maximum of 0.10% will be charged to each Share Class (the "**General Administration Charge**"). The level of the effective General Administration Charge below this maximum level may vary at the Board of Directors' discretion, as agreed with the Management Company, and different rates may apply across the Funds and Share Classes. The Board of Directors may amend the maximum fixed level of the General Administration Charge applicable to each Share Class at any time at its discretion upon prior notice to the relevant Shareholders.

The General Administration Charge is fixed in the sense that the Management Company, or another abrdrn Group company as elected by the Management Company, will bear the excess in actual relevant operating expenses to any such General Administration Charge charged to the Share Classes. Conversely, the Management Company, or another abrdrn Group company as elected by the Management Company, will be entitled to retain any amount of the General Administration Charge charged to the Share Classes exceeding the actual relevant operating expenses incurred by the respective Share Classes.

The effective General Administration Charge is calculated in the same way as the Investment Management Fee set out above. The effective General Administration Charge is disclosed as part of the ongoing charges of a Share Class in the relevant PRIIPS KID and in the semi-annual and annual reports of abrdrn SICAV III.

The expenses that are included within the General Administration Charge include, but are not limited to:

- a) fees and expenses of the auditors;
- b) directors' fees and expenses and costs incurred in respect of meetings. Any non-executive Director of abrdn SICAV III will be entitled to a fee in remuneration for their services as a Director or in their capacity as a member of any committee of the Board of Directors. In addition, all Directors may be paid reasonable travelling, hotel and other incidental expenses for attending meetings of the Board of Directors (or any committee thereof) or of Shareholders of abrdn SICAV III;
- c) Domiciliary Agent, Registrar and Transfer Agent fees and expenses;
- d) principal and local Paying Agent's fees and expenses;
- e) the Administrator's fees and expenses;
- f) the fees and any proper expenses of any tax, legal or other professional advisers retained by abrdn SICAV III or by the Management Company in relation to abrdn SICAV III;
- g) any costs incurred in respect of any meeting of Shareholders (including meetings of Shareholders in any particular Fund or any particular share class within a Fund);
- h) insurance which abrdn SICAV III may purchase and/or maintain for the benefit of and against any liability incurred by any Directors of abrdn SICAV III in the performance of their duties;
- i) miscellaneous fees – including but not limited to: the cost of publication of the Share prices, rating fees, postage, telephone, facsimile transmission and other electronic means of communication, registration costs and expenses of preparing, printing and distributing the Prospectus and associated notices, translation costs, PRIIPS KIDs or any offering document, financial reports and other documents made available to Shareholders, fees payable to permanent representatives and other agents of abrdn SICAV III and any other costs as required and deemed appropriate relating to the regulatory compliance of abrdn SICAV III;
- j) fees of the CSSF and the corresponding fees of any regulatory authority in a country or territory outside Luxembourg in which shares are or may be marketed; and
- k) any Value-added tax (VAT), Goods and Services Tax (GST) or similar taxes that might apply in any jurisdiction applicable to any of the costs, charges, fees and expenses listed above.

The Management Company will regularly review the effective General Administration Charge charged to each Share Class.

The Management Company may from time to time subsidise costs incurred by any Fund to keep the costs of a Fund or Share Class in line with the published estimated ongoing charges figure or for any other reason as the Management Company may in its sole discretion determine.

#### **OTHER FEES AND EXPENSES**

In addition to the fees and expenses covered by the General Administration Charge, abrdn SICAV III may pay out of assets of each Fund, the following charges and expenses:

- a) Depositary fees and customary transaction fees and charges charged by the Depositary and its agents (including fee payments and receipts and any reasonable out-of-pocket expenses, i.e. stamp taxes, registration costs, scrip fees, special transportation costs, etc.). The depositary fee is calculated at a rate determined by the territory or country in which the Fund assets are held;
- b) dilution levy or adjustment, brokerage charges, asset spreads and margins on the purchase or sale of portfolio assets (including the forward and spot foreign exchange transactions used for the hedging of Hedged Share Classes), non-custody related transactions and any other disbursements which are necessarily incurred in effecting transactions. For the avoidance of doubt, no cost or expense related to investment research will be paid out the assets of a Fund;
- c) costs of examination, asserting and enforcement of any claims for reduction, offsetting or refund of withholding taxes or other taxes or fiscal duties;
- d) Luxembourg annual subscription tax (*taxe d'abonnement*) - referred to in the "Taxation" section of this Prospectus;
- e) the full amount of any current and future tax, levy, duty or similar charge which may be due on the assets and/or on the income of abrdn SICAV III, the Funds or their assets;
- f) any amount payable by abrdn SICAV III under any indemnity provisions contained in the instrument of incorporation or any agreement binding upon abrdn SICAV III;
- g) all charges and expenses incurred in connection with the collection of income and collateral management services;
- h) correspondent and other banking charges;
- i) extraordinary expenses (i.e. expenses that would not be considered ordinary expenses) including but not limited to: litigation expenses, exceptional measures, particularly legal, business or tax expert appraisals or legal proceedings undertaken to protect



Shareholders' interests, any expense linked to non-routine arrangements made by the Domiciliary Agent and the Registrar & Transfer Agent in the interests of the investors and all similar charges and expenses;

j) in the case of a Fund investing in another UCITS or UCI: any double charging of fees and expenses, in particular the duplication of the fees payable to the depositary(s), transfer agent(s), investment manager(s) and other agents and also subscription and redemption charges, which are generated both at the level of the Fund and of the target funds in which the Fund invests;

k) interest on and other charges relating to permitted borrowings;

l) benchmark licence fees and royalty fees incurred for the use of any index names; and

m) any Value-added tax (VAT), Goods and Services Tax (GST) or similar taxes that might apply in any jurisdiction applicable to any of the costs, charges, fees and expenses listed above.

Expenses not directly attributable to a Fund will be allocated between the Funds. With respect to the provision of hedged Share Classes, the costs relating to the hedging operation(s), if any, will be allocated to the Share Class concerned.

The Management Company may from time to time subsidise the Other Fees and Expenses incurred by any Fund to keep the costs of a Fund or Share Class in line with the published estimated ongoing charges figure or for any other reason as the Management Company may in its sole discretion determine.

The formation expenses of abrdn SICAV III and each of the Funds (including new Funds) have been borne by the abrdn Group.

## DIVIDEND POLICY

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Investors should refer to [www.abrdn.com](http://www.abrdn.com) for current details of which Classes of Shares are in issue.

Each Class of Shares is sub-divided according to its dividend policy, as further described below.

The Board of Directors will exercise its discretion to declare dividends that are appropriate for the characteristics of each Fund and for each Share Class. The declared dividends may differ from the calculation of net investment income, as described below, and the level of income accrued or received by each Fund. The monetary amount and percentage level of dividends declared may also change over time, except for Fixed Distribution Shares which will be declared and distributed as described below.

The Investment Manager, will make a number of assumptions relating to future market conditions and the securities in the portfolio. These assumptions will be taken into account in determining the dividend and will evolve over time. Market conditions and the portfolio may differ from these assumptions in practice. The following examples illustrate how dividends may be impacted:

- Income received or earned by a Fund may be held back to increase the likelihood that the Fund is able to return capital upon a Fund's Maturity Date in order to meet its investment objective. This may occur, for example, if a bond were to default and the Fund would no longer benefit from its future income.
- The declared dividends may be higher than the income received / earned by the Fund if the Fund is expected to have sufficient assets to return capital upon the Maturity Date. The Fund's assets may be sold if necessary in this circumstance.

For Share Classes denominated in a different currency to the Base Currency of the Fund, the dividends payable will be adjusted for currency impacts.

The dividends for unhedged Share Classes will be equivalent to the dividends declared for the equivalent Base Currency Share Class converted into the relevant currency using exchange rates at the time dividends are declared. The dividends are therefore subject to exchange rate variations.

The dividends for hedged Share Classes will be equivalent to the dividends declared for the equivalent Base Currency Share Class converted into the relevant currency with an adjustment to reflect the expected impact of currency hedging in the Share Class. The adjustment will be estimated based upon observed market pricing of currency hedging transactions or the difference in market interest rates, as deemed appropriate by the Investment Manager. For example, if market pricing anticipates an increase in exchange rates and / or interest rates are higher in the Share Class currency compared to the Base Currency of the Fund, dividends will be increased in the relevant currency and vice versa. The dividends will not reflect the actual return on the hedging transactions. The dividends are subject to interest rate variations.

### Accumulation Shares

They will be denoted by adding "Acc" next to the Class (e.g. A Acc). The Board of Directors does not intend to declare any dividends in respect of these Classes of Shares. Accordingly, the investment income attributable to these Classes of Shares will be accumulated in their respective Net Asset Values.

### Income Shares

- **Monthly Income Shares:** They will be denoted by adding "MInc" next to the Class (e.g. A MInc). Dividends will be declared as at the first Business Day of each month with the appropriate distributions or allocations made within one month of these dates.
- **Quarterly Income Shares:** They will be denoted by adding "QInc" next to the Class (e.g. A QInc). Dividends will be declared as at 1 January, 1 April, 1 July and 1 October with the appropriate distributions or allocations made within two months of these dates.

- **Semi-annual Income Shares:** They will be denoted by adding "SInc" next to the Class (e.g. A SInc). Dividends will be declared as at 1 April and 1 October with the appropriate distributions or allocations made within two months of these dates.
- **Annual Income Shares:** They will be denoted by adding "AInc" next to the Class (e.g. A AInc). Dividends will be declared as at 1 October with the appropriate distributions or allocations made within two months of this date.

The following alternative distribution features are also offered for the Income Shares:

#### **Accelerated Income Shares**

Dividends of Income Shares (regardless of their dividend distribution frequency) may be declared on an accelerated basis at the discretion of abrdn SICAV III with the appropriate distributions made in less than one month of the relevant declaration date. These Accelerated Income Shares will be denoted by adding "A" next to the Class (e.g. A MIncA).

#### **Fixed Distribution Shares**

Fixed Distribution Shares will declare and distribute a fixed amount per annum (which will be pro-rated accordingly depending on the relevant distribution frequency as indicated above), regardless of the performance of the relevant Fund. These Fixed Distribution Shares will be denoted by adding "Fixed" next to the Class (e.g. A Fixed AInc).

Fixed Distribution Shares may carry a risk of capital erosion. Potential investors should carefully read the "Capital Erosion Risk" section under "General Risk Factors".

#### **UK Reporting Fund Regime**

Confirmation of whether a Share Class has "reporting fund" status can be found on the HMRC website (<https://www.gov.uk/government/publications/offshore-funds-list-of-reporting-funds>). Once granted reporting fund status, the Share Class may rely on that status going forward subject to continued compliance with the requirements of the reporting funds rules. Additionally, it is intended that the UK Reporting Fund Regime Report in respect of all Share Classes granted reporting fund status will be published on <https://www.abrdn.com/en/uk/investor/fund-centre/uk-reporting-regime> within six months of the relevant accounting period, and can be requested in writing by contacting abrdn Investments Luxembourg S.A. at the Shareholder Services centre as detailed in the "Management and Administration" section of this Prospectus.

## **CALCULATION OF NET INVESTMENT INCOME**

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The net investment income in relation to a Fund is determined in accordance with the laws and regulations applicable to abrdn SICAV III. Broadly, it comprises all sums deemed by the Board of Directors of abrdn SICAV III, to be in the nature of income received or receivable for the account of abrdn SICAV III and attributable to each Fund in respect of the accounting period concerned, after deducting net charges and expenses of the individual Classes and payable out of such income (except for Fixed Distribution Shares, where such charges may be payable out of the relevant Share Class capital where it exceeds Share Class income) and after making such adjustments as the Administrator considers appropriate, following consultation with the Auditors in accordance with the laws and regulations applicable to abrdn SICAV III in relation to taxation and other matters.

Each allocation of net investment income made in respect of any Fund at a time when more than one Class of Shares is in issue in respect of that Fund shall be effected by reference to the relevant investor's proportionate interest in the property of the Fund in question. This will be ascertained for each Share Class as follows:

1. A notional account will be maintained for each Class of Share. Each account will be referred to as an Entitlement Account.
2. There will be credited to this Entitlement Account:
  - the capital amount of the price paid for the Shares of that Class (i.e., excluding any initial charges or dilution adjustment);
  - that Class' proportion of the capital appreciation attributable to the Fund;
  - that Class' proportion of the Fund's income received and receivable;
  - in the case of accumulation Shares, income previously allocated and so accumulated to Shares in respect of previous accounting periods.
3. There will be debited to the Entitlement Account:
  - any redemption payment made for the cancellation of Shares of the relevant Class;
  - that Class' proportion of any capital depreciation attributable to the Fund;
  - all distributions of income (including equalisation) made to Shareholders of that Class;
  - all costs, charges and expenses incurred by and allocated to that Class.
4. In each case, the Administrator will make such adjustments for taxation matters as the Administrator considers appropriate after consultation with the Auditors so that no particular Class of Share suffers material prejudice as opposed to another Class of Share.
5. Where a Class of Shares is denominated in a currency which is not the Base Currency of the relevant Fund, the balance on the Entitlement Account shall be converted into the Base Currency of the Fund in order to ascertain the proportion of all Classes of Share. Conversions between currencies shall be at a rate of exchange decided by the administrator as being a rate that is not likely to result in any material prejudice to the interests of investors or potential investors.

Please see the sections "General Administration Charge" and "Other Fees and Expenses" within "Charges and Expenses" for further details on the charging of these expenses to the Funds and Share Classes.

## PAYMENT OF DIVIDENDS

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### Dividends for Reinvestment

Dividends in respect of the Income Shares will automatically be reinvested in additional Shares of the same Class in the relevant Fund unless the Shareholder has specifically elected on the Application Form or otherwise subsequently in writing to receive such dividends in cash. The new Shares are issued fourteen days prior to the relevant dividend payment date at the Share Price on that date and are free of any sales charge. Where such day is not a Dealing Day, the new Shares will be issued on another day at abrdn SICAV III's discretion. Reinvested dividends are likely to be treated as income received by the Shareholder for tax purposes in most jurisdictions.

### Dividends for Payment by Bank Transfer

Dividends are declared in the currency in which the relevant Share Class is denominated (this being the relevant Fund's Base Currency). They can, upon request, be paid, at the expense and risk of the Shareholder, in the preferred currency of the Shareholder, provided that currency is on the list of currencies offered, which list is available at the registered office of abrdn SICAV III, (usually the currency of original investment), by bank transfer. Shareholders should bear in mind that bank clearing or collection charges may seriously erode the value of small dividend amounts. Dividend amounts of less than US\$25 (or its equivalent in another currency) will, at the discretion of the Board of Directors of abrdn SICAV III, not be paid out in cash but will be automatically reinvested in order to avoid disproportionate costs, notwithstanding a Shareholders request to pay out dividends.

### Unclaimed Dividends

To the extent any monies remain unclaimed they shall be held by the Transfer Agent on behalf of the relevant Shareholder, without any liability to account for interest thereon. Any dividend unclaimed after 5 years from the date when it first became payable shall be forfeited automatically and made use of for the benefit of the relevant Fund without the necessity for any declaration or other action by the Fund.

## TAXATION

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### TAXATION OF abrdn SICAV III

abrdn SICAV III is not liable to any tax in Luxembourg on its profits or income and is not subject to Luxembourg's net wealth tax.

abrdn SICAV III is however liable in Luxembourg to an annual subscription tax (*taxe d'abonnement*) at a rate of 0.05% per annum of the Net Asset Value of each Class (0.01% for Class I, Class K, and Class Z Shares, being Shares that can only be held by Institutional Investors), such tax being payable quarterly on the basis of the value of the net assets of abrdn SICAV III at the end of the relevant calendar quarter.

No stamp duty or other tax is payable in Luxembourg on the issue or redemption of Shares.

A subscription tax exemption applies to:

- The portion of any Fund's assets (prorata) invested in a Luxembourg investment fund or any of its sub-fund to the extent it is subject to the subscription tax;
- Any Fund (i) whose securities are only held by Institutional Investor(s), and (ii) whose sole object is the collective investment in money market instruments and the placing of deposits with credit institutions, and (iii) whose weighted residual portfolio maturity does not exceed 90 days, and (iv) that have obtained the highest possible rating from a recognised rating agency. If several Classes of Shares are in issue in the relevant Fund meeting (ii) to (iv) above, only those Classes of Shares meeting (i) above will benefit from this exemption;
- Any Fund, whose main objective is the investment in microfinance institutions; and
- Any Fund, (i) whose securities are listed or traded on a stock exchange and (ii) whose exclusive object is to replicate the performance of one or more indices. If several Classes of Shares are in issue in the relevant Fund meeting (ii) above, only those Classes of Shares meeting (i) above will benefit from this exemption.

No Luxembourg tax is payable on the realised capital gains or unrealised capital appreciation of the assets of abrdn SICAV III.

Investment income received and capital gains realised by abrdn SICAV III on its investments may be subject to irrecoverable withholding taxes at source. abrdn SICAV III may benefit in certain circumstances from double taxation treaties, which Luxembourg has concluded with other countries.

Distributions made by abrdn SICAV III as well as liquidation proceeds and capital gains derived therefrom are not subject to withholding tax in Luxembourg.

abrdn SICAV III is registered for Value Added Tax in Luxembourg and is liable to account for Value Added Tax in accordance with applicable laws.

### TAXATION OF SHAREHOLDERS

#### Automatic Exchange of Information

Following the development by the Organisation for Economic Co-operation and Development ("OECD") of a common reporting standard ("CRS") to achieve a comprehensive and multilateral automatic exchange of information (AEOI) in the future on a global basis, Council Directive 2014/107/EU amending the Council Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation (the "Euro-CRS Directive") was adopted on 9 December 2014 in order to implement the CRS among the member States of the European Union.

The Euro-CRS Directive was implemented into Luxembourg law by the law of 18 December 2015 on the automatic exchange of financial account information in the field of taxation ("CRS Law").

The CRS Law requires Luxembourg financial institutions to identify financial asset holders and establish if they are fiscally resident in countries with which Luxembourg has a tax information sharing agreement.

In addition, Luxembourg tax authorities signed the OECD's multilateral competent authority agreement ("Multilateral Agreement") to automatically exchange information under the CRS. The Multilateral Agreement aims to implement the CRS among non EU member states; it requires agreements on a country by country basis.

abrdn SICAV III and/or the Registrar and Transfer Agent require shareholders to provide information in relation to the identity and tax residence of financial account holders (including certain entities and their controlling persons), account details, reporting entity, account balance/value and income/sale or redemption proceeds to the local tax authorities of the country of tax residency of the foreign investors to the extent that they are tax resident of another EU member State or of a country for which the Multilateral Agreement is in full force and applicable. The personal data obtained will be used for the purpose of the CRS Law or such other purposes indicated by abrdn SICAV III in the data protection and register of beneficial owners section of the Prospectus in compliance with Luxembourg data protection law. Information regarding an investor and his/her/its account will be reported to the Luxembourg tax authorities (*Administration des Contributions Directes*), which will thereafter automatically transfer this information to the competent foreign tax authorities on a yearly basis, if such an account is deemed a CRS reportable account under the CRS Law.

**Shareholders should consult their professional advisors on the possible tax and other consequences with respect to the implementation of the CRS.**

#### **Luxembourg**

Shareholders are not subject to any capital gains, income, withholding, gift, estate, inheritance or other tax in Luxembourg (except for Shareholders domiciled, resident or having a permanent establishment in Luxembourg).

#### **General**

Investors and prospective investors should note that levels and bases of taxation may change and they should ascertain from their professional advisers the potential consequences to them of acquiring, holding, redeeming, transferring or selling any of abrdn SICAV III's Shares or receiving dividends therefrom under the relevant laws of each jurisdiction to which they are subject, including the tax consequences and any foreign exchange control requirements. These consequences will vary with the law and practice of a Shareholder's country of citizenship, residence, domicile or incorporation and personal circumstances.

The foregoing statements on taxation are given on the basis of abrdn SICAV III's understanding of present legislation and practice in force at the date of this document and is subject to change. The summary does not purport to be a comprehensive description of all Luxembourg tax laws and Luxembourg tax considerations that may be relevant to a decision to invest in, own, hold, or dispose of Shares and is not intended as tax advice to any particular Investor or potential Investor.

### **COMPLIANCE WITH U.S. REPORTING AND WITHHOLDING REQUIREMENTS**

The Foreign Account Tax Compliance provisions of the Hiring Incentives to Restore Employment Act ("FATCA") generally impose a U.S. federal reporting and withholding tax regime with respect to certain U.S. source income (including, among other types of income, dividends and interest) and gross proceeds from the sale or other disposal of property. The rules are designed to require certain U.S. persons' direct and indirect ownership of certain non-U.S. accounts and non-U.S. entities to be reported to the U.S. Internal Revenue Service. The 30% withholding tax regime could apply if there is a failure to provide certain required information.

On 28 March 2014, the Grand-Duchy of Luxembourg entered into a Model 1 Intergovernmental Agreement ("IGA") with the United States of America and a memorandum of understanding in respect thereof. abrdn SICAV III would hence have to comply with such Luxembourg IGA, as implemented into Luxembourg law by the law of 24 July 2015 relating to FATCA (the "FATCA Law") in order to comply with the provisions of FATCA rather than directly complying with the US Treasury Regulations implementing FATCA. Under the FATCA Law and the Luxembourg IGA, abrdn SICAV III may be required to collect information aiming to identify its direct and indirect Shareholders that are Specified US Persons for FATCA purposes ("reportable accounts"). Any such information on reportable accounts provided to abrdn SICAV III will be shared with the Luxembourg tax authorities which will exchange that information on an automatic basis with the Government of the United States of America pursuant to Article 28 of the convention between the Government of the United States of America and the Government of the Grand-Duchy of Luxembourg for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes in Income and Capital, entered into in Luxembourg on 3 April 1996. abrdn SICAV III intends to comply with the provisions of the FATCA Law and the Luxembourg IGA to be deemed compliant with FATCA and will thus not be subject to the 30% withholding tax with respect to its share of any such payments attributable to actual and deemed U.S. investments of abrdn SICAV III. abrdn SICAV III will continually assess the extent of the requirements that FATCA and notably the FATCA Law places upon it.

To ensure abrdn SICAV III's compliance with FATCA, the FATCA Law and the Luxembourg IGA in accordance with the foregoing, abrdn SICAV III or the Management Company, in its capacity as the abrdn SICAV III's management company or the Administrator, may:

- a) request information or documentation, including self-certification forms, a Global Intermediary Identification Number, if applicable, or any other valid evidence of a shareholder's FATCA registration with the IRS or a corresponding exemption, in order to ascertain such shareholder's FATCA status;
- b) report information concerning a shareholder and his account holding in abrdn SICAV III to the Luxembourg tax authorities if such account is deemed a US reportable account under the FATCA Law and the Luxembourg IGA;
- c) deduct applicable US withholding taxes from certain payments made to a Shareholder by or on behalf of abrdn SICAV III in accordance with FATCA and the FATCA Law and the Luxembourg IGA; and

- d) divulge any such personal information to any immediate payer of certain U.S. source income as may be required for withholding and reporting to occur with respect to the payment of such income.

Any withholding obligation would be carried out in accordance with applicable laws and regulations and the Management Company will act in good faith and on reasonable grounds in relation thereto. Although abrdn SICAV III will attempt to satisfy any obligations imposed on it to avoid the imposition of FATCA withholding tax, no assurance can be given that abrdn SICAV III will be able to satisfy these obligations. If abrdn SICAV III becomes subject to a withholding tax as a result of the FATCA regime, the value of the Shares held by the Shareholders may suffer material losses.

## **PUBLICATION OF SHARE PRICES**

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The Share Prices of each Class of Shares of each Fund are made public at the registered office of abrdn SICAV III and are available on the internet site [www.abrdn.com](http://www.abrdn.com). Share Prices (but not necessarily for every Class) are also currently published daily in a number of local publications and are generally available from Reuters, Bloomberg, Financial Express, FT Interactive Data, Lipper, and Morningstar. abrdn SICAV III and its agents cannot accept responsibility for any errors or delays in the publication or non-publication of prices and reserve the right to discontinue or change publication in any publication without notice. Such prices are published for information only. It is not an invitation to subscribe for or redeem Shares.

## **MEETINGS AND REPORTS**

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The Annual General Meeting of Shareholders of abrdn SICAV III shall be held, in accordance with Luxembourg law, at the registered office of abrdn SICAV III or any other place in the Grand-Duchy of Luxembourg as may be specified in the notice of the meeting at a date and time decided by the Board of Directors being no later than six months after the end of abrdn SICAV III's previous financial year. Notices of General Meetings and other notices (which shall include the place and time of the meetings, conditions of admission, agenda, quorum and voting requirements) are given in accordance with Luxembourg law. The requirements for attendance, quorum and majorities at all General Meetings will be those specified in abrdn SICAV III's Articles of Incorporation.

A Shareholders' meeting may also be called upon the request of Shareholders representing at least one tenth of the share capital of abrdn SICAV III.

abrdn SICAV III's financial year ends on 30 June of each year. Copies of the annual reports giving details of each of the Funds together with the audited combined annual accounts of abrdn SICAV III (in US Dollars) will be available at the registered office of abrdn SICAV III and on [www.abrdn.com](http://www.abrdn.com) within four months of the end of the year which it covers. In addition, an interim report including unaudited combined half-yearly accounts will be available in the same manner within two months of the period which it covers.

## **DATA PROTECTION AND REGISTER OF BENEFICIAL OWNERS**

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abrdn SICAV III and the Management Company, collect, store on computer systems and process, by electronic or other means, information in relation to the Investors and their representative(s) (such as legal representatives and authorised signatories), employees, directors, officers trustees, settlors, their shareholders/unitholders, nominees and/or beneficial owner(s) (as applicable) (i.e. the "Data Subjects") which may qualify as personal data as defined by applicable data protection law (the "Personal Data") in connection with an application to subscribe for Shares, or in the course of their investment in abrdn SICAV III. Personal Data including in particular details of the Investors' shareholding, will be stored in digital form and processed in compliance with applicable laws and regulations.

Personal Data provided or collected in connection with an investment in abrdn SICAV III may be processed by abrdn SICAV III and the Management Company, as joint data controllers (i.e. the "Controllers") and disclosed to, and processed by, the Investment Manager, the Sub-Investment Manager or any other company within the abrdn Group, SS&C Financial Services Europe Limited, SS&C Financial Services International Limited, International Financial Data Services Luxembourg S.A., the Depositary, the Administrator, any distributor or sub-distributor, the Paying Agent, the Auditor, legal and financial advisers and other service providers of abrdn SICAV III (including its administrative support and information technology providers) and, any of the foregoing respective agents, delegates, affiliates, subcontractors and/or their successors and assigns (i.e. the "Processors"). These 'third parties' may act as data processors on behalf of the Controllers or, in certain circumstances, as data controllers, in particular for compliance with their legal obligations in accordance with applicable laws and regulations (such as anti-money laundering identification) and/or order of competent jurisdiction, government, supervisory or regulatory body, including tax authority.

Controllers and Processors shall process Personal Data in accordance with the Regulation (EU) 2016/679 of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (the "General Data Protection Regulation" or "GDPR"), as well as any applicable law or regulation relating to the protection of personal data (together the "Data Protection Law").

Further (updated) information relating to the processing of Personal Data of Data Subjects may be provided or made available, on an ongoing basis, through various channels, including electronic communication means, such as email, websites, portals or platforms, as deemed appropriate to allow the Controllers and/or Processors to comply with their obligations of information according to Data Protection Law.

Personal Data may include, without limitation, the name, address, telephone number, business contact information, employment and job history, financial and credit history information, current and historic investments, investment preferences and invested

amount of Data Subjects and any other information that is necessary to the Controllers and Processors for the purposes described below. Personal Data is collected directly from Data Subjects or may be collected through publicly accessible sources, subscription services, or other third party data sources.

Personal Data will be processed by the Controllers and the Processors for the following purposes: (i) to offer investment in Shares and to perform the related services as contemplated in this Prospectus and the Application Form such as but not limited to the opening of Shareholder accounts, the management and administration of Shares, including the processing of subscriptions and redemptions or transfer of Shares, maintaining a customer relationship data base, payments to Shareholders, updating and maintaining records and fee calculation, maintaining the register of Shareholders, Shareholder communications, (ii) to offer other related services resulting from any agreement entered into between Controllers and a service provider that is communicated or made available to the Investors (together referred to as the "Investment Services").

As part of the Investment Services, Personal Data may also be processed for the purpose of direct marketing activities (by electronic communications means such as email, SMS or internet, or otherwise, including post), notably to provide Data Subjects with general or personalised information about investment opportunities, products and services proposed by or on behalf of abrdn SICAV III, its service providers, delegates and business partners. The legal basis for the processing of Personal Data in the context of such marketing activities will be either the legitimate interest of abrdn or, where applicable, consent of the Data Subjects.

Personal Data will also be processed by the Controllers and Processors to pursue their own legitimate business interests or to comply with applicable legal and regulatory obligations or to carry out any other form of cooperation with, or reporting to, public authorities. This includes, but is not limited to, legal obligations under applicable fund and company law (such as maintaining the register of shareholders and recording orders), prevention of terrorism law, anti-money laundering law and counter terrorist financing (AML-CTF) (such as carrying out customer due diligence including notably screening against official sanctions lists), prevention and detection of crime, and tax law (such as reporting under the FATCA Law and the CRS Law (as defined in the section "Taxation"). It also includes any other tax identification legislation to prevent tax evasion and fraud as applicable, and to prevent fraud, bribery, corruption and the provision of financial and other services to persons subject to economic or trade sanctions on an on-going basis in accordance with the AML-CTF procedures of the Controllers and Processors, as well as to retain AML-CTF and other records of the Data Subjects for the purpose of screening by the Controllers and Processors (the "Compliance Obligations").

Controllers and Processors will collect, use, store, retain, transfer and/or otherwise process Personal Data: (i) as a result of the subscription of Shareholders to the Application Form where necessary to perform the Investment Services or to take steps at the request of Shareholders prior to such subscription, including as a result of the holding of Shares in general and/or; (ii) where necessary to comply with a legal or regulatory obligation of Controllers or Processors and/or; (iii) where necessary for the performance of a task carried out in the public interest and/or (iv) in the event the Application Form is not entered into directly by the concerned Data Subject, Personal Data may be processed for the purposes of the legitimate interests pursued by Controllers or by Processors, which mainly consist in the performance of the Investment Services, or direct or indirect marketing activities, or compliance with the Compliance Obligations regulations and/or any order of a foreign court, government, supervisory, regulatory or tax authority, including when providing such Investment Services to any beneficial owner and any person holding Shares directly or indirectly in abrdn SICAV III and/or (v) where applicable under certain specific circumstances, on the basis of Shareholders' consent (which may be withdrawn at any time without affecting the lawfulness of processing based on such consent before its withdrawal).

Personal Data may be disclosed to and/or transferred to and otherwise accessed or processed by Processors and/or target entities and/or other funds or related entities (including without limitation their respective general partner or management company/investment manager and service providers) in or through which abrdn SICAV III intends to invest, as well as any court, governmental or regulatory bodies including tax authorities in Luxembourg or in various jurisdictions, in particular those jurisdictions where (i) abrdn SICAV III is or is seeking to be registered for public or limited offering of its Shares, (ii) Shareholders are resident, domiciled or citizens or (iii) abrdn SICAV III is, or is seeking to, be registered, licensed or authorised to invest for carrying out the Investment Services and to comply with the Compliance Obligations (the "Authorised Recipients").

Controllers undertake not to transfer Personal Data to any third parties other than the Authorised Recipients, except as disclosed to Shareholders from time to time or if required or permitted by applicable laws and regulations, including Data Protection Law, or by any order from a court, governmental, supervisory or regulatory body, including tax authorities.

By subscribing or purchasing Shares of abrdn SICAV III, investors acknowledge and accept that Personal Data will be processed for the purpose of the Investment Services and Compliance Obligations described above and in particular, that the disclosure and the transfer of their Personal Data may take place to the Authorised Recipients, including the Processors, which are located in countries outside of the European Union (including but not limited to the United States, Hong Kong and India), which are not subject to an adequacy decision of the European Commission and whose legislation does not ensure an adequate level of protection as regards the processing of personal data.

Controllers will transfer Personal Data to the Authorised Recipients (i) on the basis of an adequacy decision of the European Commission with respect to the protection of personal data or, (ii) on the basis of appropriate safeguards according to Data Protection Law, such as standard contractual clauses, binding corporate rules, an approved code of conduct, or an approved certification mechanism or, (iii) in the event it is required by any judgment of a court or tribunal or any decision of an administrative authority, on the basis of an international agreement entered into between the European Union or a concerned Member State and other jurisdictions worldwide or, (iv) where applicable under certain specific circumstances, on the basis of the Shareholder's explicit consent or, (v) where necessary for the performance of the Investment Services or for the implementation of pre-contractual measures taken at the Shareholders' request or, (vi) where necessary for the Processors to perform their services rendered in connection with the Investment Services which are in the interest of the Data Subjects or, (vii) where necessary for important reasons of public interest or, (viii) where necessary for the establishment, exercise or defence of legal claims or, (ix) where the transfer is made from a register, which is legally intended to provide information to the public or, (x) where necessary for the purposes of compelling legitimate interests pursued by the Controllers or the Processors, to the extent permitted by Data Protection Law.



In the event the processing of Personal Data or transfer of Personal Data outside of the European Union take place on the basis of the consent of the Shareholders, Data Subjects are entitled to withdraw their consent at any time without prejudice to the lawfulness of the processing and/or data transfers carried out before the withdrawal of such consent. In case of withdrawal of consent, Controllers will accordingly cease such processing or transfers. Any change to, or withdrawal of, Data Subjects' consent can be communicated in writing to the Management Company at its registered office to the attention of the Data Protection Officer at the addresses indicated below.

Insofar as Personal Data is not provided by the Data Subjects themselves (including where Personal Data provided includes Personal Data concerning other Data Subjects), investors represent that they have authority to provide Personal Data of other Data Subjects and will remain responsible if they do so. If Shareholders are not natural persons, they confirm that they have undertaken to (i) inform any Data Subject about the processing of their Personal Data and their related rights (as well as how to exercise them) as described in this Prospectus, in accordance with the information requirements under the Data Protection Law and (ii) where necessary and appropriate, obtained in advance any consent that may be required for the processing of Personal Data as described in this Prospectus in accordance with the requirement of Data Protection Law. Any such consent will be documented in writing.

Measures are taken to ensure confidentiality and security of the Personal Data. In particular, where the same level of confidentiality and data protection in relation to personal data as is currently in force in Luxembourg may not be guaranteed as the Personal Data is transferred electronically and made available or kept outside of Luxembourg, abrdn SICAV III and/or the Management Company, so far as is possible, seek to ensure that the agents, delegates and sub-delegates, who may or not be part of the abrdn Group, maintain appropriate data protection and confidentiality standards. Applicants acknowledge and agree that the abrdn Group companies limit their liability to the maximum extent permitted under applicable law in respect of Personal Data being obtained by unauthorised third parties.

It is mandatory to answer questions and requests with respect to Data Subjects' identification and Shares held in abrdn SICAV III and, as applicable, FATCA and/or CRS. Investors acknowledge and accept that failure to provide relevant personal data requested by the Management Company and/or the Administrator in the course of their relationship with abrdn SICAV III may result in incorrect or double reporting; may prevent investors from maintaining their Shares in abrdn SICAV III; and may be reported to the relevant Luxembourg authorities.

Investors acknowledge that abrdn SICAV III, the Management Company and/or the Administrator may be obliged to collect and report any relevant information in relation to investors and their investments in abrdn SICAV III (including but not limited to name and address, date of birth and U.S. tax identification number (TIN), account number, balance on account) to the Luxembourg tax authorities (*Administration des contributions directes*) which will exchange this information on an automatic basis with the competent authorities in the United States or other permitted jurisdictions (including the U.S. Internal Revenue Service (IRS) or other US competent authority and foreign tax authorities located outside the European Economic Area) only for the purposes provided for in the FATCA, and CRS, at OECD and EU levels or equivalent Luxembourg legislation.

Data Subjects may request, in the manner and subject to the limitations prescribed in accordance with Data Protection Law, (i) access to and rectification or deletion of, any incorrect Personal Data concerning themselves, (ii) a restriction or objection of processing of Personal Data concerning themselves and, (iii) to receive Personal Data concerning themselves in a structured, commonly used and machine readable format or to transmit those Personal Data to another controller and, (iv) to obtain a copy of, or access to, the appropriate or suitable safeguards, such as standard contractual clauses, binding corporate rules, an approved code of conduct, or an approved certification mechanism, which have been implemented for transferring the Personal Data outside of the European Union. In particular, Data Subjects may at any time object, on request, to the processing of Personal Data concerning themselves for marketing purposes or for any other processing carried out on the basis of the legitimate interests of Controllers or Processors. Each Data Subject should address such requests to the Management Company to the attention of the Data Protection Officer. For any additional information related to the processing of their Personal Data, Data Subjects can contact the Data Protection Officer of Controllers via post mail at 35a, avenue John F. Kennedy, L-1855 Luxembourg or via email at [ASI.DP.office@abrdn.com](mailto:ASI.DP.office@abrdn.com).

Investors are entitled to address any claim relating to the processing of their Personal Data carried out by Controllers in relation with the Investment Services or compliance with the Compliance Obligations by lodging a complaint with the relevant data protection supervisory authority (i.e. in Luxembourg, the *Commission Nationale pour la Protection des Données* - [www.cnpd.lu](http://www.cnpd.lu)).

Personal Data of Data Subjects will be retained by the Controllers until Shareholders cease to have Shares in abrdn SICAV III and a subsequent period of 10 years thereafter where necessary to comply with applicable laws and regulations or to establish, exercise or defend actual or potential legal claims, subject to the applicable statutes of limitation, unless a longer or shorter period is required by applicable laws and regulations. In any case, Personal Data shall not be held for longer than necessary with regard to the purpose of the data processing (Investment Services and Compliance Obligations), subject always to applicable legal minimum retention periods.

The Depositary and Administrator, and the Registrar and Transfer Agent acting in their respective capacities as described in this Prospectus are bound by professional secrecy rules and are required to keep any information relating to Shareholders confidential. The Management Company, the Registrar and Transfer Agent, and the Depositary and Administrator outsource certain activities to intra-group or third party service providers located in various jurisdictions. Such outsourcing could imply the transfer of information related to investors. Information on the current outsourcing parties appointed by them or on their behalf, including the jurisdiction in which they are located, are set out at [www.abrdn.com](http://www.abrdn.com) under "Fund Centre" in relation to the Registrar and Transfer Agent and at <https://www.citigroup.com/global/about-us/global-presence/luxembourg> in relation to the Depositary and Administrator.

## **LUXEMBOURG REGISTER OF BENEFICIAL OWNERS**

The Luxembourg Law of 13 January 2019 creating a Register of Beneficial Owners (the "Law of 13 January 2019") entered into force on the 1st of March 2019. The Law of 13 January 2019 requires all companies registered on the Luxembourg Company Register, including the Company, to obtain and hold information on their beneficial owners ("Beneficial Owners") at their registered

office. The Company must register Beneficial Owner-related information with the Luxembourg Register of beneficial owners, which is established under the authority of the Luxembourg Ministry of Justice.

The Law of 13 January 2019 broadly defines a Beneficial Owner, in the case of corporate entities such as the Company, as any natural person(s) who ultimately owns or controls the Company through direct or indirect ownership of a sufficient percentage of the shares or voting rights or ownership interest in the Company, or through control via other means, other than a company listed on a regulated market that is subject to disclosure requirements consistent with European Union law or subject to equivalent international standards which ensure adequate transparency of ownership information.

A shareholding of 25 % plus one share or an ownership interest of more than 25% in the Company held by a natural person shall be an indication of direct beneficial ownership. A shareholding of 25% plus one share or an ownership interest of more than 25% in the Company held by a corporate entity, which is under the control of a natural person(s), or by multiple corporate entities, which are under the control of the same natural person(s), shall be an indication of indirect beneficial ownership.

In case the aforementioned Beneficial Owner criteria are fulfilled by an investor with regard to the Company, this investor is obliged by law to inform the Company in due course and to provide the required supporting documentation and information which is necessary for the Company to fulfil its obligation under the Law of 13 January 2019. Failure by the Company and the relevant Beneficial Owners to comply with their respective obligations deriving from the Law of 13 January 2019 will be subject to criminal fines. Should an investor be unable to verify whether they qualify as a Beneficial Owner, the investor may approach the Company for clarification under the following e-mail address: [abrln.DPOffice@abrln.com](mailto:abrln.DPOffice@abrln.com).

## DOCUMENTS AVAILABLE FOR INSPECTION

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Copies of the following documents are available for inspection during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) at the registered office of abrln SICAV III (where a copy of the documents specified in (a) and (c) below may be obtained on request, free of charge):

- (a) the Articles of Incorporation of abrln SICAV III;
- (b) the latest unaudited interim reports and the latest audited annual reports of abrln SICAV III;
- (c) the latest Prospectus and the latest PRIIPS KIDs;
- (d) the agreement between abrln SICAV III and the Management Company;
- (e) the agreements concluded by abrln SICAV III with the Paying Agent and the Depositary;
- (f) the agreements concluded by abrln SICAV III and the Management Company with the Administrator, the Registrar and Transfer Agent and the Investment Manager; and
- (g) the agreements between abrln Investments Limited with the Sub-Investment Manager.

## PRIIPS KID

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The PRIIPS KIDs containing information on Classes of Shares launched are available on the internet site [www.abrln.com](http://www.abrln.com). abrln SICAV III draws the attention of the investors to the fact that, before any subscription of Shares, investors should consult the relevant PRIIPS KID for a Class of Share.



## Appendix A - Investment Restrictions, Investment Techniques and Risk Management Process

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### INVESTMENT POWERS AND RESTRICTIONS

**abrdn SICAV III has the following investment powers and restrictions:**

I. abrdn SICAV III may invest in:

- Transferable Securities and Money Market Instruments admitted to or dealt in on a Regulated Market;
- recently issued Transferable Securities and Money Market Instruments, provided that the terms of issue include an undertaking that application will be made for admission to official listing on a Regulated Market and such admission is secured within one year of the issue;
- units of UCITS and/or Other UCIs, whether situated in a Member State or not, provided that:
  - such Other UCIs have been authorised under the laws which provide that they are subject to supervision considered by the CSSF to be equivalent to that laid down in Community law, and that cooperation between authorities is sufficiently ensured;
  - the level of protection for unitholders in such Other UCIs is equivalent to that provided for unitholders in a UCITS, and in particular that the rules on asset segregation, borrowing, lending, and uncovered sales of Transferable Securities and Money Market Instruments are equivalent to the requirements of Directive 2009/65/EC, as amended;
  - the business of such Other UCIs is reported in half-yearly and annual reports to enable an assessment of the assets and liabilities, income and operations over the reporting period;
  - no more than 10% of the assets of the UCITS or of the Other UCIs, whose acquisition is contemplated, can, according to their constitutional documents, in aggregate be invested in units of other UCITS or Other UCIs;
- deposits with credit institutions which are repayable on demand or have the right to be withdrawn, and maturing in no more than 12 months, provided that the credit institution has its registered office in a Member State or if the registered office of the credit institution is situated in a non- Member State provided that it is subject to prudential rules considered by the CSSF as equivalent to those laid down in Community law;
- financial derivative instruments, including equivalent cash-settled instruments, dealt in on a Regulated Market and/or financial derivative instruments dealt in over-the-counter ("OTC derivatives"), provided that:
  - the underlying consists of instruments covered by this paragraph I., financial indices, interest rates, foreign exchange rates or currencies, in which the Fund may invest according to its investment objective;
  - the counterparties to OTC derivative transactions are institutions subject to prudential supervision, and belonging to the categories approved by the Luxembourg supervisory authority;
  - the OTC derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at abrdn SICAV III's initiative;

and/or

- Money Market Instruments other than those dealt in on a Regulated Market, if the issue or the issuer of such instruments is itself regulated for the purpose of protecting investors and savings, and provided that such instruments are:
  - issued or guaranteed by a central, regional or local authority or by a central bank of a Member State, the European Central Bank, the EU or the European Investment Bank, a non-Member State or, in case of a Federal State, by one of the members making up the federation, or by a public international body to which one or more Member States belong, or
  - issued by an undertaking any securities of which are dealt in on Regulated Markets, or
  - issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined by the Community law, or by an establishment which is subject to and complies with prudential rules considered by the Luxembourg authority to be at least as stringent as those laid down by Community law, or
  - issued by other bodies belonging to the categories approved by the CSSF provided that investments in such instruments are subject to investor protection equivalent to that laid down in the first, the second or the third indent and provided that the issuer is a company whose capital and reserves amount to at least ten million euro (Euro 10,000,000) and which presents and publishes its annual accounts in accordance with the directive 2013/34/EU, is an entity which, within a group of companies which includes one or several listed companies, is dedicated to the financing of the group or is an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line.

- In addition, abrdn SICAV III may invest a maximum of 10% of the net assets of any Fund in Transferable Securities and Money Market Instruments other than those referred to under paragraphs a) through f) above.

II. abrdn SICAV III may hold ancillary liquid assets.

- III. a) (i) abrdn SICAV III will invest no more than 10% of the net assets of any Fund in Transferable Securities or Money Market Instruments issued by the same issuing body.
- (ii) abrdn SICAV III may not invest more than 20% of the net assets of any Fund in deposits made with the same body. The risk exposure of a Fund to a counterparty in an OTC derivative transaction may not exceed 10% of its net assets when the counterparty is a credit institution referred to in paragraph I. d) above or 5% of its net assets in other cases.
- b) Moreover, where abrdn SICAV III holds on behalf of a Fund investments in Transferable Securities and Money Market Instruments of issuing bodies which individually exceed 5% of the net assets of such Fund, the total of all such investments must not account for more than 40% of the total net assets of such Fund.

This limitation does not apply to deposits and OTC derivative transactions made with financial institutions subject to prudential supervision.

Notwithstanding the individual limits laid down in paragraph a), abrdn SICAV III may not combine for each Fund:

- investments in Transferable Securities or Money Market Instruments issued by a single body;
- deposits made with the same body and/or;
- exposure arising from OTC derivative transactions undertaken with the same body

in excess of 20% of its net assets.

- c) The limit of 10% laid down in sub-paragraph a) (i) above is increased to a maximum of 35% in respect of Transferable Securities or Money Market Instruments which are issued or guaranteed by a Member State, its local authorities, or by another Eligible State or by public international bodies of which one or more Member States are members.
- d) The limit of 10% laid down in sub-paragraph a) (i) is increased to 25% for certain bonds when they are issued by a credit institution which has its registered office in a Member State and is subject by law, to special public supervision designed to protect bondholders. In particular, sums deriving from the issue of these bonds must be invested in conformity with the law in assets which, during the whole period of validity of the bonds, are capable of covering claims attaching to the bonds and which, in case of bankruptcy of the issuer, would be used on a priority basis for the repayment of principal and payment of the accrued interest.
- If a Fund invests more than 5% of its net assets in the bonds referred to in this sub-paragraph and issued by one issuer, the total value of such investments may not exceed 80% of the net assets of the Fund.
- e) The Transferable Securities and Money Market Instruments referred to in paragraphs c) and d) shall not be included in the calculation of the limit of 40% in paragraph b).

The limits set out in paragraphs a), b), c) and d) may not be aggregated and, accordingly, investments in Transferable Securities or Money Market Instruments issued by the same issuing body, in deposits or in financial derivative instruments effected with the same issuing body may not, in any event, exceed a total of 35% of any Fund's net assets.

Companies which are part of the same group for the purposes of the establishment of consolidated accounts, as defined in accordance with directive 83/349/EEC or in accordance with recognised international accounting rules, are regarded as a single body for the purpose of calculating the limits contained in this paragraph III).

abrdn SICAV III may cumulatively invest up to 20% of the net assets of a Fund in Transferable Securities and Money Market Instruments within the same group.

- f) Notwithstanding the above provisions, abrdn SICAV III is authorised to invest up to 100% of the net assets of any Fund, in accordance with the principle of risk spreading, in Transferable Securities and Money Market Instruments issued or guaranteed by a Member State, by its local authorities or agencies, by a State accepted by the Luxembourg supervisory authority (being at the date of this Prospectus OECD member states, Singapore and any member state of the G20) or by public international bodies of which one or more member states of the European Union are members, provided that such Fund must hold securities from at least six different issues and securities from one issue do not account for more than 30% of the net assets of such Fund.**

- IV. a) Without prejudice to the limits laid down in paragraph V., the limits provided in paragraph III. are raised to a maximum of 20% for investments in shares and/or bonds issued by the same issuing body if the aim of the investment policy of a Fund is to replicate the composition of a certain stock or bond index which is sufficiently diversified, represents an adequate benchmark for the market to which it refers, is published in an appropriate manner and disclosed in the relevant Fund's investment policy.
- b) The limit laid down in paragraph a) is raised to 35% where this proves to be justified by exceptional market conditions, in particular on Regulated Markets where certain Transferable Securities or Money Market Instruments are highly dominant. The investment up to this limit is only permitted for a single issuer.

- V. a) abrdn SICAV III may not acquire shares carrying voting rights which should enable it to exercise significant influence over the management of an issuing body.
- b) abrdn SICAV III may acquire no more than:
- 10% of the non-voting shares of the same issuer;
  - 10% of the debt securities of the same issuer;
  - 10% of the Money Market Instruments of the same issuer.

- c) These limits under second and third indents may be disregarded at the time of acquisition, if at that time the gross amount of debt securities or of the Money Market Instruments or the net amount of the instruments in issue cannot be calculated.

The provisions of paragraph V. shall not be applicable to Transferable Securities and Money Market Instruments issued or guaranteed by a Member State or its local authorities or by any other Eligible State, or issued by public international bodies of which one or more Member States are members.

These provisions are also waived as regards shares held by abrdn SICAV III in the capital of a company incorporated in a non-Member State which invests its assets mainly in the securities of issuing bodies having their registered office in that State, where under the legislation of that State, such a holding represents the only way in which abrdn SICAV III can invest in the securities of issuing bodies of that State provided that the investment policy of the company from the non-Member State of the EU complies with the limits laid down in paragraphs III., V. and VI. a), b), c) and d).

- VI. a) Except if otherwise disclosed in the Prospectus in relation to a given Fund, abrdn SICAV III may acquire units of UCITS and/or Other UCIs referred to in paragraph I. c) (including those managed by the Investment Manager or its affiliates), provided that no more than 10% of a Fund's net assets be invested in the units of UCITS or Other UCIs or in one single such UCITS or Other UCI.

In case a Fund may invest more than 10% in UCITS or Other UCIs, such Fund may not invest more than 20% of its net assets in units of a single UCITS or Other UCI. For the purpose of the application of this investment limit, each compartment of a UCITS or Other UCI with multiple compartments is to be considered as a separate issuer provided that the principle of segregation of the obligations of the various compartments *vis-à-vis* third parties is ensured.

- b) Investments made in units of Other UCIs may not, in aggregate, exceed 30% of the net assets of such Fund.
- c) The underlying investments held by the UCITS or Other UCIs in which abrdn SICAV III invests do not have to be considered for the purpose of the investment restrictions set forth under III. above.
- d) When abrdn SICAV III invests in the units of UCITS and/or Other UCIs that are managed directly or by delegation by the Management Company or by any other company with which the Management Company is linked by common management or control, or by a substantial direct or indirect holding of more than 10% of the capital or votes, the Management Company or other company cannot charge subscription or redemption fees to abrdn SICAV III on account of its investment in the units of such UCITS and/or Other UCIs.

In respect of a Fund's investments in UCITS and Other UCIs that are managed directly or by delegation by the Management Company or by any other company with which the Management Company is linked by common management or control, or by a direct or indirect holding of more than 10% of the capital or votes, a management fee at the level of the relevant Fund and the UCITS and Other UCIs (excluding any performance fee, if any) of no more than 5% of the Net Asset Value of the relevant Fund may be charged.

abrdn SICAV III will indicate in its annual report the total management fees charged both to the relevant Fund and to the UCITS and Other UCIs in which such Fund has invested during the relevant period.

- e) abrdn SICAV III may acquire no more than 25% of the units of the same UCITS or Other UCI. This limit may be disregarded at the time of acquisition if at that time the gross amount of the units in issue cannot be calculated.
- VII. a) Under the conditions and within the limits laid down by the Law, abrdn SICAV III may, to the widest extent permitted by the Luxembourg laws and regulations (i) create any Fund qualifying either as a feeder UCITS (a "Feeder UCITS") or as a master UCITS (a "Master UCITS"), (ii) convert any existing Fund into a Feeder UCITS, or (iii) change the Master UCITS of any of its Feeder UCITS.
- b) A Feeder UCITS shall invest at least 85% of its assets in the units of another Master UCITS.
- A Feeder UCITS may hold up to 15% of its assets in one or more of the following:
- ancillary liquid assets in accordance with paragraph II;
  - financial derivative instruments, which may be used only for hedging purposes.
- c) For the purposes of compliance with paragraph IX, the Feeder UCITS shall calculate its global exposure related to financial derivative instruments by combining its own direct exposure under the second indent of b) with either:
- the Master UCITS actual exposure to financial derivative instruments in proportion to the Feeder UCITS investment into the Master UCITS; or

- the Master UCITS potential maximum global exposure to financial derivative instruments provided for in the Master UCITS management regulations or instruments of incorporation in proportion to the Feeder UCITS investment into the Master UCITS.
- d) As of the date of this Prospectus, none of the Funds qualify as a Feeder UCITS.
- VIII. A Fund (the "Investing Fund") may subscribe, acquire and/or hold securities to be issued or issued by one or more Funds (each a "Target Fund") under the condition that:
- the Target Fund does not, in turn, invest in the Investing Fund invested in this Target Fund; and
  - no more than 10% of the assets of the Target Fund whose acquisition is contemplated, may, according to its investment policy, be invested in units of other UCITS or Other UCIs; and
  - voting rights, if any, attaching to the relevant securities are suspended for as long as they are held by the Investing Fund concerned and without prejudice to the appropriate processing in the accounts and the periodic reports; and
  - the Investing Fund may not invest more than 20% of its net assets in shares/units of a single Target Fund; and
  - for as long as these securities are held by the Investing Fund, their value will not be taken into consideration for the calculation of the net assets of abrdn SICAV III for the purposes of verifying the minimum threshold of the net assets imposed by the Law.
- IX. abrdn SICAV III shall ensure for each Fund that the global exposure relating to financial derivative instruments does not exceed the net assets of the relevant Fund.
- The exposure is calculated taking into account the current value of the underlying assets, the counterparty risk, foreseeable market movements and the time available to liquidate the positions. This shall also apply to the following subparagraphs.
- If abrdn SICAV III invests in financial derivative instruments, the exposure to the underlying assets may not exceed in aggregate the investment limits laid down in paragraph III above. When abrdn SICAV III invests in index-based financial derivative instruments, these investments do not have to be combined to the limits laid down in paragraph III.
- When a Transferable Security or Money Market Instrument embeds a derivative, the latter must be taken into account when complying with the requirements of this paragraph IX.
- X. a) abrdn SICAV III may not borrow for the account of any Fund amounts in excess of 10% of the net assets of that Fund, any such borrowings to be from banks and to be effected only on a temporary basis, provided that abrdn SICAV III may acquire foreign currencies by means of back to back loans;
- b) abrdn SICAV III may not grant loans to or act as guarantor on behalf of third parties.
- This restriction shall not prevent abrdn SICAV III from (i) acquiring Transferable Securities, Money Market Instruments or other financial derivative instruments referred to in paragraphs I. c), e) and f) which are not fully paid, and (ii) performing permitted securities lending activities, that shall not be deemed to constitute the making of a loan.
- c) abrdn SICAV III may not carry out uncovered sales of Transferable Securities, Money Market Instruments or other financial derivative instruments.
- d) abrdn SICAV III may not acquire movable or immovable property.
- e) abrdn SICAV III may not acquire either precious metals or certificates representing them.
- XI. a) abrdn SICAV III needs not comply with the limits laid down in this Appendix when exercising subscription rights attaching to Transferable Securities or Money Market Instruments which form part of its assets. While ensuring observance of the principle of risk spreading, recently created Funds may derogate from paragraphs III., IV. and VI. a), b) and c) for a period of six months following the date of their creation.
- b) If the limits referred to in paragraph a) are exceeded for reasons beyond the control of abrdn SICAV III or as a result of the exercise of subscription rights, it must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interest of its Shareholders.
- c) To the extent that an issuer is a legal entity with multiple compartments where the assets of the compartment are exclusively reserved to the investors in such compartment and to those creditors whose claim has arisen in connection with the creation, operation or liquidation of that compartment, each compartment is to be considered as a separate issuer for the purpose of the application of the risk spreading rules set out in paragraphs III., IV. and VI.

abrdn SICAV III will in addition comply with such further restrictions as may be required by the regulatory authorities in any country in which the Shares are marketed.

## ADDITIONAL COUNTRY SPECIFIC INVESTMENT RESTRICTIONS

A list of the countries of registration of each of the Funds is available at the registered office of abrdn SICAV III. abrdn SICAV III may only be offered and distributed in either: (i) those countries where abrdn SICAV III is registered; or (ii) if such offering/distribution would be in compliance with local laws and regulations.

## INVESTMENT TECHNIQUES AND INSTRUMENTS AND USE OF FINANCIAL DERIVATIVE INSTRUMENTS

### Techniques and Instruments

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

#### (a) **Lending of Portfolio Securities**

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

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

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

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

abrdn SICAV III may not enter into securities lending transactions unless such lending is fully and continuously secured by the cash placed as collateral and/or shares admitted to or dealt in on a Regulated Market or on a stock exchange of a member state of the OECD, provided that these shares are included in a main index and/or securities issued or guaranteed by an OECD member state or by local authorities of an OECD member state or by supranational institutions or organisations with EU, regional or worldwide scope, or by a guarantee of a highly rated financial institution, and blocked in favour of abrdn SICAV III until the termination of the lending contract.

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

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

abrdn SICAV III has appointed Securities Finance Trust Company as securities lending agent or may appoint any other entity from time to time (the "**Securities Lending Agent**"). The Securities Lending Agent(s) is/are entitled to receive a fee out of the property of the relevant Fund (plus VAT thereon) for its/their services in relation to securities lending. The relevant Fund will pay 10% of the gross revenues generated from securities lending activities as costs / fees to the Securities Lending Agent, the Investment Manager will receive 5% of the gross revenues generated from securities lending activities to cover its own administrative and operational costs and the Fund will retain 85% of the gross revenues

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

generated from securities lending activities. Costs / fees of running the programme are paid from the Securities Lending Agent's portion of the gross income (10%). This includes direct and indirect costs / fees generated by the securities lending activities. Details of such amounts, including any additional operational cost, will be disclosed in the interim and annual financial reports of abrdn SICAV III. The proportion of the income that will accrue to a particular Fund from all securities lending transactions cannot be changed without the Board's consent.

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

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

The counterparties to the transactions described above must be subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by Community law and specialised in this type of transaction. While there are no predetermined legal status or geographical criteria applied in the selection of the counterparties, these elements are typically taken into account in the selection process. The counterparties to such transactions will typically be organisations based in an OECD member state. abrdn SICAV III will seek to appoint counterparties from a list of approved counterparties who have undergone a credit risk analysis by the Investment Manager taking into account CSSF rules on counterparty selection, and whose short-term and long term ratings so rated by Standard & Poor's or Moody's Investor Services or Fitch Ratings must not be lower than BBB+. A counterparty may be a related party to the Investment Manager. In accordance with its collateral policy, abrdn SICAV III will ensure that its counterparty delivers and each day maintains collateral of at least the market value of the securities lent/sold, as described below. Such collateral must be in the form of:

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

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

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

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

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

#### **Financial Derivative Instruments**

Each Fund of abrdn SICAV III may, subject to the conditions and within the limits laid down in the Law and any present or future related Luxembourg laws or implementing regulations, circulars and CSSF positions (the "Regulations"), invest in financial derivative instruments for hedging and/or to manage foreign exchange risks. For certain Funds, where such techniques and instruments are also used for investment purposes, this must be set out in their investment objectives and policies. Financial derivative instruments include, but are not limited to, futures, options, swaps (including, but not limited to, credit and credit-default, interest rate and inflation swaps), forward foreign currency contracts and credit linked notes. All Funds may enter into transactions which include but are not limited to interest rate, equity, index and government bond futures and the purchase and writing of call and put options on securities, securities indices, government bond futures, interest rate futures and swaps. New financial derivative

instruments may be developed which may be suitable for use by abrdn SICAV III. abrdn SICAV III may employ such financial derivative instruments in accordance with the Regulations and collateral received will be according to its collateral policy.

The counterparties to such transactions must be subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by Community law and specialised in this type of transaction. In respect of OTC financial derivative transactions, abrdn SICAV III will receive collateral as specified in each of its ISDA Agreement. Such collateral will be in the form of cash. Collateral in the form of cash deposits in a currency other than the currency of exposure is also subject to a discount of 10%.

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

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

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

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

## RISK MANAGEMENT PROCESS

abrdn SICAV III and the Management Company will employ a risk-management process which enables them to monitor and measure at any time the risk of the positions and their contribution to the overall risk profile of each Fund. The risk measurement and monitoring of the Funds will be carried out either using a value at risk ("VaR") or a commitment approach. Funds which will either not use financial derivative instruments or limit their use of hedging strategies will be monitored using the commitment approach. The standard risk settings used to determine the VaR of the different sophisticated Funds are with a 99% confidence level and an analysis time horizon of one month (20 days).

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

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

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

Fund	Risk Management Approach	Maximum
abrdn SICAV III – Emerging Markets Bond Fixed Maturity 2024 Fund	Commitment	100%
abrdn SICAV III – Emerging Markets Bond Fixed Maturity 2025 Fund	Commitment	100%
abrdn SICAV III – Emerging Markets Bond Fixed Maturity 2026 – II Fund	Commitment	100%
abrdn SICAV III – Emerging Markets Bond Fixed Maturity 2027 Fund	Commitment	100%
abrdn SICAV III – Global Bond Fixed Maturity 2025 Fund	Commitment	100%
abrdn SICAV III – Global Bond Fixed Maturity 2025 – II Fund	Commitment	100%
abrdn SICAV III – Global Bond Fixed Maturity 2026 – III Fund	Commitment	100%
abrdn SICAV III – Global Bond Fixed Maturity 2027 Fund	Commitment	100%

Upon launch, a risk benchmark may be applied to the relevant Fund. Information on such risk benchmark will be available upon request from the Management Company and this Prospectus will be updated accordingly at the next available opportunity.

### **Liquidity Risk Management**

The Management Company has established a liquidity risk management policy which enables it to identify, monitor and manage the liquidity risks of each Fund of abrdn SICAV III and to ensure that the liquidity profile of the investments of each Fund of abrdn SICAV III will facilitate compliance with the Fund's obligation to meet redemption requests. Such policy, combined with the liquidity management tools of abrdn SICAV III, also seeks to achieve a fair treatment of shareholders and to safeguard the interests of the remaining shareholders in case of sizeable redemptions.

The Management Company's liquidity policy takes into account different factors including but not limited to the investment strategy, the liquidity profile, the redemption policy, the dealing frequency, the ability to enforce redemption limitations and the fair valuation policies of the relevant Fund of abrdn SICAV III. These measures seek to ensure fair treatment and transparency for all investors. The liquidity management policy involves monitoring the profile of investments held by the relevant Fund of abrdn SICAV III on an on-going basis to ensure that such investments are appropriate to the investor base and the risk profile of those investors and the redemption policy. Furthermore, the liquidity management policy includes details on periodic stress testing carried out by the Management Company to manage the liquidity risk of each Fund of abrdn SICAV III under normal and exceptional market conditions.

The stress testing will be performed on a regular basis under normal market conditions or such interval as the Management Company may consider appropriate from time to time. In times of exceptional and adverse market conditions or during a period when there are large redemption requests, stress testing will be performed more frequently. Where there are major changes to the markets in which a Fund invests, further stress testing will be performed in order to assess the impact. The results of the stress testing which will be studied and assessed carefully and will be used by the Management Company to consider taking possible actions where necessary, e.g. adjust the portfolio weighting of different types of investment instruments of the relevant Fund and prepare contingency plans.

The Management Company has assigned a designated team responsible for risk management to carry out the liquidity risk monitoring function and which is functionally independent from the Investment Manager and Sub-Investment Manager. The oversight of liquidity risk management is performed by the Risk Management Committee and the Investor Protection Committee.

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

- (1) abrdn SICAV III may limit the total number of Shares of any Fund which may be redeemed on any Dealing Day to a number representing 10% of the net assets of that Fund. Redemptions are processed in accordance with the provisions of the Article of Incorporation and this Prospectus. If such limitation is imposed, this would restrict the ability of a shareholder to redeem in full the Shares the Shareholder intends to redeem on a particular Dealing Day;
- (2) abrdn SICAV III may impose a dilution adjustment to the Net Asset Value of each Class of Shares in respect of Shares (i) redeemed on a particular Dealing Day, where the net redemptions of Shares linked to the Fund in which the redemption is instructed exceed 5% of the Net Asset Value or any other threshold determined by the Board of Directors of abrdn SICAV III (having considered prevailing market conditions) of the issued Shares linked to that Fund; (ii) purchased on a particular Dealing Day, where the net purchases of Shares linked to the Fund in which the purchase is instructed exceed the same percentage or any other threshold determined by the Board of Directors (having considered prevailing market conditions) or (iii) redeemed before each Fund's Maturity Date as described in the respective Investment Objective and Policy (but generally only where a redemption charge has not been applied – please refer to "Redemption Charges" under the "Charges and Expenses" section above. If charged, the dilution adjustment will be retained for the benefit of the Fund. As a result of a dilution adjustment, the Share price for subscription or redemption of Shares (as the case may be) will be higher or lower than the Share price for subscription or redemption of Shares (as the case may be) which otherwise would be if such dilution adjustment has not been made;
- (3) abrdn SICAV III may impose a redemption charge for any redemptions made before the Maturity Date (subject to the proviso that only a redemption charge or a dilution adjustment will be applied). More details of such charges are set out above under the "Redemption Charges" section in "Charges and Expenses";
- (4) abrdn SICAV III may suspend the allotment, issue and redemption of Shares relating to a Fund, the right to switch Shares into those of another Fund and the calculation of the Net Asset Value of any Class in accordance with the provisions of the Article of Incorporation and this Prospectus. During such period of suspension, shareholders would not be able to redeem their investments in the relevant Fund.

Investors may refer to the sections "Deferral of Redemptions", "Share Prices and Dilution Adjustment" and "Suspension of Dealings" in this Prospectus for details of the above tools.



## Appendix B - Calculation of Net Asset Value

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### (1) NET ASSET VALUE

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

Likewise, the liabilities of abrdn SICAV III shall be deemed to include:

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

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

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

The value of such assets shall be determined as follows:

- (1) the value of any cash on hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received shall be deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full, in which case the value thereof shall be arrived at after making such discount as abrdn SICAV III may consider appropriate in such case to reflect the true value thereof;
- (2) the value of securities and/or financial derivative instruments which are listed on any official stock exchange or traded on any other organised market at the last available stock price. Where such securities or other assets are quoted or dealt in or on more than one stock exchange or other organised markets, the directors shall select the principal of such stock exchanges or markets for such purposes;
- (3) in the event that any of the securities held in abrdn SICAV III 's portfolio on the relevant day are not listed on any stock exchange or traded on any organised market or if with respect to securities listed on any stock exchange or traded on any other organised market, the price as determined pursuant to sub-paragraph (2) is not, in the opinion of the Board of Directors, representative of the fair market value of the relevant securities, the value of

such securities will be determined prudently and in good faith based on the reasonably foreseeable sales price or any other appropriate valuation principles;

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

## **(2) INDICATIVE PRICING**

A Fund can invest in other collective investment schemes which themselves may not price and deal on a daily basis. The administrator of the underlying collective investment scheme may issue indicative prices on a more frequent basis than the official dealing prices for those collective investment schemes. In order to value a Fund, the Administrator may use these indicative prices where they are more up to date than the official dealing price of the underlying collective investment scheme. It should be noted that a Fund cannot subscribe or redeem its holding(s) in the underlying collective investment schemes at an indicative price. Such subscriptions and redemptions can only be traded at the official dealing prices of the underlying collective investment scheme.

## **(3) SHARE PRICES AND DILUTION ADJUSTMENT**

Subject to any applicable charges, the price of Shares of any Class in any Fund on a particular Dealing Day shall be the "Share Price" for that Class, being equal to the Net Asset Value of that Class on that day, adjusted when required to reflect any dealing charges (which shall include any commission and/or other costs) and/or any bid/offer spread that the Board of Directors believes are appropriate to take into account in respect of that Class, divided by the number of Shares of that Class then in issue or deemed to be in issue. Such dealing charges will reflect costs and liabilities not included in the calculation of the Net Asset Value of the relevant Class. The dealing charges shall not exceed 1.5% of the Net Asset Value of the relevant Class whilst the bid/offer spread will represent the underlying spread in the securities that the Fund is invested into on the Dealing Day in question.

The Share Price may be rounded to up to four decimal places in the currency of denomination. In all cases, transaction values may be rounded to up to the second decimal place in the currency of denomination.

The Net Asset Value of Class A, Class I, Class X Shares in the same Fund may differ as a result of the differing charging structures and policy applicable to each Class.

Potential investors should also note that a dilution adjustment may be applied and should refer to the section "Swing Pricing" for further information.

## Appendix C - General Information

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### 1. Incorporation

abrdn SICAV III was incorporated as a *société anonyme*, qualifying as an open-ended *société d'investissement à capital variable* on 17 February 2020 for an unlimited period. It is registered under Number 242350 at the Register of Commerce and Companies of Luxembourg where its Articles of Incorporation have been deposited, are available for inspection and where copies thereof may be obtained. The Articles of Incorporation were published in the RESA on 4 March 2020.

### 2. Capital

The Share capital of abrdn SICAV III is represented by fully paid Shares of no par value and is at any time equal to their aggregate Net Asset Value. Any variation of abrdn SICAV III's capital may be made by the Board of Directors of abrdn SICAV III and has immediate effect.

abrdn SICAV III's legal minimum capital is the equivalent in US Dollars of the minimum provided for by the Law.

### 3. Registered Office

abrdn SICAV III 's registered office is 35a, avenue John F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg.

The register of Shareholders will be kept at the registered office.

### 4. Allocation of Assets & Liabilities

The Directors reserve the right to add further Funds and in certain circumstances to discontinue existing Funds.

abrdn SICAV III is a single legal entity. Pursuant to Article 181 of the Law, the assets of a Fund are exclusively available to satisfy the rights of investors in relation to that Fund and the rights of creditors whose claims have arisen in connection with the creation, the operation or the liquidation of that Fund.

For the purpose of the relations as between investors, each Fund will be deemed to be a separate entity.

### 5. Shares

#### (a) Allotment

The Directors are authorised without limitation to allot and issue Shares at any time at the relevant Share Price determined in accordance with the Articles of Incorporation and the provisions of this Prospectus and may delegate such authority to the Administrator and/or the Transfer Agent.

#### (b) Voting

At General Meetings each Shareholder has the right to one vote for each whole Share held.

A holder of Shares relating to any particular Fund or Class will be entitled at any separate General Meeting of the holders of Shares relating to that Fund or Class to one vote for each whole Share relating to that Fund or Class of which he is the holder.

The notice of any General Meeting of Shareholders may provide that the quorum and the majority at this General Meeting shall be determined according to the Shares issued and outstanding at a certain date and time preceding the General Meeting (the "Record Date"). The right of a Shareholder to participate at a General Meeting of Shareholders and to exercise voting rights attached to his/its/her Shares shall be determined by reference to the Shares held by this Shareholder as at the Record Date.

To the extent required by law, the notice shall be published in the RESA, in a Luxembourg newspaper and in such other newspapers as the Board of Directors may decide.

If no publications are required by law, the convening notice may be sent to a Shareholder by registered letter or in any manner as set forth in applicable law. The convening notice may be sent to Shareholders by any other means of communication having been individually accepted by such Shareholder such as the email, the fax, the ordinary letter, the courier services or any other means satisfying the conditions provided for by the law.

Any Shareholder having accepted email as an alternative means of convening shall provide his email address to abrdn SICAV III no later than fifteen (15) days before the date of the general meeting of Shareholders. The Board of Directors shall keep at the registered office a list of all the emails received and no third party (other than the statutory auditor and any notary enacting the shareholders' decisions) shall have access to such a list.

A Shareholder who has not communicated her/his/its email to abrdn SICAV III shall be deemed to have rejected any convening means other than the registered letter, the ordinary letter or the courier service.

Any Shareholder may change her/his/its address or its email address or revoke its consent to alternative means of convening provided that its revocation or its new contact details are received by abrdn SICAV III no later than fifteen (15) days before the general meeting of Shareholders. The Board of Directors is authorised to ask for confirmation of such new contact details by sending a registered letter or an email, as appropriate, to this new address or email address. If the Shareholder fails to confirm its new contact details, the Board of Directors shall be authorised to send any subsequent notice to the previous contact details.

The Board of Directors is free to determine the most appropriate means for convening Shareholders to a Shareholders' meeting and may decide on a case by case basis, depending on the means of communication individually accepted by each Shareholder. The Board of Directors may, for the same general meeting, convene Shareholders to the general meeting by email as regards those Shareholders that have provided their email address in time and the other Shareholders by letter or courier service, if such means have been accepted by them.

To the extent permitted by law, the Board of Directors may suspend the right to vote of any Shareholder which does not fulfil its obligations under this Prospectus, the Articles or any document (including any application form) stating its obligations towards abrdn SICAV III and/or the other Shareholders. In case the voting rights of one or more Shareholders are suspended in accordance with the previous sentence, such Shareholders shall be convened and may attend the general meeting but their shares shall not be taken into account for determining whether the quorum and majority requirements are satisfied.

An attendance list shall be kept at all general meetings.

**(c) Joint Holders**

abrdn SICAV III will register Shares jointly in the names of not more than four holders should they so require. In such case the rights attaching to such a Share must be exercised jointly by all those parties unless they appoint in writing one person to do so.

**(d) Rights on a Winding-up**

- (i) On a winding-up, assets available for distribution amongst the Shareholders shall be applied first in the payment to the holders of Shares of the relevant Fund and Class of any balance remaining in the relevant portfolio of assets in proportion to the number of Shares of that Class of such Fund, and secondly in the payment to the holders of Shares of any balance then remaining and not comprised in any of the Funds, such balance being apportioned as between the Funds pro rata to the Net Asset Value of each Fund immediately prior to any distribution to Shareholders on a winding-up. Payment of amounts so apportioned will be made to the holders of Shares in the relevant Class of each Fund in proportion to the number of such Shares held either in cash or, upon prior consent of the Shareholder, in kind in accordance with the Articles of Incorporation of abrdn SICAV III. Monies to which Shareholders are entitled will, unless claimed prior to the close of the winding-up, be deposited at the *Caisse de Consignation* in Luxembourg to be held on their behalf. Amounts not claimed from escrow within the relevant prescription period would be liable to be forfeited in accordance with the provisions of Luxembourg law. With the consent of Shareholders expressed in accordance with Luxembourg law, the liquidators may transfer all assets and liabilities of abrdn SICAV III to a Luxembourg undertaking for collective investment in Transferable Securities against the issue to Shareholders of Shares or certificates of such entity proportionate to their shareholdings in abrdn SICAV III.
- (ii) If abrdn SICAV III is to be voluntarily liquidated, its liquidation will be carried out in accordance with the provisions of the Law which specifies the steps to be taken to enable Shareholders to participate in the liquidation distribution(s) and in that regard provides for deposit in escrow at the *Caisse de Consignation* in Luxembourg of any such amounts as have not been claimed by any Shareholders prior to the close of liquidation or could not be transferred to Shareholders upon the close of the liquidation. Amounts not claimed from escrow within the relevant prescription period would be liable to be forfeited in accordance with the provisions of Luxembourg law.

**(e) Class Rights and Restrictions**

- (i) Shares will relate to different Funds and are further divided into Class A, Class I, Class K, Class L, Class X and Class Z Shares. All Classes of Shares may also be made available in hedged versions in such currencies as the Board of Directors of abrdn SICAV III may determine from time to time. They have no preferential or pre-emption rights and are freely transferable, save as referred to below.
- (ii) The Shareholders may resolve to redeem all outstanding Shares of any Class or Fund subject to the sanction of a resolution passed at a separate General Meeting of the Shareholders of that Fund or Class by a simple majority of the votes cast.
- (iii) Termination and Amalgamation of Funds.

Termination of a Fund by compulsory redemption of all relevant shares for reason other than those mentioned in 7 (b) below, may be effected only upon its prior approval of the Shareholders of the Fund to be terminated, at a duly convened Fund meeting which may be validly held without a quorum and decided by a simple majority of the votes cast.

Any merger of a Fund with another Fund of abrdn SICAV III or with another UCITS (whether subject to Luxembourg law or not) shall be decided by the Board of Directors unless the Board of Directors decides to submit the decision for such merger to the meeting of Shareholders of the Fund concerned. In the latter case, no quorum is required for such meeting and the decision for such merger is taken by a simple majority of the votes cast. In case of a merger of a Fund where, as a result, abrdn SICAV III ceases to exist, the merger shall, notwithstanding the foregoing, be decided by a meeting of Shareholders for which no quorum is required and that may decide with a simple majority of votes cast.

- (iv) Subject to the Articles of Incorporation, the Board of Directors may impose or relax restrictions on any Shares, Class or Fund (other than any restriction on transfer but including the requirement that Shares be issued only in registered form and/or bear such legends as the Directors may feel appropriate but not necessarily on all Shares within the same Fund or Class), or require redemption of Shares, as they may think necessary to ensure that Shares are neither acquired nor held by or on behalf of any person in breach of the law or requirements of any country or governmental or regulatory authority, or which might have adverse taxation or other pecuniary consequences for abrdn SICAV III, including a requirement to register under any securities or investment or similar laws or requirements of any country or authority. The Directors may in this connection require a Shareholder to provide such information as they may consider necessary to establish whether he is the beneficial owner of the Shares which he holds. Without limiting the generality of the foregoing, the Directors may impose (and currently have imposed) restrictions on Shares which are to be issued to United States persons (as defined in the section "Important Information" above) including restrictions as to the holding, transfer of such shares, which will be known as "Restricted Shares". Shares which are not Restricted Shares may be required to be redeemed if the Directors have reason to believe that they are held by United States persons. If it shall come to the attention of the Directors at any time that Shares are beneficially owned by a United States person, either alone or in conjunction with any other person, abrdn SICAV III shall have the right compulsorily to redeem such Shares.
- (v) Where a resolution affects more than one Class of Shares or Funds and the resolution is such as to change the respective rights thereof, the resolution must, in order to be valid be approved separately by Shareholders of such Class of Shares or Fund in accordance with the quorum and majority requirements provided for by article 10 of the Articles of Incorporation.

Two or more Classes of Shares or Funds may be treated as a single Class or Fund if such Classes or Funds would be affected in the same way by the proposals requiring the approval of holders of Shares relating to the separate Classes or Funds.

## **6. Directors**

The Board shall be composed of at least three persons. Each Director shall be elected by the Shareholders at the Annual General Meeting for a period ending at the next Annual General Meeting and until their successors are elected and qualified.

Directors may resign or be removed or replaced or an additional Director appointed at any time by resolution adopted by the Shareholders.

There are no age limits or share qualifications for Directors.

The Directors are vested with all powers to perform all acts necessary or useful for accomplishing abrdn SICAV III's objectives. In particular the Directors have power to appoint any entity to act as management company, depositary or any entity to act as distributor, administrator, investment manager or investment adviser and such other representatives and agents as they may consider necessary.

No contract or other transaction between abrdn SICAV III and any other company or firm shall be affected or invalidated by the fact that any one or more of the Directors or officers of abrdn SICAV III has a material interest in, or is a director, associate, officer or employee of, that other company or firm.

Save for any item described in this Prospectus and subject to the preceding paragraph, if any Director or officer of abrdn SICAV III has any material interest in any transaction of abrdn SICAV III, that Director or officer shall declare such material interest to the Board and shall not be counted in the quorum of any meeting of the Directors to consider or vote on any such transaction and he shall not vote on any such transaction and such transaction and the Director's or officer's interest therein shall be reported to the next succeeding meeting of Shareholders.

Directors shall account to abrdn SICAV III for any fees resulting from appointments held by them as a result of investments held by abrdn SICAV III. abrdn SICAV III shall indemnify any Director or officer against expenses reasonably incurred by him in connection with any proceedings to which he may be made a party by reason of such position in abrdn SICAV III, except where due to gross negligence or wilful misconduct on his part.

At no time will a majority of the Directors be resident in the UK nor will Directors resident in the UK form a valid quorum for a Board meeting.

## **7. Compulsory Redemptions-Dissolution**

### **(a) Minimum Valuation of abrdn SICAV III**

- (1) If at any time the aggregate of the Net Asset Values of all Shares falls below two-thirds of the minimum capital for the time being prescribed by Law, the Directors must submit the question of dissolution of abrdn SICAV III to a General Meeting, acting without minimum quorum requirement and deciding by a simple majority vote of the votes cast at such meeting.
- (2) If at any time the aggregate Net Asset Values of all Shares is less than one-quarter of the minimum capital for the time being prescribed by Law, the Directors must submit the question of dissolution of abrdn SICAV III to a General Meeting, acting without minimum quorum requirement and deciding, by a vote of one-quarter of the votes cast at such meeting.

**(b) Minimum Valuation of the Funds**

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

**8. Deferral of Redemptions**

abrdn SICAV III may limit the total number of Shares of any Fund which may be redeemed on any Dealing Day to a number representing 10% of the net assets of that Fund. abrdn SICAV III will ensure the consistent treatment of all holders who have sought to redeem shares at any Dealing Day at which redemptions are deferred. abrdn SICAV III will pro-rata all such redemption requests to the stated level (i.e. 10% of the Fund's value) and will defer the remainder until the next Dealing Day. abrdn SICAV III will also ensure that all deals relating to an earlier Dealing Day are completed before those relating to a later Dealing Day are considered.

**9. In Specie Subscriptions & Redemptions**

(1) Shares may, at the discretion of the Board of Directors, be issued in consideration of the vesting in abrdn SICAV III of securities acceptable to it and having a value (after deducting any relevant charges and expenses) equal to the relevant Shares. Such securities will be independently valued in accordance with Luxembourg law by a special report of a Luxembourg approved statutory auditor, if required. The specific costs for such subscription in specie, will be borne by the subscriber or by a third party, but will not be borne by abrdn SICAV III unless the Board of Directors considers that the subscription in specie is in the interests of abrdn SICAV III or made to protect the interests of abrdn SICAV III.

(2) Redemptions are normally effected in cash. However, abrdn SICAV III has power (subject to the consent of the Shareholder) to satisfy redemptions in specie by allocating to the holder investments from the portfolio of the relevant Fund equal in value (calculated in the manner described in Appendix B) to the value of the holding to be redeemed. The Shareholder may elect to have the assets allocated to him for the in-specie redemption sold for cash. The cash issued to the Shareholder would therefore be net of dealing costs. The nature and type of assets to be transferred in such cases will be determined on a fair and reasonable basis and in circumstances which the Directors consider do not prejudice the interests of the other Shareholders in the relevant Fund. This power will be exercised only rarely. However, it may result in the Shareholder receiving investments per Share redeemed which may be worth less or more than the Share Price of each such Share. The specific costs for such redemptions in specie, (such as but not limited to a report, if required, by abrdn SICAV III's auditors) will be borne by the redeeming Shareholders or by a third party, but will not be borne by abrdn SICAV III unless the Board of Directors considers that the redemption in specie is in the interests of abrdn SICAV III or made to protect the interests of abrdn SICAV III.

**10. Suspension**

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

abrdn SICAV III may suspend the allotment, issue and redemption of Shares relating to a Fund and the calculation of the Net Asset Value of any Class:

- (a) during any period when any market or stock exchange on which a material part of the investments of the relevant Fund for the time being is quoted, is closed (otherwise than for ordinary holidays), or during which dealings are substantially restricted or suspended;
- (b) during the existence of any state of affairs as a result of which disposal or valuation of assets owned by abrdn SICAV III attributable to such Fund would be impracticable;
- (c) during any breakdown in or restriction in the use of the means of communication normally employed to determine the price or value of any of the investments attributable to such Fund or the current prices or values on any stock exchange;
- (d) during any period when abrdn SICAV III is unable to repatriate funds for the purpose of making payments on the redemption of such Shares or during which any transfer of funds involved in the realisation or acquisition of investments or payments due on redemption of such Shares cannot in the opinion of the Directors be effected at normal rates of exchange;
- (e) during any period when in the opinion of the Directors of abrdn SICAV III there exists unusual circumstances where it would be impractical or unfair towards the Shareholders to continue dealing in the Shares of abrdn SICAV III or of any Fund or any other circumstance or circumstances where a failure to do so might result in the Shareholders of abrdn SICAV III, a Fund or a Class of Shares incurring any liability to taxation or suffering other pecuniary disadvantages or other detriment which the Shareholders of abrdn SICAV III, a Fund or a Class of Shares might not otherwise have suffered;
- (f) if abrdn SICAV III, a Fund or a Class of Shares is being or may be wound-up, on or following the date on which such decision is taken by the Board of Directors or notice is given to Shareholders of a general meeting of Shareholders at which a resolution to wind-up abrdn SICAV III, a Fund or a Class of Shares is to be proposed;
- (g) in the case of a merger of abrdn SICAV III or a Fund, if the Board of Directors deems this to be necessary and in the best interest of Shareholders; or
- (h) in the case of a suspension of the calculation of the Net Asset Value of one or several funds in which a Fund has invested a substantial portion of assets.

Shareholders who have requested redemption of their Shares will be promptly notified in writing of any such suspension and of the termination thereof.

The Board of Directors may also make public such suspension in such manner as it deems appropriate.

Details of the beginning and end of any period of suspension (except for customary closing of stock exchanges for not more than three days) will be made available at the registered office of abrdn SICAV III and at the office of the Management Company. Notice thereof will also be given to any Shareholder lodging a request for redemption of Shares.

#### **11. Transfers**

Transfers of Shares may normally be effected by delivery to abrdn SICAV III of an instrument of transfer in appropriate form.

#### **12. Amendment of the Articles of Incorporation**

The Articles of Incorporation may be amended at any time by a resolution of a General Meeting of Shareholders subject to the quorum and voting requirements provided by Luxembourg law and by the Articles of Incorporation. Written notice to Shareholders of the effectiveness of each amendment to the Articles of Incorporation shall be provided with the next report following its effectiveness. Such notice shall either state the text of the amendment or summarise its content and provide that the complete text of the amendment will be sent to any Shareholder upon request.

To amend the Articles of Incorporation or to dissolve abrdn SICAV III a resolution must be passed by the General Meeting with a majority consisting of two thirds of the votes cast at such meeting.

In those cases where a General Meeting is to be held to amend the Articles of Incorporation of abrdn SICAV III, the following shall apply by way of additional rules for the conduct of business at such meeting:

- (a) Shareholders may be represented by proxies appointed in writing;
- (b) votes shall be proportionate to the number of Shares held by the person participating in the vote;
- (c) the quorum and majorities shall be as laid down by Luxembourg law;
- (d) if there is a possibility of a conflict of interest between holders of Shares in different Classes or Funds, or the Board of Directors determines that it would be in the best interests of holders of Shares in any particular Class or Fund, separate meetings of the Shareholders relating to each Class or Fund shall be organised at the time of the General Meeting called pursuant to the Articles of Incorporation and no such special amendment of the Articles of Incorporation shall be made if it is not also approved by a resolution of the Shareholders in the affected Class or Fund; and
- (e) the Transfer Agent, Administrator, Investment Manager and/or the Depositary and their Connected Persons shall not be entitled to vote in respect of any Shares beneficially held by it or them (as the case may be) on any resolution proposed at any meeting of the Shareholders of abrdn SICAV III when the Transfer Agent, Administrator, Investment Manager, Depositary or any of their Connected Persons has a material interest in such resolution. In any case where persons are restricted from voting Shares in accordance with the above arrangements they shall not be counted in the quorum of such meeting.

#### **13. Other Information**

- (1) Neither the Transfer Agent, Administrator, the Investment Manager, the Depositary nor a Connected Person of any of them may as principal knowingly buy or sell any security from or to abrdn SICAV III without the consent of the Directors.
- (2) abrdn SICAV III is subject to the jurisdiction of the courts of Luxembourg and has submitted to the jurisdiction of the courts of Hong Kong for contracts entered into there.
- (3) abrdn SICAV III is not engaged in any litigation or arbitration and no litigation or claim is known to the Directors to be pending or threatened against abrdn SICAV III as at the date of this Prospectus.
- (4) abrdn SICAV III has not established, nor does it intend to establish, a place of business in Hong Kong.
- (5) abrdn SICAV III has no employees and no subsidiaries except for the Subsidiary.
- (6) There are no existing or proposed service contracts between any of the Directors and abrdn SICAV III but the Directors may receive remuneration as referred to in this Prospectus.
- (7) The Articles of Incorporation provide that the following jurisdictions shall be Eligible States; all member states of the European Union and all other countries of Europe, North and South America, Africa, Asia and Australasia.
- (8) From time to time, the Investment Manager, the Sub-Investment Manager or any Connected Persons (collectively the "Managers") may effect transactions by or through the agency of another person with whom the Managers have an arrangement under which that party will from time to time provide to or procure for the Managers goods, services or other benefits (such as research or advisory services, computer hardware associated with specialised software or research services and performance measures) the nature of which is such that their provision can reasonably be expected to benefit abrdn SICAV III as a whole and may contribute to an improvement in the performance of abrdn SICAV III or of the Investment Manager or any of its Connected Person(s) in providing services to abrdn SICAV III and for which no direct payment is made but instead the Investment Manager undertakes to place business with that party. For the avoidance of doubt, such goods and services do not include travel, accommodation, entertainment, general administrative goods or services, general office equipment or premises, membership fees, employee salaries or direct money payments.
- (9) Neither the Investment Manager the Sub-Investment Manager or any Connected Person may retain the benefit of any cash commission rebate (being repayment of a cash commission made by a broker or dealer to the Investment Manager, Sub-Investment Manager and/or any Connected Person) paid or payable from any such broker or dealer in respect of any business placed with such broker or dealer by the Investment Manager, Sub-Investment Manager or any Connected Person for or on behalf of abrdn SICAV III. Any such cash commission rebate received from any such broker or dealer

will be held by the Investment Manager, Sub-Investment Manager or any Connected Person for the account of abrdn SICAV III.



## Appendix D - Share Classes

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Details of the Share Classes which may be offered in the Funds of abrdn SICAV III are detailed below.

### Share Class Definitions

- **Class A Shares** - These Classes of Shares are available to all investors.
- **Class K Shares** - These Classes of Shares are only accessible to Institutional Investors who may be required to enter into a suitable agreement with the Investment Manager or one of its Associates.
- **Class L Shares** - These Classes of Shares are available to all investors.
- **Class I Shares** - These Classes of Shares are only accessible to Institutional Investors who may be required to enter into a suitable agreement with the Investment Manager or one of its Associates at the discretion of the Board of Directors.
- **Class X Shares** - These Classes of Shares are only accessible to investors who are approved by the Management Company and, in case of subscription or distribution of Shares within the EU only, who are one of the following:
  - a) Financial intermediaries that are prohibited by the local laws or regulations applicable to them to receive and/or retain any commissions or other non-monetary benefits; or
  - b) Distributors providing portfolio management services and/or investment advice services on an independent basis (as defined by MiFID) within the EU; or
  - c) Investors who have entered into a separate fee agreement with their distributor regarding the provision of non-independent advice services (as defined by MiFID) within the EU, and where such distributor does not receive and retain any commission or other non-monetary benefits.
- **Class Z Shares** - These Classes of Shares are only accessible to Institutional Investors who may be required to enter into a suitable agreement with an Investment Manager or one of its Associates at the discretion of the Board of Directors.

All Classes of Shares may also be made available in hedged versions in such currencies as the Board of Directors of abrdn SICAV III may determine from time to time. These Hedged Share Classes will have the same characteristics as the underlying Class of Shares.

### Share Classes in Issue

For up to date details of the Share Classes in issue for each Fund, please refer to [www.abrdn.com](http://www.abrdn.com).

## Appendix E - Additional Information for Investors

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This Appendix provides additional information for investors in the following jurisdictions:

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Please note that registrations are subject to change, please contact the Management Company for up-to-date information.

## Germany

For the following Funds of abrdn SICAV III, no notification for public distribution in the Federal Republic of Germany was submitted and Shares in these Funds may NOT be publicly offered to investors within the scope of the German Investment Code ("KAGB"). As a consequence, all Funds have not, as at the date of this Prospectus, been approved for public distribution:

- abrdn SICAV III Global Bond Fixed Maturity 2025 Fund

### Paying and Information Agent in Germany

Marcard, Stein & Co AG  
Ballindamm 36  
D-20095 Hamburg  
Germany,

has undertaken the position as paying and information agent in Germany (the "German Paying and Information Agent").

Applications for subscription, redemption and conversion of Shares should be sent to the Transfer Agent but may also be sent to the German Paying and Information Agent for onward transmission to the Transfer Agent. Shareholders resident in Germany may request to have all payments (redemption proceeds, distributions and any other payments) to be made for their benefit through the German Paying and Information Agent.

The Prospectus, the PRIIPS KIDs, the Articles of Association, the audited annual report and the unaudited interim report of abrdn SICAV III may be obtained free of charge and in paper form from the German Paying and Information Agent.

In addition, it is possible to view the documentation referred to in the above section entitled "*DOCUMENTS AVAILABLE FOR INSPECTION*" at the German Paying and Information Agent.

Furthermore, subscription, redemption and conversion prices of the Shares and any notices to the Shareholders and any additional information which is also available free of charge at the registered office of abrdn SICAV III will be available at the German Paying and Information Agent.

Subscription, redemption and conversion prices of the Shares will also be available at [www.abrdn.com](http://www.abrdn.com) and at the offices of the Transfer Agent.

Any notices to the Shareholders will be published on [www.abrdn.com](http://www.abrdn.com).

In addition, communications to investors in the Federal Republic of Germany will be sent by mail in the following cases:

- suspension of the redemption of the Shares,
- termination of the management of the Fund or its liquidation,
- any amendments to the Fund rules which are inconsistent with the previous investment principles, which affect material investor rights or which relate to remuneration and reimbursement of expenses that may be paid or made out of the asset pool,
- merger of the Funds with one or more other Funds, and
- the change of abrdn SICAV III into a feeder fund or the modification of a master fund.

### Taxation

Tax regulations and the practices of financial authorities are constantly subject to change. Because of the complexity of German tax law, it is recommended that investors contact a tax adviser regarding the effect on their individual tax situation.

## Italy

### Paying Agents in Italy

1. BNP Paribas S.A. Piazza Lina Bo Bardi 3  
  
20124 Milan  
Italy,
2. Allfunds Bank S.A., Italian Branch  
  
Via Bocchetto 6  
20123 Milan  
Italy, and
3. Banca Sella Holding S.P.A.  
  
Piazza Gaudenzio Sella, 1  
13900 Biella  
Italy,

have undertaken the position as paying agents in Italy (the "Italian Paying Agent").

Applications for subscription, redemption and conversion of Shares should be sent to the Transfer Agent but may also be sent to an Italian Paying Agent for onward transmission to the Transfer Agent. Shareholders resident in Italy may request to have all payments (*redemption proceeds, distributions and any other payments*) to be made for their benefit through an Italian Paying Agent.

The Italian Paying Agent may group the subscription, conversion and redemptions requests, and forward such requests to the Transfer Agent on a cumulative basis, in the name of the Italian Paying Agent and on behalf of the investors. In this case, the Shares will be registered in abrdn SICAV III's Shareholder register in the name of the Italian Paying Agent, with the diction "on behalf of third party" or the equivalent. In the application form, the investors will grant to the Italian Paying Agent the relevant mandate.

In addition to the above, the Italian Paying Agent may also offer to the Italian investors the opportunity to use accumulation/conversion/redemption plans.

The Prospectus, the PRIIPS KIDs, the Articles of Association, the audited annual report and the unaudited interim report of abrdn SICAV III may be obtained free of charge and in paper form from an Italian Paying Agent.

Furthermore, any additional information which is available at the registered office of abrdn SICAV III will also be available at the offices of the Transfer Agent and each Italian Paying Agent.

### Share Price Publication

Subscription prices and redemption prices will be available at [www.abrdn.com](http://www.abrdn.com) and at the offices of the Transfer Agent and each Italian Paying Agent.

### Taxation

Tax regulations and the practices of financial authorities are constantly subject to change. Because of the complexity of Italian tax law, it is recommended that investors contact a tax adviser regarding the effect on their individual tax situation.

### Charges and Expenses

Please note that additional costs may be imposed by intermediaries for services provided according to the local distribution model, as per local regulatory requirements.

## Singapore

The list of Funds of abrdn SICAV III which are currently offered in Singapore as restricted foreign schemes is available at <https://masnetsvc2.mas.gov.sg/cisnetportal/jsp/list.jsp>. Being restricted foreign schemes, they are not allowed to be offered to the retail public but can only be made available to the categories of investors as defined in the Securities and Futures Act, Chapter 289 of Singapore. Investors should note that the Funds which are offered in Singapore as restricted foreign schemes are not authorised or recognised by the Monetary Authority of Singapore.

It should be noted that for investors in Singapore the Prospectus is accompanied by a Singapore Selling Restriction which includes the country-specific information for Singapore.

## Spain

### Subscription and Redemption of Shares in Spain

Applications for subscription, redemption and conversion of Shares should be sent to the Transfer Agent.

The Prospectus, the PRIIPS KIDs, the Articles of Association, the audited annual report and the unaudited interim report of abrdn SICAV III may be obtained free of charge and in paper form from the Transfer Agent.

Furthermore, any additional information which is available at the registered office of abrdn SICAV III will also be available at the Transfer Agent.

### Share Price Publication

Subscription prices and redemption prices will be available at [www.abrdn.com](http://www.abrdn.com) and at the offices of the Transfer Agent.

### Taxation

Tax regulations and the practices of financial authorities are constantly subject to change. Because of the complexity of Spanish tax law, it is recommended that investors contact a tax adviser regarding the effect on their individual tax situation.

## United Kingdom

abrdn SICAV III has appointed abrdn Investments Limited, its principal place of business being 1 George Street, Edinburgh, EH2 2LL, as its facilities, marketing and sales agent in the United Kingdom (the "UK Facilities, Marketing and Sales Agent"). abrdn Investments Limited is authorised and regulated in the conduct of its investment business by the Financial Conduct Authority ("FCA").

Potential investors should be aware that abrdn SICAV III is not subject to the rules and regulations made under Financial Services and Market Act (FSMA) for the protection of investors. Investors will not have any protection under the United Kingdom Financial Services Compensation Scheme nor will they have any rights of cancellation.

Written complaints about any aspect of the service including the operations of abrdn SICAV III or requests to obtain a copy of the complaints handling procedure can be addressed to the UK Facilities, Marketing and Sales Agent for their further submission to the head office of abrdn SICAV III.

The Prospectus, the PRIIPS KIDs, the Articles of Association, the audited annual report and the unaudited interim report of abrdn SICAV III may be obtained free of charge and in paper form from the UK Facilities, Marketing and Sales Agent and the Transfer Agent.

Furthermore, any additional information which is available at the registered office of abrdn SICAV III will also be available at the UK Facilities, Marketing and Sales Agent and the Transfer Agent.

Applications for subscription, redemption and conversion of Shares should be sent to the Transfer Agent.

### Share Price Publication

Subscription and redemption prices are available at [www.abrdn.com](http://www.abrdn.com) and at the offices of the Transfer Agent.

### Taxation

Tax regulations and the practices of financial authorities are constantly subject to change. Because of the complexity of UK tax law, it is recommended that investors contact a tax adviser regarding the effect on their individual tax situation.

## Switzerland

The following Funds are available to investors in Switzerland:

- abrdn SICAV III – Global Bond Fixed Maturity 2025 Fund; and
- abrdn SICAV III – Emerging Markets Bond Fixed Maturity 2024 Fund.

abrdn SICAV III – Global Bond Fixed Maturity 2025-II Fund is not registered for sale in Switzerland.

### Representative

The representative in Switzerland is BNP PARIBAS, Paris, succursale de Zurich, Selnaustrasse 16, 8002 Zurich, Switzerland.

### Paying agent

The paying agent in Switzerland is BNP PARIBAS, Paris, succursale de Zurich, Selnaustrasse 16, 8002 Zurich, Switzerland.

### Place where the relevant documents may be obtained

The Prospectus, the PRIIPS KIDs, the Articles of Association, the annual and interim reports may be obtained free of charge from the representative.

The Representative and Paying Agent's data protection notice can be found on their website.

**Publications**

Publications in respect of abrdn SICAV III are published on the electronic platform of fundinfo AG Zurich ([www.fundinfo.com](http://www.fundinfo.com)).

The issue and redemption prices or the Net Asset Value with indication of "excluding commissions" are published on a daily basis on [www.fundinfo.com](http://www.fundinfo.com).

**Payment of Retrocessions and Rebates**

In connection with distribution in Switzerland, abrdn Investments Luxembourg S.A. or its affiliates may pay retrocessions in order to cover the distribution and procurement activities of shares. These activities include but are not limited to the organisation of road shows, the attendance of events and fairs, the production of marketing material and the training of distribution collaborators.

Retrocessions are not deemed to be rebates even if they are ultimately passed on, in full or in part, to the investors.

Disclosure of the receipt of retrocessions is based on the applicable provisions of the Swiss Financial Services Act (FinSA).

In the case of distribution activity in Switzerland, rebates may also be paid directly to the investors in order to reduce the fees or costs incurred by the investor in question, as long as they:

- are paid from fees received by abrdn Investments Luxembourg S.A. or its affiliates and therefore do not represent any additional charge on the fund assets;
- are paid on the basis of objective criteria;
- are paid to all investors fulfilling the objective criteria in the same amount and at the same time.

Rebates can only be paid if the following preconditions are fulfilled:

- The minimum investment in a collective investment scheme or in a range of collective investment schemes;
- The amount of fees resulting from the investment;
- The expected duration of the investment;
- The readiness of the investor to support the launch of the fund.

At the request of the relevant investor receiving such rebate, abrdn Investments Luxembourg S.A. or its affiliates must disclose the amount free of charge.

**Place of Performance and Jurisdiction**

In respect of the units offered in Switzerland, the place of performance is the registered office of the representative. The place of jurisdiction is at the registered office of the representative or at the registered office or place of residence of the investor.