

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IF IN DOUBT, PLEASE SEEK PROFESSIONAL ADVICE.

15 November 2023

ABRDN SICAV I

Dear Shareholder,

We are writing to inform you of the changes that the Board of Directors of abrdn SICAV I (the “**Company**”) proposes to make to certain of its sub-funds (the “**Funds**”) with effect from 15 December 2023 (the “**Effective Date**”). The principal proposed changes are detailed in this letter.

Capitalised terms used in this letter shall have the same meaning ascribed to them in the latest version of the prospectus of the Company unless the context otherwise requires.

1. Conversion of the World Smaller Companies Fund to an Article 9 Fund under the EU’s Sustainable Finance Disclosure Regulation (“SFDR”) and of the Select Euro High Yield Bond Fund to a Promoting ESG Fund, associated changes to their Investment Objectives and Policies

abrdn, through its Investment Managers, is committed to continuously reviewing its range of Funds to ensure that they continue to meet client requirements as they develop and change over time. Since the introduction of the SFDR, there has been a clear increase in client focus on Environmental, Social and Governance (“**ESG**”) issues and wider sustainability.

Conversion of the World Smaller Companies Fund to an Article 9 Fund under the EU’s Sustainable Finance Disclosure Regulation (“SFDR”) and associated changes to its Investment Objective and Policy

We believe that a sustainable approach will align with investors future needs.

As part of this, it has been determined that it is in the best interests of Shareholders for the Fund to be reshaped to align it with the United Nation’s Sustainable Development Goals (“**SDGs**”). The Fund will also be renamed as “abrdn SICAV I – Global Small & Mid-Cap SDG Horizons Equity Fund”.

To broaden the investment universe to further support the growth opportunities and the Fund’s ability to meet the new investment objective, the Fund’s focus will change to Global Small & Mid-Capitalisation equities. Consequently, the Fund’s benchmark will change from MSCI AC World Small Cap to MSCI ACWI SMID Cap Index.

The Fund will provide clients with access to investment opportunities which in abrdn’s view will make a positive contribution to society through their alignment in achieving the United Nation’s SDGs. Investment in all equity and equity related securities will follow the abrdn “Global Small & Mid-Cap SDG Horizons Equity Investment Approach”. Through the application of this approach the Fund will have a minimum of 85% in Sustainable Investments. Furthermore, the Fund will target a lower carbon intensity than the benchmark. Further details on the approach are set out in the new Investment Objective and Policy for the Fund in Appendix 1.

abrdn SICAV I

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From the Effective Date, the Fund will be classified as Article 9 under the SFDR, changing from Article 6 as shown in the table below. Article 9 funds are those that have sustainable investment as their objective and make a positive impact on society or the environment.

As part of the Fund change, a revised fee will be implemented for Class I Shares of 0.85% (reduction of 0.15% on the current level of 1%). The retail class fee will remain unchanged.

The aforesaid changes do not alter the risk profile of the Fund.

The following table summarises the Fund changes at the Effective Date and the category of change. It also sets out the SFDR classification and estimated rebalancing costs as further described below.

	Current Fund	Reshaped Fund
Fund name	abrdrn SICAV I – World Smaller Companies Fund	abrdrn SICAV I – Global Small & Mid-Cap SDG Horizons Equity Fund
Category	ESG Integrated	SDG Aligned
SFDR classification	Article 6	Article 9
Estimated rebalancing costs (% of AUM as at 30 October 2023)	0.98%	

Details of the new investment objective and policy for the Fund can be found in Appendix 1 and the investment approach documents can be found at www.abrdn.com.

Conversion of the Select Euro High Yield Bond Fund to a Promoting ESG Fund, associated changes to its Investment Objective and Policy

Sustainability risk integration is a key part of abrdrn's investment process and as part of this process we are now looking to make changes to the Fund to further promote the Fund's ESG characteristics.

The Fund will incorporate negative screening based on ESG Factors and societal norms. In addition, securities with the highest ESG risks will be screened out via abrdrn's ESG House Score along with quantitative and qualitative inputs and asset class specific screens. Finally, the Fund will have explicit portfolio ESG targets as set out in the new Investment Objective and Policy of the Fund.

Please refer to Appendix 2 for details of the ESG investment strategy of abrdrn SICAV I – Select Euro High Yield Bond Fund.

The Fund will, from the Effective Date, be classified as Article 8 under the EU's Sustainable Finance Disclosure Regulation ("SFDR"), changing from Article 6 as shown in the table below. Article 8 funds are those 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.

The changes do not alter the risk profile of the Fund.

The following table summarises the changes to the Fund that will take place on the Effective Date. It also sets out the SFDR classification and estimated rebalancing costs as further described below.

Fund Name	Estimated rebalancing costs (% of AUM as at 30 October 2023)	Category	SFDR Classification	
			Current	New
abrdrn SICAV I – Select Euro High Yield Bond Fund	0.01%	Promoting ESG	Article 6	Article 8

Details of the new investment objective and policy for the Fund can be found in Appendix 2 and the investment approach documents can be found at www.abrdn.com.

Portfolio Rebalancing

Shareholders are informed of the associated cost impact of the rebalancing of the portfolios with the estimated amounts as set out in the tables above (including spreads, commissions, and taxes). Such costs will be borne by the Funds. Any additional cost associated with the rebalancing of the portfolios (such as legal, regulatory or administrative costs) will be borne by a group company of abrdn plc.

Please note that it is intended that the Funds will become fully compliant with their new investment mandates as described above (the “**New Investment Mandates**”) as soon as practicably possible but this is not expected to exceed 1 calendar month, following the Effective Date (the “**Rebalancing Period**”). Shareholders should be aware that during the Rebalancing Period, the Investment Manager may need to adjust the Funds’ portfolios and asset allocation in order to implement the New Investment Mandates. As such, the Funds may not fully adhere to their New Investment Mandates during this brief period.

2. Removal of investment management entity for the Asian Credit Sustainable Bond Fund and the Asian Bond Fund

Following a review of the investment management structure for these Funds, from the Effective Date, abrdn Inc. will be removed as an Investment Manager for the Funds as its services are no longer required for the active management of the Funds. For both Funds, abrdn Investments Limited will remain as an Investment Manager with abrdn Asia Limited as Sub-Investment Manager. There will be no impact on how the Funds are run as a result of this change.

3. Investment Management Fee reductions for the Asian Smaller Companies Fund and the Emerging Markets Smaller Companies Fund

From 1 November 2023, the maximum Investment Management Fees for these Funds has been reduced as set out below.

Fund	Class of Shares	Previous Investment Management Fee	Investment Management Fee from 1 November 2023
Asian Smaller Companies Fund	X	1.15%	1.00%
Emerging Markets Smaller Companies Fund	X	1.15%	1.00%

Rights of Shareholders

Shareholders affected by the changes mentioned above who feel that they no longer meet their investment requirements may request redemption or switching of their Shares until 13:00 hours Luxembourg time on 14 December 2023.

Prospectus

The changes detailed in this letter will be reflected in a new prospectus to be dated 15 December 2023. The relevant Key Information Documents will be updated accordingly.

Your Board of Directors accepts responsibility for the accuracy of the information contained in this letter. To the best of the knowledge and belief of your Board of Directors (who have taken reasonable care to ensure this is the case) the information contained in this letter is in accordance with the facts and does not omit anything likely to affect the importance of such information.

If you have any questions or would like any further information please contact us at our registered office or, alternatively, call one of the following Shareholder Service Centre helplines:


Europe (excluding UK) and rest of the World +352 46 40 10 820

UK +44 1224 425 255

Asia +65 6395 2700

Your Board of Directors believes that the changes are fair and reasonable and are in the best interests of Shareholders.

Yours faithfully,

A handwritten signature in blue ink, appearing to read 'H Young', is positioned above the printed name.

Hugh Young
Director
For and on behalf of
the Board of Directors - abrdn SICAV I

Appendix 1 – New Investment Objective and Policy of abrdn SICAV I – Global Small & Mid-Cap SDG Horizons Equity Fund

This Fund is subject to Article 9 of the SFDR. Further information can be found under section "EU's Sustainable Finance Disclosure Regulation – Sustainability Risk Integration".

Investment Objective and Policy

The Fund aims to achieve long term growth by investing in companies listed on global stock exchanges including Emerging Markets which in our view will make a positive contribution to society through their alignment with achieving the United Nation's Sustainable Development Goals ("SDGs").

The Fund invests at least 90% of the Fund's assets in its investment universe. This is defined as equities and equity-related securities of companies that are under active research coverage by the investment team and are listed on global stock exchanges including Emerging Markets.

At least 70% of the Fund's assets will be invested in Small & Mid capitalisation companies, which are defined as any stock in the MSCI ACWI SMID-Cap Index or, if not included within the index, any stock having a market capitalisation smaller than that of the largest market capitalisation stock in such index.

The Fund may also invest in larger capitalisation companies listed on global stock exchanges.

The Fund may invest up to 20% of its net assets in Mainland China equity and equity-related securities including through the Shanghai-Hong Kong and Shenzhen-Hong Kong Stock Connect programme or by any other available means.

Investment in all equity and equity related securities will follow the abrdn "Global Small & Mid-Cap SDG Horizons Equity Investment Approach". Financial derivative instruments, money-market instruments and cash may not adhere to this approach.

Through the application of this approach the Fund has an expected minimum of 85% in Sustainable Investments. Furthermore, the Fund targets a lower carbon intensity than the benchmark.

This approach identifies companies which are aligned to the Sustainable Development Goals. These goals are designed to address the world's major long-term challenges. These include climate change, growing social inequality, and unsustainable production and consumption. The Fund will invest in companies with minimum of 20% of their revenue, profit, capital or operating expenditure or research and development linked to the UN's SDGs. For companies classified in the benchmark as "Financials", alternative measures of materiality are used based on loans and customer base, details of which can be found in the abrdn Global Small & Mid-Cap SDG Horizons Equity Investment Approach. By investing across SDG Horizons, the Fund will seek opportunities in names contributing towards the SDGs across the value chain. As such, the Fund may also invest up to 40% in SDG Enablers. These are companies that are considered integral to supply chains that enable progressing towards the SDGs and meet the 20% materiality requirement, but their impact is not currently reliably measurable via their final product or service.

Engagement with external company management teams is used to evaluate the ownership structures, governance and management quality of those companies in order to inform portfolio construction.

In addition we apply a set of company exclusion which are related to normative screening (UN Global Compact, ILO and OECD), Norges Bank Investment Management (NBIM), State-Owned Enterprises (SOE), Weapons, Tobacco, Gambling, Alcohol, Thermal Coal, Oil & Gas, and Electricity Generation. Further detail of this overall process is captured within the abrdn Global Small & Mid-Cap SDG Horizons Equity Investment Approach, which is published at www.abrdn.com under "Fund Centre".

The portfolio construction and Global Small & Mid-Cap SDG Horizons Equity Investment Approach, reduces the investment universe by a minimum of 20%.

The Fund is actively managed with a primary focus is on stock selection using the management team's quality, growth and momentum approach. The Fund aims to outperform the MSCI ACWI SMID-Cap Index (USD) benchmark before charges. The benchmark is also used as a reference point for portfolio construction and as a basis for setting risk constraints, but does not incorporate any sustainable criteria.

In order to achieve its objective, the Fund will take positions whose weightings diverge from the benchmark and may invest in securities which are not included in the benchmark. The investments of the Fund may deviate significantly from the components of and their respective weightings in the benchmark. Due to the active and

sustainable nature of the management process, the Fund's performance profile may deviate significantly from that of the benchmark.

The Fund may utilise financial derivative instruments for hedging and/or investment purposes, or to manage foreign exchange risks, subject to the conditions and within the limits laid down by applicable laws and regulations. The use of derivatives for hedging and/or investment purposes is expected to be very limited, mainly in those cases where there are significant inflows into the Fund so that cash can be invested while the Fund's investments in equity and equity related securities is maintained.

Where Share Classes are denominated in a currency other than the Base Currency of the Fund, a currency specific benchmark will typically be used for performance comparison purposes. This will either be the benchmark of the Fund expressed in another currency or a different currency specific benchmark with similar characteristics.

Appendix 2 – New Investment Objective and Policy of abrdn SICAV I – Select Euro High Yield Bond Fund

This Fund is subject to Article 8 of the SFDR. Further information can be found under section "EU's Sustainable Finance Disclosure Regulation – Sustainability Risk Integration".

Investment Objective and Policy

The Fund's investment objective is long term total return to be achieved by investing at least two-thirds of the Fund's assets in Sub-Investment Grade Debt and Debt-Related Securities issued by corporations, governments or government-related bodies and denominated in Euro.

The Fund may invest up to 100% of its Net Asset Value in Sub-Investment Grade Debt and Debt-Related Securities.

The Fund is actively managed.

The Fund aims to outperform the ICE BofA Euro High Yield Constrained Index (EUR) benchmark before charges. The benchmark is also used as a reference point for portfolio construction and as a basis for setting risk constraints, but does not incorporate any sustainable criteria.

In order to achieve its objective, the Fund will take positions whose weightings diverge from the benchmark or invest in securities which are not included in the benchmark. The investments of the Fund may deviate significantly from the components of and their respective weightings in the benchmark. Due to the active nature of the management process, the Fund's performance profile may deviate significantly from that of the benchmark over the longer term.

The Fund promotes environmental and social characteristics but does not have a sustainable investment objective.

Investment in all Debt and Debt-Related Securities issued by corporations will follow the abrdn "Select Euro High Yield Bond Promoting ESG Investment Approach".

Furthermore, the Fund targets a lower carbon intensity than the benchmark.

This approach utilises abrdn's fixed income investment process, which enables portfolio managers to qualitatively assess how ESG factors are likely to impact on the company's ability to repay its debt, both now and in the future. To complement this research, the abrdn ESG House Score is used to quantitatively identify and exclude those companies exposed to the highest ESG risks. In addition, abrdn apply a set of company exclusions, which are related to the UN Global Compact, Controversial Weapons, Tobacco Manufacturing and Thermal Coal. While these exclusions are applied at a company level, investment is permitted in Green bonds, Social bonds or Sustainable bonds issued by companies otherwise excluded by the environmental screens, where the proceeds of such issues can be confirmed as having a positive environmental impact.

Engagement with external company management teams is a part of abrdn's investment process and ongoing stewardship programme. This process evaluates the ownership structures, governance and management quality of those companies to identify and support not only companies that already demonstrate strong characteristics but also companies making positive improvements in their sustainable business practices. In line with this, up to 5% of assets may be invested in companies which deviate from certain exclusion criteria, but that are assessed on a forward-looking basis as presenting a strong opportunity to make significant, positive and measurable change over the medium term, subject to internal peer review and ongoing monitoring of progress against defined milestones. In addition, where the engagement process identifies companies in high carbon emitting sectors with ambitious and credible targets to decarbonise their operations, up to 5% of assets may be invested in these companies in order to support their transition to ultimately comply with the environmental screens.

Further detail of this overall process is captured within the "Select Euro High Yield Bond Promoting ESG Investment Approach", which is published at www.abrdn.com under "Fund Centre".

Investment in financial derivative instruments, money-market instruments and cash may not adhere to this approach.

The Fund may utilise financial derivative instruments for hedging and/or investment purposes, or to manage foreign exchange risks, subject to the conditions and within the limits laid down by applicable laws and regulations.

Without limiting the generality of the foregoing, the Investment Manager may alter the currency exposure of the Fund, solely through the use of derivative contracts (without buying or selling underlying Transferable Securities or currencies). The Fund's portfolio will typically be hedged back to the Base Currency.

Where Share Classes are denominated in a currency other than the Base Currency of the Fund, a currency specific benchmark will typically be used for performance comparison purposes. This will either be the benchmark of the Fund expressed in another currency or a different currency specific benchmark with similar characteristics.