Sustainability-related disclosures for abrdn SICAV II - Global Impact Equity Fund

This document provides you with a summary of sustainability-related information available on our website about this financial product. It is prepared in relation to Article 10 of the Sustainable Finance Disclosure Regulation (EU) 2019/2088. The information disclosed is required by law to help you understand the sustainability characteristics and/or objectives and risks of this financial product.

Date of Publication: 2023-12-15

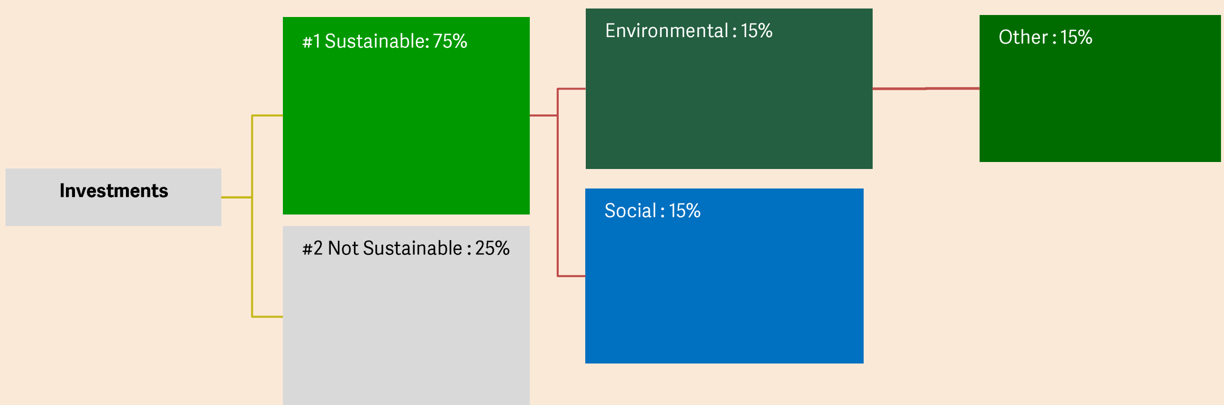
Legal entity identifier 213800A5KTINR38TJX25

Summary	The Fund is subject to article 9 of the European Union's (EU) 2019/2088 Sustainable Finance Disclosure Regulation ("SFDR") and has a sustainable investment objective. In line with the SFDR criteria for sustainable investments (positive contribution of the economic activity, no significant harm of the investment and good governance by the investee company) abrdn have developed an approach to identifying sustainable investments, the methodology of which is detailed in the Q&A below. The Fund has an expected minimum of 75% in Sustainable Investments. The Fund has not set a minimum proportion of investment in Taxonomy aligned economic activities, including Taxonomy-aligned fossil gas or nuclear energy related activities. The Fund aims to provide long term growth by investing in companies listed globally that aim to create positive measurable environmental and/ or social impacts. The Fund aims to outperform MSCI AC World Index (USD) benchmark before charges. The Fund will invest 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. The Fund may invest up to 10% 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 Global Equity Impact Investment Approach, which is published at www.abrdn.com under **Fund Centre**. This Fund has a financial benchmark that is used for portfolio construction but does not incorporate any sustainable criteria and is not selected for the purpose of attaining the sustainable investment objective of the Fund. This financial benchmark is used as a comparator for Fund performance and as a comparison for the Fund's binding commitments. The Fund seeks to deliver long term growth by investing in companies that intentionally aim to create positive measurable, positive environmental and social impact. The abrdn approach leverages the United Nation's Agenda for Sustainable Development to identify the most pressing global issues and target positive impact. The UN's current framework involves a series of Sustainable Development Goals (SDGs) which may change over time, and the investment approach will evolve to mirror the UN's Agenda. By assessing companies' ability to deliver intentional positive outcomes for the environment and society (i.e. intentionality) the investment approach identifies companies with products or services that align to abrdn's impact pillars: sustainable energy, circular economy, health & social care, water & sanitation, education & employment, food & agriculture, sustainable real estate & infrastructure and financial inclusion which reflect the priority concerns in the SDGs. At least 30% of company investment (e.g. research and development, capital expenditure) must be directed towards a product or service aligned with one of the impact pillars to demonstrate intentionality. Our impact proposition includes: • Investing in companies that deliver an attractive financial return while making a positive contribution to the environment and society • Assessment framework aligned to the UN SDGs, which seek to address the world's greatest challenges • Focus on intentional, measurable impacts that address the unique issues facing particular regions • Company engagement to demonstrate intentionality and promote meaningful impact disclosure In managing the Fund strategy, we will seek to: • Deliver both attractive financial returns and positive social and environmental outcomes • Benefit from our active engagement with companies, where we encourage positive changes in corporate behaviour • Invest in companies intentionally developing products and services that contribute to quantifiable, positive social and environmental outcomes • Leverage the support and insights of our large, dedicated equity teams and ESG specialists The Fund also invests in companies that enable progress aligned to each pillar but are too far down the supply chain for impact to be directly attributable to them. Investments in these companies are limited to 10% of the total fund.

	The Fund's binding commitments use the UN's underlying SDG targets and indicators as the basis for the KPIs, thereby linking a company's ability to affect positive change back to these overarching global challenges. We have identified eight 'pillars of impact' that address the broad challenges of climate change, unsustainable production and consumption and social inequalities and align with the UN's overarching agenda of creating a more peaceful and prosperous society and environment. The Fund assesses a company's alignment with abrdn's eight-pillar impact framework. In addition to the eight impact pillars, we also invest up to 10% of the fund in impact leaders. These are companies that enable our other pillars, contributing products and services that are part of a wider value / supply chain. abrdn also apply a set of company exclusion which are related to, but are not limited to, 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. These screening criteria apply in a binding manner and on an ongoing basis. Due diligence for each asset held is detailed in the Fund's Investment Approach document, published at www.abrdn.com, under **Fund Centre**. The Fund's ESG screening and binding commitments determine that sustainable objectives of holdings are met and are part of the overall portfolio construction. In addition, abrdn consider Principal Adverse Impact Indicators (PAIs) within our investment process for the Fund, which is detailed in the Q&A below. Monitoring of the Fund's sustainable objectives are carried out on desk by the fund managers, through systematic oversight and independently through abrdn's ESG Governance teams. abrdn have selected and monitor several internal and external data sources to attain sustainable objectives. As part of the onboarding and review processes, we have several controls in place to test quality, which include but are not limited to, coverage, validity checks and consistency. For details on the Stewardship and Engagement policies, please see abrdn's Stewardship Report published on www.abrdn.com under **Sustainable Investing**, within the **Governance and Active Ownership** section.
No significant harm to the sustainable investment objective	Key performance indicators (KPIs), or targeted outputs, have been set for each of the impact pillars, in order to assess how products and services contribute to positive social and environmental outcomes globally. abrdn use the UN's underlying SDG targets and indicators as the basis for the KPIs, thereby linking a company's ability to affect positive change back to these overarching global challenges. At least 30% of company investment (e.g. research and development, capital expenditure) must be directed towards developing products or services aligned with an impact pillar to demonstrate intentionality. The abrdn Global Impact Equity Investment Approach, published at www.abrdn.com under "Fund Centre", reduces the investment universe by a minimum of 20%. 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. 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.
Sustainable investment objective of the financial product	The Fund aims to provide long term growth by investing in companies listed globally that intentionally aim to create positive measurable environmental and/ or social impacts. The approach leverages the United Nation's Agenda for Sustainable Development to identify the most pressing global issues and target positive impact. The UN's current framework involves a series of Sustainable Development Goals (SDGs) which may change over time, and the investment approach will evolve to mirror the UN's Agenda. By assessing companies' ability to deliver intentional positive outcomes for the environment and society (i.e. intentionality) the investment approach identifies companies with products or services that align to abrdn's impact pillars: sustainable energy, circular economy, health & social care, water & sanitation, education & employment, food & agriculture, sustainable real estate & infrastructure and financial inclusion which reflect the priority concerns in the SDGs. At least 30% of company investment (e.g. research and development, capital expenditure) must be directed towards a product or service aligned with one of the impact pillars to demonstrate intentionality. Our impact proposition includes: • Investing in companies that deliver an attractive financial return while making a positive contribution to the environment and society • Assessment framework aligned to the UN SDGs, which seek to address the world's greatest challenges • Focus on intentional, measurable impacts that address the unique issues facing particular regions • Company engagement to demonstrate intentionality and promote meaningful impact disclosure In managing the Fund strategy, we will seek to: • Deliver both attractive financial returns and positive social and environmental outcomes • Benefit from our active engagement with companies, where we encourage positive changes in corporate behaviour • Invest in companies intentionally developing products and services that contribute to quantifiable, positive social and environmental outcomes • Leverage the support and insights of our large, dedicated equity teams and ESG specialists This Fund has a financial benchmark that is used for portfolio construction but does not incorporate any sustainable criteria and is not selected for the purpose of attaining the sustainable investment objective of the Fund. This financial benchmark is used as a comparator for Fund performance and as a comparison for the Fund's binding commitments.
Investment strategy	The Fund seeks to deliver long term growth by investing in companies that intentionally aim to create positive measurable, positive environmental and social impact. The abrdn approach leverages the United Nation's Agenda for Sustainable Development to identify the most pressing global issues and target positive impact. The UN's current framework involves a series of Sustainable Development Goals (SDGs) which may change over time, and the investment approach will evolve to mirror the UN's Agenda. By assessing companies' ability to deliver intentional positive outcomes for the environment and society (i.e. intentionality) the investment approach identifies companies with products or services that align to abrdn's impact pillars: sustainable energy, circular economy, health & social care, water & sanitation, education & employment, food & agriculture, sustainable real estate & infrastructure and financial inclusion which reflect the priority concerns in the SDGs. At least 30% of company investment (e.g. research and development, capital expenditure) must be directed towards a product or service aligned with one of the impact pillars to demonstrate intentionality. Our impact proposition includes: • Investing in companies that deliver an attractive financial return while making a positive contribution to the environment and society • Assessment framework aligned to the UN SDGs, which seek to address the world's greatest challenges • Focus on intentional, measurable impacts that address the unique issues facing particular regions • Company engagement to demonstrate intentionality and promote meaningful impact disclosure In managing the Fund strategy, we will seek to: • Deliver both attractive financial returns and positive social and environmental outcomes • Benefit from our active engagement with companies, where we encourage positive changes in corporate behaviour • Invest in companies intentionally developing products and services that contribute to quantifiable, positive social and environmental outcomes • Leverage the support and insights of our large, dedicated equity teams and ESG specialists The UN's 2030 Agenda for Sustainable Development provides a blueprint for governments to guide investment and development toward a more sustainable and prosperous future. The Agenda lays out 17 SDGs to help countries tackle the most pressing global social and environmental concerns. Using the Agenda as a guide, there are tangible opportunities to generate positive contributions to society and the

	environment, while simultaneously generating long-term financial value. We therefore aligned our impact mission to address the key social and environmental issues identified by the SDGs. Our portfolio managers combine the expert analysis of our equity teams with the insights of our ESG specialists. This allows us to assess a company's alignment with abrdn's eight-pillar impact framework. The Fund also invests in companies that enable progress aligned to each pillar but are too far down the supply chain for impact to be directly attributable to them. Investments in these companies are limited to 10% of the total fund. In addition, abrdn apply a set of company exclusion which are related to 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. For this Fund, the investee company needs to follow good governance practices in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance. This can be demonstrated by the monitoring of certain PAI indicators, for example corruption, tax compliance and diversity. In addition, by using abrdn's proprietary ESG scores within the investment process abrdn screen out any investments with low governance scores. Our governance scores assess a company's corporate governance and management structure (including remuneration of staff policies) and the quality and behaviour of its leadership and management. A low score will typically by given where there are concerns in relation to financially materially controversies, poor tax compliance or governance concerns, or poor treatment of employees or minority shareholders. The investment must further be aligned with OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human rights. Breaches and violations of these international norms are flagged by an event-driven controversy and are captured in the investment process.
Proportion of investments	The Fund commits to a minimum of 75% in Sustainable Investments, including a minimum commitment of 15% to assets with an environmental objective and 15% to social objectives. The Fund invests a maximum of 25% of assets in the "Non Sustainable" category, which is mainly made up of cash, money market instruments and derivatives.



#1 Sustainable covers sustainable investments with environmental or social objectives.

#2 Not sustainable includes investments which do not qualify as sustainable investments.

Monitoring of sustainable investment objective	**First line** Our investment teams have the primary responsibility for implementing the investment strategy. Our sustainable investing governance committees support investment desks with regards to the implementation of the framework as well as understanding the regulatory environment. **Second line** ***Investment Risk*** abrdn's Investment Risk Department carries out the analysis of risks and their overall contribution to the Fund's risk profile. The RAG status of funds as well as action taken to address moderate/high risks are reported to boards, and relevant committees as required, on a regular basis. The Investment Risk Department also undertakes an annual review of the fund risk profiles to determine the efficacy of the current limits and any potential forward looking trends. ***Compliance*** abrdn's Compliance function reviews a range of funds' legal and regulatory documents to ensure they comply with regulations. Compliance also reviews marketing communications, including fund and non-fund specific material, to ensure marketing material and ESG related statements are clear, fair and non-misleading.

	abrdn's EMEA Compliance function plays a key role in monitoring ESG related investment limits and adherence to the binding commitments of funds that have environmental or social characteristics (in line with SFDR Article 8) and funds that have sustainable investment objectives (in line with SFDR Article 9). Through the ESG Regulatory & Standards Taskforce, Compliance feeds all sustainability-related regulatory developments and new requirements to relevant first line stakeholders to ensure these are duly considered and integrated into abrdn's investment approach and adequately reflected in our disclosures. In this taskforce, Compliance teams from all jurisdictions in which abrdn operates are represented. Finally, a dedicated Monitoring & Oversight team operates a risk-based programme to provide assurance to senior management over the effectiveness of controls to ensure regulatory compliance. The outcome of the reviews is reported to the relevant entity boards and other governance forums, including the Risk and Capital Committee, Group Audit Committee and Executive Leadership Team Controls meeting. Assurance activities include both thematic reviews of risk or regulatory topics and focused reviews on specific regulatory or customer outcomes. **Third line** abrdn's Internal Audit function conducts internal audits including of sustainability rule implementation as part of its internal audit agenda.
Methodologies	The Fund aims to provide long term growth by investing in companies listed globally that intentionally aim to create positive measurable environmental and/ or social impacts. The approach leverages the United Nation's Agenda for Sustainable Development to identify the most pressing global issues and target positive impact. The UN's current framework involves a series of Sustainable Development Goals (SDGs) which may change over time, and the investment approach will evolve to mirror the UN's Agenda. By assessing companies' ability to deliver intentional positive outcomes for the environment and society (i.e. intentionality) the investment approach identifies companies with products or services that align to abrdn's impact pillars: sustainable energy, circular economy, health & social care, water & sanitation, education & employment, food & agriculture, sustainable real estate & infrastructure and financial inclusion which reflect the priority concerns in the SDGs. At least 30% of company investment (e.g. research and development, capital expenditure) must be directed towards a product or service aligned with one of the impact pillars to demonstrate intentionality. Our impact proposition includes: • Investing in companies that deliver an attractive financial return while making a positive contribution to the environment and society • Assessment framework aligned to the UN SDGs, which seek to address the world's greatest challenges • Focus on intentional, measurable impacts that address the unique issues facing particular regions • Company engagement to demonstrate intentionality and promote meaningful impact disclosure In managing the Fund strategy, we will seek to: • Deliver both attractive financial returns and positive social and environmental outcomes • Benefit from our active engagement with companies, where we encourage positive changes in corporate behaviour • Invest in companies intentionally developing products and services that contribute to quantifiable, positive social and environmental outcomes • Leverage the support and insights of our large, dedicated equity teams and ESG specialists This Fund has a financial benchmark that is used for portfolio construction but does not incorporate any sustainable criteria and is not selected for the purpose of attaining the sustainable investment objective of the Fund. This financial benchmark is used as a comparator for Fund performance and as a comparison for the Fund's binding commitments. this Fund considers Principal Adverse Impacts (PAI) on sustainability factors. Principal Adverse Impact Indicators are metrics that measure the negative effects on environmental and social matters. abrdn consider PAIs within the investment process for the Fund, this may include considering whether to make an investment, or they may be used as an engagement tool for example where there is no policy in place and this would be beneficial, or where carbon emissions are considered to be high, abrdn may engage to seek the creation of a long-term target and reduction plan. abrdn assess PAIs by using, amongst others, the PAI indicators referred to in the SFDR Delegated Regulation; however, dependent on data availability, quality and relevance to the investments not all SFDR PAI indicators may be considered. Where Funds consider PAIs, information on that consideration will be made available in annual reports.
Data sources and processing	**Data Sources** We have selected several data sources which serve an intended purpose to attain the sustainable investment objective. abrdn uses a combination of the following approaches: 1. a combination of publicly available data sources to identify companies that may fail to meet our screening requirements, our DNSH or PAI assessments. In addition, we use external data to identify green and/or social Bonds, plus to calculate environmental or social revenues through disclosed data or estimates; and

	2. using our own insight we overlay the quantitative methodology with a number of internal data sources including proprietary on-desk ESG scoring frameworks, central proprietary ESG scores, economic contribution sector estimates or disclosed data through our own engagement activities or primary research. The EU Regulatory Technical Standards calls on financial market participants to source sustainability data in various ways, including research providers, internal analysis, commissioned studies, publicly available information, and direct engagement with companies. The following sources are used by abrdn and our 3rd party data providers to collect company reported data: • Company direct disclosure: sustainability reports, annual reports, regulatory filings, company websites and direct engagement with company representatives. • Company indirect disclosure: government agency published data, industry and trade associations, and financial data providers. • Direct communication with companies as described above in Company Communication. Where company disclosure is unavailable, we may choose to leverage estimated metrics . These datasets are built based on proprietary methodologies and informed by data from companies, market and industry peers, media, NGOs, multilateral and other credible institutions. Our 3rd party providers use a wide range of information derived from various tools and sources, including: • Company websites • Company annual reports and regulatory filings • Government financial agencies and disclosures • Financial data providers • Media and periodicals • Non-governmental organization (NGO) reports and websites **Data Quality assurance process** ***Third Party Data Sources*** We ensure that our third party data sources follow a rigorous quality assurance process. Data accuracy and company profiles are peer-reviewed before final inclusion into datasets. Additionally, our third party data providers have an escalation method to allow for cases that require further interpretation or an update to the relevant methodology. As part of our onboarding or review process, we have several controls in place to test quality, which includes, but not limited to, coverage, validity checks and consistency. Our company's Data Governance Framework and Data Management operating models include the application of toolkits which profile data , capture full lineage and apply quality rules to monitor data that is critical to our investment processes. These services are further complimented by the existence of data owners and stewards across the business. For each external data source, we retain records of the proportion of data that are estimated (ie not available in company reports), and we seek to minimise this with disclosed data where possible. ***Qualitative Assessment Process*** In all cases where we apply a qualitative overlay or insight, this analysis is followed by a rigorous quality assurance and oversight process. ***Data Quality*** For both 3rd party and qualitative assessments, the percentage of disclosed data varies from holding to holding on a case by case basis depending on company size and the region it is located in. For example, a large European company will typically be required to disclose data due to regulation and there will be limited or zero estimates used in our methodology. However, where there is limited disclosed data for example within smaller companies, it is possible that the majority of the sustainable investment value is derived from estimates. In most cases, there is a blend of disclosed data and estimated data used in the methodology, typically with more disclosed data in relation to Environmental Characteristics, and more estimated data in relation to Social Characteristics. We use several data providers and the available actual and estimated data varies depending on the providers but the average estimated data is around 20%.
Limitations to methodologies and data	We recognise that relying solely on quantitative disclosed data can be a limitation due to the difficulties obtaining consistent data from companies, and also as in some regions there are no regulatory requirements to disclose such data. As such, we also leverage our investment research and insights to supplement our assessments, with estimated data or assessments. However, this may differ from data that is subsequently disclosed in company reports or via engagements. The EU Taxonomy focusses on the underlying economic activity that is aligned with an environmental (or in future social) objective. The EU taxonomy relies on demonstrable aligned revenue, opex or capex to demonstrate compliance. As a result, abrdn have aligned our method of calculating SFDR sustainable investments with this approach as we believe it is closer to the likely future direction of regulation.
Due diligence	Due diligence for each asset held is detailed in the Fund's Investment Approach document, published at www.abrdn.com, under **Fund Centre**.

Engagement policies	**Active Ownership** In our view, good governance and stewardship are vital to safeguard the way in which a company is managed and to ensure that it operates responsibly in relation to its customer, employees, shareholders, and the wider community. abrdn also believe that markets and companies which adopt best practices in corporate governance and risk management – including the management of environmental and social risks – are more likely to deliver sustainable, long-term investment performance.As owners of companies, the process of stewardship is a natural part of our investment approach as we seek to benefit from their long-term success on our clients' behalf. Our fund managers and analysts regularly meet with the management and non-executive directors of companies in which we invest. **ESG Engagement** Engagement with company management teams is key and a standard part of our equity investment process and ongoing stewardship programme. It provides us with a more holistic view of a company, including current and future ESG risks that the firm needs to manage and opportunities from which it may benefit. It also provides the opportunity for us to discuss areas of concern, share best practice and drive positive change. Priorities for engagement are established by: • The use of the ESG House Score, in combination with • Bottom-up research insights from investment teams across asset classes, and • Areas of thematic focus from our company level stewardship activities. Please also see our Stewardship Report published on www.abrdn.comunder **Sustainable Investing**.
Attainment of the sustainable investment objective	The sections above details how the Fund attains its sustainable investment.This Fund has a financial benchmark that is used for portfolio construction but does not incorporate any sustainable criteria and is not selected for the purpose of attaining the sustainable objectives