Annex IV

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU)2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities.** That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product Name: Euro Corporate Sustainable Bond Fund

Legal Entity Identifier: 5493004ABG8CUCJM5548

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It made **sustainable investments with an environmental objective:** ___%	☒ It promoted **Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 36 % of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It made **sustainable investments with a social objective:** ___%	☐ It promoted E/S characteristics, but **will not make any sustainable investments**

Sustainability indicators measure how the environmental or social characteristics promoted by the

To what extent were the environmental and/or social characteristics promoted by this financial product met?

To promote the environmental and social characteristics, the Fund applied ESG assessment criteria, ESG screening criteria and promoted good governance including social factors. The portfolio is underpinned by our well-established active management approach of security selection tailored to the overall environment, which combines fundamental and environmental, social and governance (ESG) considerations into our individual name, sector and top-down portfolio construction decisions. An assessment of a company's sustainability is supported by proprietary company rating models and a deeply embedded ESG framework utilising on-desk Fixed Income and central ESG resources.

The specific methodology and criteria are outlined within our prospectus and website disclosures.

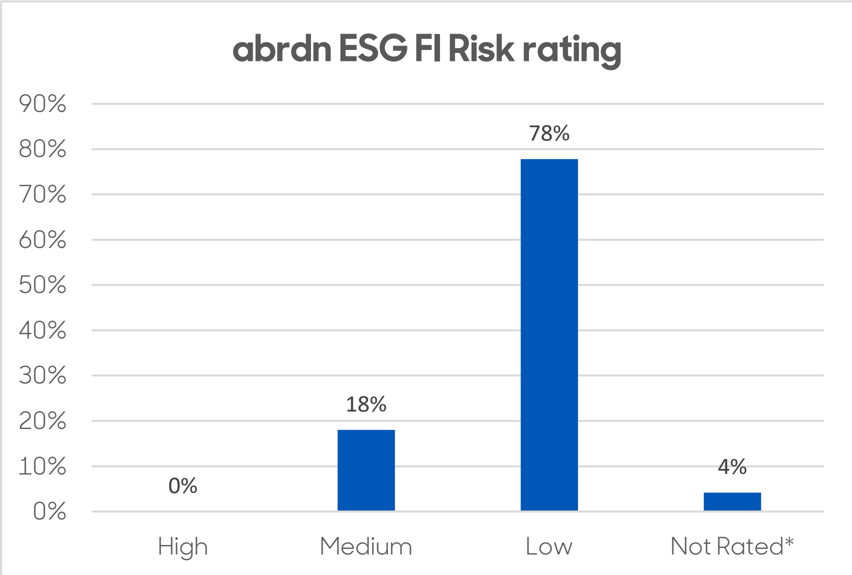
financial product are attained.

How did the sustainability indicators perform?

As described in more detail within our prospectus, the sustainability indicators applied by the Fund are:

ESG Assessment Criteria

We apply an ESG Risk Rating of Low, Medium, High (Low is better) to each issuer. This is credit profile-specific and represents how impactful we believe ESG risks are likely to be to the credit quality of the issuer now and in the future.



*Please note that the ESG Risk Rating only applies to corporates and financial institutions and therefore portfolio holdings in bonds including but not limited to sovereigns, sub-sovereign bonds and cash will not have a rating. These will be presented as Not Rated.

In line with the fund exclusions, no ESG high risk issuers are held.

ESG screening criteria

We confirm that during the reporting period, binary exclusions are applied to exclude the particular areas of investment related to UN Global Compact, SOEs in countries with poor human rights records, Controversial Weapons, Weapons and Weapon support systems, Tobacco, Thermal Coal, Oil & Gas and Electricity Generation. These screening criteria apply in a binding manner and there are no holdings in the fund that fail the agreed criteria.

Our proprietary ESG House Score, developed by our central ESG investment team in collaboration with the Quantitative investment team, is used to identify companies with potentially high or poorly managed ESG risks. The score is calculated by combining a variety of data inputs within a proprietary framework in which different ESG factors are weighted according to how material they are for each sector.

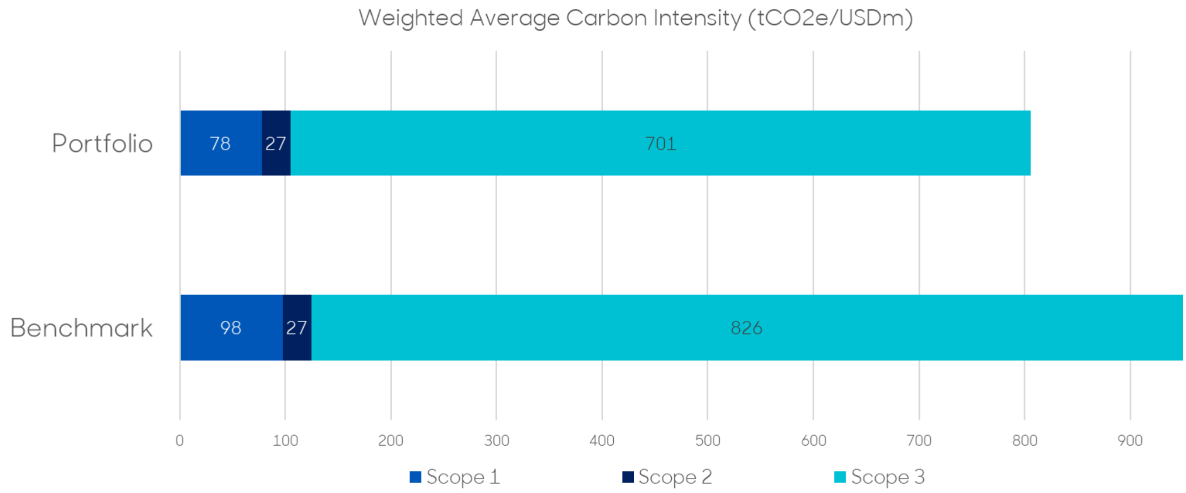
We confirm that during the reporting period the Fund excluded companies with the highest ESG risks, as identified by the ESG House Score. This is implemented by excluding the bottom 10% of issuers with an ESG House Score that are in the benchmark.

Carbon intensity

We confirm that during the reporting period the portfolio performed better than the benchmark, in line with our overall commitment.

Carbon Data Disclosure

Data Disclosure	Portfolio	Benchmark
Number of Companies with Data	375	3,143
Trucost Data Coverage (%)	88.4%	90.9%



(In tonnes of C02e/million USD revenue)	Weighted Average Carbon Intensity Scope 1 + 2	Scope 1	Scope 2	Scope 3
Portfolio	105	78	27	701
Benchmark	125	98	27	826
Relative Carbon Intensity (%)	84.4%	79.6%	101.8%	84.9%

…and compared to previous periods?

N/A

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

The fund has set a sustainable objective, to have a least 15% Sustainable Investments held within the portfolio, which are inclusive of both environmental and social objectives that are not taxonomy aligned. The minimum share of sustainable investments with an environmental objective is 5% and the minimum share of sustainable investments with a social objective is 5%.

Currently, 36% of investments held are Sustainable Investments, this comprised of 18% environmental that are not EU Taxonomy aligned, 18% social. This is following the sustainable investment methodology and do no significant harm as outlined below. Please note that in future reporting periods, the proportion of sustainable investments could be higher or lower, whilst still above the overall commitment.

Sustainable Investment Methodology

The objective of the sustainable investment is to make a contribution to solving an environmental or social challenge, in addition to not causing significant harm, and being well governed. Each sustainable investment may make a contribution to Environmental or Social issues. In fact, many companies will make a positive contribution to both. abrdn use the six environmental objectives of the Taxonomy to inform Environmental contributions, including: (1) climate change mitigation, (2) climate change adaptation, (3) sustainable use and protection of water and marine resources, (4) transition to a circular economy, (5) pollution prevention and control, and (6) protection and restoration of biodiversity and ecosystems. In addition, abrdn use the 17 Sustainable Development Goals and their sub-goals to supplement the EU Taxonomy topics and provide a framework for considering Social objectives

An economic activity must have a positive economic contribution to qualify as a Sustainable investment, this includes consideration of Environmental or Socially aligned revenues, Capex, Opex or sustainable operations. abrdn seek to establish or estimate the share of the investee company's economic activities/contribution towards a sustainable objective and it is this element that is weighted and counted towards the Sub-fund's total aggregated proportion of Sustainable Investments.

abrdn uses a combination of the following approaches: i. a quantitative methodology based on a combination of publicly available data sources; and ii. using abrdn's own insight and engagement outcomes abrdn overlay the quantitative methodology with a qualitative assessment to calculate an overall percentage of economic contribution towards a sustainable objective for each holding in a Fund.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti- corruption and anti- bribery matters.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

As required by the SFDR Delegated Regulation, the investment does not cause Significant Harm ("Do No Significant Harm"/ "DNSH") to any of the sustainable investment objectives. abrdn have created a 3-step process to ensure consideration of DNSH:

i. Sector Exclusions
abrdn have identified a number of sectors which automatically do not qualify for inclusion as a Sustainable Investment as they are considered to be causing significant harm. These include but are not limited to: (1) Defence, (2) Coal, (3) Oil & Gas Exploration, Production and associated activities, (4) tobacco, (5) gambling and (6) alcohol.

ii. DNSH Binary Test
The DNSH test, is a binary pass/fail test which signals if the company passes or fails criteria for the SFDR Article 2 (17) "do no significant harm". Pass indicates under abrdn's methodology the company has no ties to controversial weapons, less than 1% of revenue from thermal coal, less than 5% of revenue from tobacco related activities, is not a tobacco producer, and has no red/severe ESG Controversies. If the company fails this test, it cannot be considered a Sustainable Investment. Abrdn's approach is aligned with the SFDR PAIs included within tables 1, 2 & 3 of the SFDR Delegated Regulation and is based on external data sources and abrdn internal insights.

iii. DNSH Materiality Flag
Using a number of additional screens and flags, abrdn consider the additional SFDR PAI's indicators as defined by the SFDR Delegated Regulation to identify areas for improvement or potential future concern. These indicators are not considered to cause significant harm and therefore a company with active DNSH materiality flags may still be considered to be a Sustainable Investment. abrdn aim to enhance the engagement activities to focus on these areas and seek to deliver better outcomes by resolving the issue.

How were the indicators for adverse impacts on sustainability factors taken into account?

The fund considers Principle Adverse Impact Indicators defined by the SFDR Delegated Regulation.

Pre investment, the following PAI indicators are considered:

abrdn applies a number of norms and activity based screens

- The Fund uses norms-based screens and controversy filters to exclude companies that may be in breach of international norms described in the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights.
- Exposure to companies directly involved with electricity generation which has a carbon emission intensity inconsistent with the Paris Agreement 2 degrees scenario unless identified as a 'Transition Focused Company'.
- Exposure to companies that are primarily involved in conventional oil and gas extraction and do not have a significant revenue (at least 40%) contribution from natural gas or renewable alternatives unless identified as a 'Transition Focused Company' (see below).
- Exposure to unconventional oil and gas extraction (more than 5% of revenue is excluded).
- Exposure to fossil fuel sector thermal coal extraction (more than 5% of revenue is excluded), thermal coal power generation (more than 5% revenue excluded, unless identified as a Transition Focused Company, and companies investing directly in new thermal coal generation capacity in their own operations are excluded).
- Exposure to Tobacco production or trading (more than 5% of revenue is excluded).
- Exposure to Controversial weapons. Exposure to Conventional weapons (more than 5% of revenue is excluded)

abrdn considers the following PAI indicators via our ESG integration process, pre-investment due diligence policies and procedures:

- Consideration of portfolio carbon intensity and GHG emissions via our Climate tools and risk analysis
- Biodiversity, waste, water and diversity indicators via our Proprietary House Score.
- Governance indicators via our proprietary governance scores and risk framework, including consideration of sound management structures, employee relations, remuneration of staff and tax compliance.

Post-investment the following PAI indicators are considered:

- abrdn monitors all mandatory and additional PAI indicators via our ESG integration investment process using a combination of our proprietary house score and 3rd party data feeds. PAI indicators that either fail a specific binary test or are considered above typical are flagged for review and may be selected for company engagement.

- Consideration of portfolio carbon intensity and GHG emissions via our Climate tools and risk analysis
- Governance indicators via our proprietary governance scores and risk framework, including consideration of sound management structures, employee relations, remuneration of staff and tax compliance
- On an on-going basis the investment universe is scanned for companies that may be in breach of international norms described in the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights.

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

Yes, all sustainable investments are aligned with OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human rights. Breaches and violations of these international norms are flagged by an event-driven controversy and are captured in the investment process, and in turn excluded from consideration as a sustainable investment.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities.
The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

How did this financial product consider principal adverse impacts on sustainability factors?

The following indicators were committed to be considered within the investment process:

Principle Adverse Impact Considered for Investments:		**Explanation:**
GHG Emissions Scope 1 & 2 and carbon footprint		This is undertaken via monitoring of the carbon benchmark and we confirm that during the reporting period that the portfolio performed better than the benchmark and in line with our overall commitment.
Fossil Fuel Sector Exposure	Share of investments in companies active in the fossil fuel sector	13.22% This figure represents companies that derive any revenues from exploration, mining, extraction, production, processing, storage, refining or distribution, including transportation, storage and trade, of fossil fuels. It is not indicative of how active a company is in the fossil fuel sector in terms of percentage revenue, for which this fund deploys maximum revenue threshold criteria to actively minimise exposure to fossil fuels.
Board Gender Diversity	Average ratio of female to male board members in investee companies expressed as a percentage	66.78%
Exclusions: UN Global compact, controversial weapons, defence, nuclear energy & weapons, coal, other fossil fuel, oil and gas exploration, production and associated activities, tobacco and gambling		We confirm that screening in line with our approach documents has been undertaken during the reporting period

As described above, a number of PAIs are actively screened from the investment universe prior to investment, including norms-based screens and controversy filters. In addition, we provide below further detail on where we have taken action. For the fund holdings during the reporting period, we held over 116 engagement meetings over 2022, of these over 28 were priority meetings.

Active ownership case studies:

We include a selection of case studies to demonstrate engagement style and investment management approach. These are not an indication of future performance or investment recommendation on the companies themselves.

Company	Lifecycle Status	Topic	Engagement Summary	Investment View Change
Nordea Bank Abp	Plan, Execute	Climate Change, Corporate Behaviour, Corporate Gov. & Disclosure	Nordea do not want to take a blanket exclusionary approach to 'brown' sectors, and instead want to finance companies that are genuinely committed to transitioning. As a result, they have set a target for 90% of their loan book to have credible climate transition plans by 2025. Overall the meeting reaffirmed the view that Nordea are on a positive trajectory towards achieving their climate targets. However, we requested that they start reporting on their progress towards achieving these targets, as well as more granular disclosure about the activities included.	Enhances
AT&T Inc	Execute	Labour Management, Diversity & Inclusion	We are encouraged by the progress AT&T are making towards workforce diversity- over half of all US front line workers are people of colour. We highlighted several lawsuits regarding employee discrimination. AT&T acknowledged that as one of the largest unionised workforces in the US, there will always be new flow but they have increased focus and resource towards employee wellbeing. We also touched on AT&T's work on producing their first green bond framework	Reinforces
Barclays PLC	Plan	Labour Management, Diversity & Inclusion	We continued discussion of pay requirements for UK workforce. They seem to be being proactive on labour relations and getting ahead of pay rises. This will be focused on lower income employees, something consistent with what we're seeing elsewhere.	None
Lloyds Banking Group PLC	Plan	Climate Change	Lloyds feels that it has set industry leading net zero targets for sector-specific reductions in financed emissions, though acknowledged that Natwest has set a slightly more ambitious target on reducing financial emissions in the housing sector. In any case, Lloyds emphasised that it believes all its targets are credible and achievable. Lloyds is working on targets for commercial real estate and agriculture, where there are large data gaps. As the largest lender to UK agriculture, Lloyds intends to dedicate more attention to its broader impacts on nature and is recruiting in this area.	None
UniCredit SpA	Acknowledge, Plan	Climate Change, Corporate Gov. & Disclosure, Human Rights & Stakeholders	We raised to UniCredit our concerns about CEO remuneration, which has significantly increased with the arrival of a new CEO. Our concerns were acknowledged but UniCredit defended their compensation policy. We also touched on climate, UniCredit appear to be on track to meet NZBA commitments, but are slower than peers in publishing their scope 3 emissions and sector targets, we encouraged them to accelerate this work.	Reinforces

The list includes the investments constituting **the greatest proportion of investment**s of the financial product during the reference period which is:

What were the top investments of this financial product?

Date as at 31st March 2022

Largest investments	Sector	Country	% Assets (exc. Cash)
European Union	Government	#N/A	2.58%
Thermo Fisher Scientific Inc	Consumer Non-cyclical	USA	1.24%
BNP Paribas SA	Financials	FRA	2.19%
Morgan Stanley	Financials	USA	2.16%
Verizon Communications Inc	Communications	USA	2.02%
Deutsche Bank AG	Financials	DEU	1.92%
Credit Suisse Group AG	Financials	CHE	1.78%
Natwest Group PLC	Financials	GBR	1.70%
Barclays PLC	Financials	GBR	1.66%
ING Groep NV	Financials	NLD	1.64%
UBS Group AG	Financials	CHE	1.62%
JPMorgan Chase & Co	Financials	USA	1.61%
Societe Generale SA	Financials	FRA	1.43%
Enel SpA	Utilities	ITA	1.25%
AT&T Inc	Communications	USA	1.25%

Date as at 30th June 2022

Largest investments	Sector	Country	% Assets (exc. Cash)
Bundesrepublik Deutschland Bundesanleihe	Government	DEU	3.69%
European Union	Government	#N/A	2.79%
Morgan Stanley	Financials	USA	2.33%
BNP Paribas SA	Financials	FRA	2.09%
Deutsche Bank AG	Financials	DEU	1.97%
Credit Suisse Group AG	Financials	CHE	1.86%
UBS Group AG	Financials	CHE	1.82%
Barclays PLC	Financials	GBR	1.77%
Verizon Communications Inc	Communications	USA	1.73%
ING Groep NV	Financials	NLD	1.60%
Natwest Group PLC	Financials	GBR	1.54%
Societe Generale SA	Financials	FRA	1.44%
JPMorgan Chase & Co	Financials	USA	1.40%
TotalEnergies SE	Energy	FRA	1.40%
Enel SpA	Utilities	ITA	1.39%

Date as at 30th September 2022

Largest investments	Sector	Country	% Assets (exc. Cash)
European Union	Government	#N/A	2.75%
Morgan Stanley	Financials	USA	2.46%
BNP Paribas SA	Financials	FRA	2.28%
Bundesrepublik Deutschland Bundesanleihe	Government	DEU	2.16%
UBS Group AG	Financials	CHE	2.15%
Credit Suisse Group AG	Financials	CHE	1.86%
Verizon Communications Inc	Communications	USA	1.70%
Deutsche Bank AG	Financials	DEU	1.66%
Barclays PLC	Financials	GBR	1.65%
ING Groep NV	Financials	NLD	1.59%
Enel SpA	Utilities	ITA	1.45%
TotalEnergies SE	Energy	FRA	1.44%
Natwest Group PLC	Financials	GBR	1.42%
JPMorgan Chase & Co	Financials	USA	1.42%
Orsted AS	Utilities	DNK	1.39%

Date as at 31st December 2022

Largest investments	**Sector**	**Country**	**% Assets (exc. Cash)**
Morgan Stanley	Financials	USA	2.39%
BNP Paribas SA	Financials	FRA	2.37%
UBS Group AG	Financials	CHE	2.17%
Deutsche Bank AG	Financials	DEU	2.13%
Verizon Communications Inc	Communications	USA	1.63%
Barclays PLC	Financials	GBR	1.73%
Thermo Fisher Scientific Inc	Consumer Non-cyclical	USA	1.50%
Medtronic Global Holdings SCA	Consumer Non-cyclical	USA	0.69%
ING Groep NV	Financials	NLD	1.42%
Credit Suisse Group AG	Financials	CHE	1.60%
Societe Generale SA	Financials	FRA	1.35%
TenneT Holding BV	Utilities	NLD	0.87%
Toronto-Dominion Bank/The	Energy	FRA	1.04%
Natwest Group PLC	Financials	GBR	1.57%
Orsted AS	Utilities	DNK	0.47%

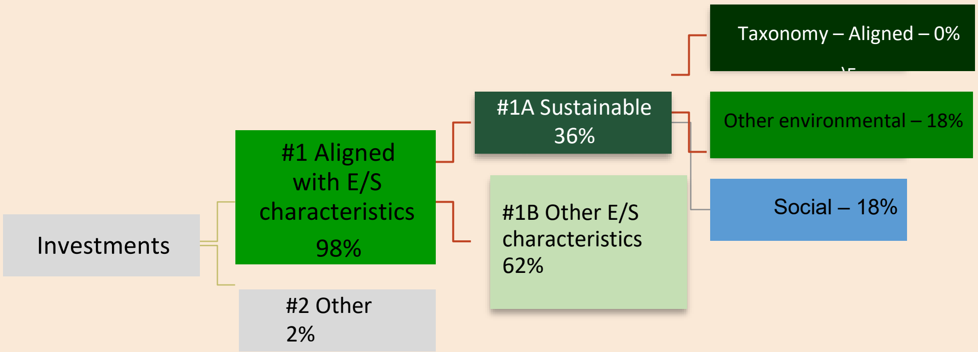
What was the proportion of sustainability-related investments?

Asset allocation describes the share of investments in specific assets.

A commitment to hold a minimum of 90% of the Fund's assets aligned with E/S characteristic was made. Within these assets, the Fund commits to a minimum of 15% in Sustainable Investments. The Fund invests a maximum of 10% of assets in the "Other" category, which include cash, money market instruments and derivatives

For the reporting period, the fund invested 98% in assets aligned with E/S characteristics and 2% of assets in the "Other" category. Currently, 36% of investments held are Sustainable Investments, this comprised of 18% environmental and 18% social investments. Please note that in future reporting periods, the proportion of sustainable investments could be higher or lower, whilst still above the overall commitment.

What was the asset allocation?



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics covers**:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies

- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

In which economic sectors were the investments made?

Agricultural & Farm Machinery	Environmental & Facilities Services	Office REITs
Air Freight & Logistics	Gas Utilities	Packaged Foods & Meats
Asset Management & Custody Banks	Health Care Equipment	Pharmaceuticals
Automobile Manufacturers	Health Care Supplies	Railroads
Biotechnology	Highways & Railtracks	Real Estate Operating Companies
Commodity Chemicals	Household Products	Real Estate Services
Construction & Engineering	Industrial REITs	Research & Consulting Services
Consumer Finance	Integrated Telecommunication Services	Specialized Finance
Diversified Banks	Life & Health Insurance	Specialized REITs
Diversified Chemicals	Life Sciences Tools & Services	Specialty Chemicals
Electric Utilities	Multi-line Insurance	Thrifts & Mortgage Finance
Electrical Components & Equipment	Multi-Utilities	Wireless Telecommunication Services

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

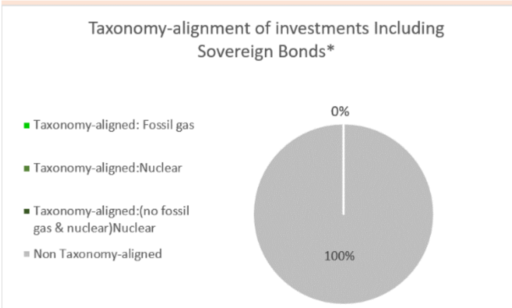
Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?

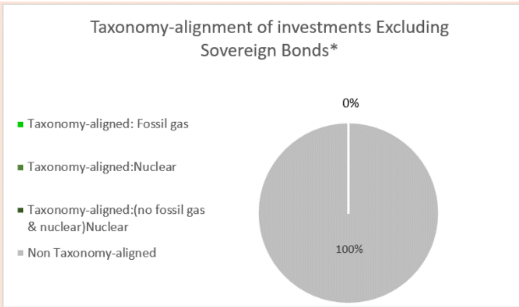
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

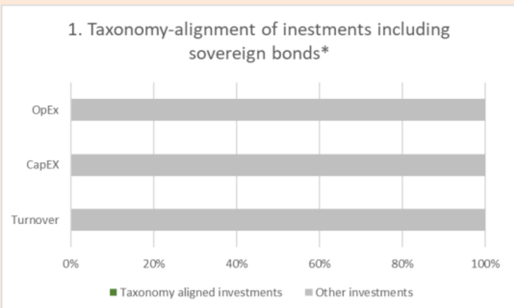
The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.

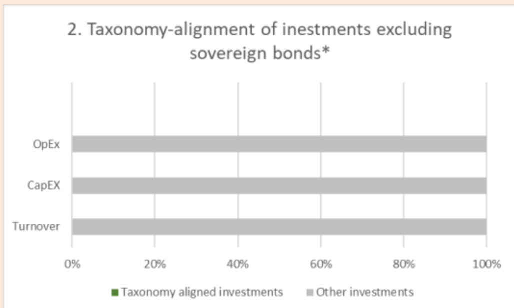




The fund holds 0% sustainable investments with an environmental objective aligned with the EU Taxonomy. This assessment has not been subject to an external review.

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.





** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

activities under the EU Taxonomy.

What was the share of investments made in transitional and enabling activities?

The fund holds 0% investments made in transitional and enabling activities.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

N/A

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

The share of sustainable investments with an environmental objective not aligned with the EU Taxonomy is 18%

What was the share of socially sustainable investments?

The share of sustainable investments with a social objective is 18%

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

The Fund invested less than 2% of assets in the "Other" category. The investments included under "other" are cash, money market instruments, derivatives and may also include sovereign bonds. The purpose of these assets are to meet liquidity, target return or manage risk and may not contribute to the environmental or social aspects of the Fund.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The Fund has applied ESG assessment criteria, ESG screening criteria and promoted good governance including social factors. The fund has also engaged with issuers on the topics Climate change, Environment, Labour, Human rights, Corporate Governance and Behaviour.

How did this financial product perform compared to the reference benchmark?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- *How does the reference benchmark differ from a broad market index?*

  N/A

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

  N/A

  How does this financial product perform compared with the reference index?
  N/A

- ***How did this financial product perform compared with the broad market index?***

  N/A