abrdn Ethical Corporate Bond Fund

Retail Inc GBP

29 February 2024

Objective

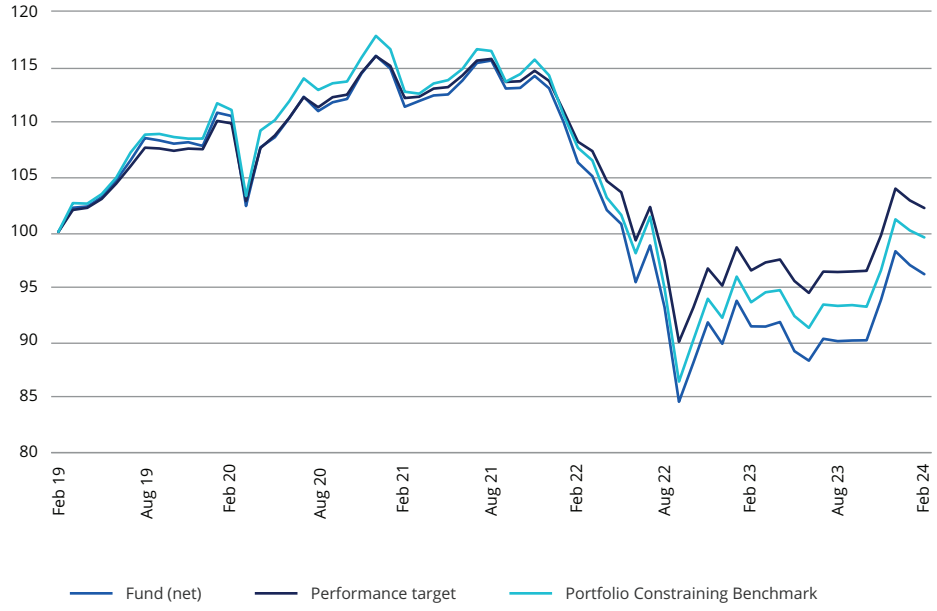
To generate income and some growth over the long term (5 years or more) by investing in sterling denominated investment grade corporate bonds which adhere to the abrdn Ethical Corporate Bond Investment Approach.

Performance Target: To be top quartile within the fund's peer group; as measured by the Investment Association Sterling Corporate Bond Sector Average, over rolling three-year periods (after charges). There is no certainty or promise that the Performance Target will be achieved.
The Investment Association Sterling Corporate Bond Sector (the "Sector") is a representative group of investment funds with a focus on sterling denominated investment grade bonds issued by companies.

Portfolio securities

- The fund will invest at least 60% in sterling denominated investment grade corporate bonds (which are like loans to companies that pay interest and are typically regarded as having a low default risk) issued anywhere in the world.
- The fund may also invest in other bonds , including high yield bonds (which are like loans to companies or governments that pay a high rate of interest but have a lower credit rating than investment grade bonds). The fund will employ techniques to reduce (hedge) risk related to currency movements on non-sterling bonds.
- The fund may also invest in other funds (including those managed by abrdn), cash and assets that can be turned into cash quickly.
- All investments will adhere to the criteria set out in the abrdn Ethical Corporate Bond Investment Approach (the "Investment Approach") which is published at www.abrdn.com under "Fund Centre".
- The fund will invest at least 70% in assets that are considered as having preferred Environmental, Social and Governance ("ESG") characteristics in a global context, based on analysis of a variety of data inputs. This analysis covers areas such as human rights, labour rights, environmental safeguards and combating bribery and corruption.
- The Investment Approach enables portfolio managers to assess how ESG factors are likely to impact on each company's ability to repay its debt, both now and in the future.
- As part of the Investment Approach the fund applies a set of company exclusions which are related but not limited to animal testing, weaponry, pornography, gambling, tobacco and alcohol.

Performance



Cumulative and annualised performance

	1 month	6 months	Year to date	1 year	3 years (p.a.)	5 years (p.a.)
Fund (net) (%)	-0.85	6.75	-2.12	5.18	-4.79	-0.79
Performance target (%)	-0.67	6.04	-1.70	5.88	-3.07	0.43
Portfolio constraining benchmark (%)	-0.63	6.67	-1.62	6.29	-4.08	-0.10
Sector ranking	66/92	20/92	66/92	54/92	76/89	68/83
Quartile	3	1	3	3	4	4

Discrete annual returns - year to 29/2

	2024	2023	2022	2021	2020
Fund (net) (%)	5.18	-14.02	-4.55	0.75	10.54
Performance target (%)	5.88	-10.81	-3.56	2.10	9.86
Portfolio constraining benchmark (%)	6.29	-13.04	-4.52	1.50	11.07
Sector ranking	54/92	83/91	61/89	63/87	27/83
Quartile	3	4	3	3	2

Performance Data: Share Class Retail Inc GBP.
Benchmark history: Portfolio constraining benchmark – Markit iBoxx Sterling Collateralized & Corporates
Source: abrdn (Fund & Benchmark) and Morningstar (Sector). Basis: Total Return, NAV to NAV, UK Net/Gross Income Reinvested.
"Fund (Net)" refers to the actual unit price performance of the shareclass shown; "Fund(Gross)" adds back charges such as the annual management charge to present performance on the same basis as the performance target / performance comparator / portfolio constraining benchmark. These figures do not include the initial charge; if this is paid it will reduce performance from that shown.

Past performance is not a guide to future returns and future returns are not guaranteed.

Key facts

Fund manager(s)	Mark Munro
Fund managers start date	01 March 2014
Fund launch date	02 November 2005
Share class launch date	02 November 2005
Authorised corporate director (ACD)	abrdn Fund Managers Limited
Fund size	£374.5m
Number of holdings	250
Performance target	IA Sterling Corporate Bond Sector Average
Portfolio constraining benchmark	Markit iBoxx Sterling Collateralized & Corporates
Yield to maturity exc derivatives[1]	5.92%
Distribution frequency	Quarterly
Entry charge (up to)[2]	4.00%
Annual management charge	1.00%
Ongoing charge figure[3]	1.01%
Minimum initial investment	GBP 500
Fund type	OEIC
Valuation point	12:00 (UK time)
Base currency	GBP
Sedol	B0LNNJ7
ISIN	GB00B0LNNJ75
Bloomberg	SLECBRI LN
Citicode	TJ48
Domicile	United Kingdom

Risk and reward profile

Lower risk
Typically lower rewards

Higher risk
Typically higher rewards

1 2 3 **4** 5 6 7

This indicator reflects the volatility of the fund's share price. See the relevant UCITS Key Investor Information Document (KIID) or PRIIPs Key Information Document (KID) for details

Key risks

(a) The value of investments and the income from them can fall and investors may get back less than the amount invested.
(b) Credit Risk - The fund invests in securities which are subject to the risk that the issuer may default on interest or capital payments.
(c) Interest Rate Risk - The fund invests in securities which can be subject to price fluctuation for a variety of reasons including changes in interest rates or inflation expectations.
(d) High Yield Credit Risk - The fund invests in high yield bonds which typically carry a greater risk of default than those with lower yields.
(e) ABS / MBS Risk - Asset and mortgage backed securities are subject to prepayment and extension risk and additional liquidity and default risk compared to other credit securities.

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Management process

- The management team use their discretion (active management) to identify investments based on analysis of global economics along with analysis of an investment's prospects and creditworthiness (debt repayment ability) compared to that of the market.
- Through the application of the Investment Approach, the fund is expected to have a lower carbon footprint than the Markit iBoxx Sterling Collateralized & Corporates Index (the "Index"), which is a representative index of the market for sterling denominated bonds issued by companies.
- Due to the ethical nature of the management process, there are a material number of companies and sectors in the Index that the fund is unable to invest in, which means the fund's performance profile may deviate significantly from that of the Index.

Please Note: The fund's ability to buy and sell bonds and the associated costs can be affected during periods of market stress which could include periods where interest rates move sharply.

Top Ten Holdings

EIB 3.875% 2037	1.4
Credit Suisse Group 7% 2027	1.4
Lloyds Banking Group 1.985% 2031	1.2
Credit Suisse Ag London 7.75% 2026	1.0
EIB 4.625% 2054	1.0
Barclays 3% 2026	1.0
NGG Finance 5.625% 2073	1.0
ING Groep 1.125% 2028	0.9
Royal Bank of Scotland 3.622% 2030	0.9
Dwe Cymru Financing UK 2.375% 2034	0.9
Assets in top ten holdings	**10.7**

Sector (%)

Financials	46.8
Utilities	15.7
Real Estate	12.7
Telecommunication Services	5.9
Industrials	4.7
Supranational	3.7
Quasi Sovereign	2.8
Consumer Discretionary	1.8
Other	5.1
Cash	0.8

Maturity (%)

0-5 years	47.7
5-10 years	21.5
10-15 years	13.6
15-20 years	9.8
20-25 years	2.4
25-30 years	2.2
30+ years	2.8

Credit rating (%)

AAA	4.5
AA	0.9
A	36.9
BBB	50.1
BB	6.6
B	0.6
N/R	0.5

Source : abrdn 29/02/2024

Figures may not always sum to 100 due to rounding.

(f) Convertible Securities Risk - These investments can be changed into another form upon certain triggers as such they can exhibit risks typically associated with both bonds and equities. Contingent convertible securities (CoCos) are similar to convertible securities but have additional triggers which mean that they are more vulnerable to losses and volatile price movements and hence become less liquid.

(g) Derivatives Risk - The use of derivatives may involve additional liquidity, credit and counterparty risks and may lead to substantial loss and increased volatility in adverse market conditions. The use of derivatives may result in the fund being leveraged (where market exposure and thus the potential for loss by the fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.

(h) ESG Investment Risk - Applying ESG and sustainability criteria in the investment process may result in the exclusion of securities within the fund's benchmark or universe of potential investments. The interpretation of ESG and sustainability criteria is subjective meaning that the fund may invest in assets which similar funds do not (and thus perform differently) and which may not align with the personal views of any individual investor.

Risk stats

Alpha^	**0.64**
Benchmark Volatility (SD)^	**10.11**
Beta^	**1.02**
Fund Volatility (SD)^	**10.33**
Information Ratio^	**0.57**
R-Squared^	**0.99**
Sharpe Ratio^	**-0.64**
Tracking Error^	**0.89**
Effective duration (years)	**6.40**

Source : abrdn. ^ Three year annualised.

Derivative usage

- The fund will make routine use of derivatives to reduce risk, reduce cost and/or generate additional income or growth consistent with the risk profile of the fund.
- Derivatives are linked to the value of other assets. In other words, they derive their price from one or more underlying asset. They can generate returns when the value of these underlying assets rise (long positions) or fall (short positions).
- Derivatives include instruments used to manage expected changes in interest rates, inflation, currencies or creditworthiness of corporations.

To help you understand this fund and for a full explanation of risks and the overall risk profile of this fund and the shareclasses within it, please refer to the Key Investor Information Documents and Prospectus which are available on our website www.abrdn.com The Prospectus also contains a glossary of key terms used in this document.

[1]Yield to Maturity as at 29/02/2024 is the yield that would be realised on a bond or other debt instrument if the security was held until the maturity date.
[2]These are the maximum charges that we might take out of your money before it is invested. In some cases, the charges may be less and you should speak to your financial advisor about this.
[3]The Ongoing Charge Figure (OCF), is the overall cost shown as a percentage of the value of the assets of the fund. It is made up of the Annual Management Charge (AMC) of 1.00% and other charges. It does not include any initial charges or the cost of buying and selling stocks for the fund. The Ongoing Charges figure can help you compare the annual operating expenses of different funds.

The fund is a sub-fund of abrdn OEIC V, an authorised open-ended investment company (OEIC).
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