

# PRODUCT KEY FACTS

## Aberdeen Standard SICAV I - Asian Local Currency Short Term Bond Fund

July 2020

- This statement provides you with key information about the Aberdeen Standard SICAV I – Asian Local Currency Short Term Bond Fund.
- This statement forms part of the offering document and should be read in conjunction with the offering document of Aberdeen Standard SICAV I.
- You should not invest in this product based on this statement alone.

### Quick facts

<b>Management Company:</b>	Aberdeen Standard Investments Luxembourg S.A.
<b>Investment Manager:</b>	Aberdeen Asset Managers Limited – the United Kingdom (internal delegation)
<b>Sub- Investment Manager:</b>	Aberdeen Standard Investments (Asia) Limited – Singapore (internal delegation)
<b>Depository:</b>	BNP Paribas Securities Services, Luxembourg Branch
<b>Ongoing Charges over a Year*:</b>	Class A QInc USD: 1.20% Class A Acc USD: 1.20% Class A Acc Hedged EUR: 1.24%
<b>Dealing Frequency:</b>	Daily
<b>Base Currency:</b>	USD
<b>Dividend Policy:</b>	Class A QInc USD Quarterly, at the discretion of the Board of Directors of Aberdeen Standard SICAV I. The dividend, if declared, will be reinvested or paid, in accordance with the instruction given by the investor at the time of subscription. The Board of Directors of Aberdeen Standard SICAV I may at its discretion pay dividends out of the capital of the Fund or pay dividends out of gross income while charging / paying all or part of the Fund's fees and expenses to / out of the capital of the Fund, resulting in an increase in distributable income for the payment of dividends by the Fund and therefore, the Fund may effectively pay dividends out of capital. This may result in an immediate reduction of the Fund's net asset value per share. Class A Acc USD and Class A Acc Hedged EUR No dividend payment
<b>Financial Year End:</b>	30 September
<b>Minimum Investment:</b>	Class A QInc USD, Class A Acc USD and Class A Acc Hedged EUR: US\$1,000 initial, US\$1,000 additional

\* The ongoing charges figure is an annualised figure based on the expenses for the period from 1 October 2019 to 31 March 2020. This figure may vary from year to year.

### What is the product?

This is a fund constituted in the form of a mutual fund. It is domiciled in Luxembourg and its home regulator is Commission de Surveillance du Secteur Financier ("CSSF").

### Investment Objectives

To achieve long-term total return by investing at least two-thirds of the Fund's assets in local Asian currency denominated debt and debt-related securities having a maturity of up to five years issued by governments, supranational institutions or government-related bodies that are domiciled in Asian countries.

### Strategy

The Fund will invest less than 30% of its assets in debt and debt related securities of the above types of issuers listed on PRC stock exchanges or traded on other PRC markets, including the China Interbank Bond Market, through available QFII and RQFII quotas or by any other available means.

The Fund may invest up to 50% of its net asset value in sub-investment grade or unrated debt and debt-related securities. For the purpose of the Fund, "unrated debt security" is defined as a debt security which neither the debt security itself nor its issuer has a credit rating.

The Fund may utilise financial derivative instruments for hedging and/or investment purposes, or to manage foreign exchange risks.

The Investment Manager may alter the currency exposure of the Fund through the use of derivative contracts.

Less than 30% of the Fund's net asset value in aggregate may be invested directly or indirectly in Mainland Chinese securities (including but not limited to A shares, B shares and debt securities).

The Fund may invest less than 30% of its net asset value in instruments with loss-absorption features (e.g. senior non-preferred debts). The Fund will not invest in contingent convertible debt securities.

The Fund is actively managed. The Fund aims to outperform the Markit iBoxx Asia ex Japan (1-3 year) 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.

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.

## **Use of derivatives/investment in derivatives**

The Fund's net derivative exposure may be up to 50% of the Fund's net asset value.

## **What are the key risks?**

Investment involves risks. Please refer to the offering document of Aberdeen Standard SICAV I for details including the risk factors.

### **1. Risk of investing in debt and debt-related securities**

- The Fund's investments in debt and debt-related securities are subject to interest rate risk and credit risk.
- Interest rate fluctuations will affect the capital value of investments. Where long term interest rates rise, the capital value of shares is likely to fall and vice versa. Interest rate risk is the chance that such movements in interest rates will negatively affect the value of a security or, in a Fund's case, its net asset value. Securities with greater interest rate sensitivity and longer maturities tend to produce higher yields, but are subject to greater fluctuations in value.
- Credit risk reflects the ability of the borrower (bond issuer) to meet its obligations (pay the interest on a bond and return the capital on redemption date). Changes in the financial condition of an issuer, changes in economic and political conditions in general, or changes in economic and political conditions specific to an issuer, are all factors that may have an adverse impact on an issuer's credit quality and security values.
- Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
- As a result of the above circumstances, the net asset value of the Fund may be adversely affected.

### **2. Sovereign debt risk**

- Investment in debt obligations issued or guaranteed by governments of certain developed and developing countries or their agencies and instrumentalities ("governmental entities") involves a higher degree of risk. The governmental entity that controls the repayment of sovereign debt may not be able or willing to repay the principal and/or interest when due in accordance with the terms of such debt.
- A governmental entity's willingness or ability to repay principal and interest due in a timely manner may be affected by, among other factors, its cash flow situation, the extent of its foreign reserves, the availability of sufficient foreign exchange on the date a payment is due, the relative size of the debt service burden to the economy as a whole, the governmental entity's policy towards the International Monetary Fund and the political constraints to which a governmental entity may be subject.
- Governmental entities may default on their sovereign debt. Holders of sovereign debt, including the Fund, may be requested to participate in the rescheduling of such debt and to extend further loans to governmental entities.

### **3. Risk of investing in sub-investment grade and/or unrated debt securities**

- The Fund invests in debt securities, including sub-investment grade or unrated securities. Consequently, the Fund's portfolio may have a significant position in sub-investment grade bonds, which means that there is more risk to investor's capital and income than from a fund investing in investment grade bonds.
- The Fund may invest in sub-investment grade debt securities which is subject to a higher credit risk and a greater possibility of default than investment grade bonds. If the issuer defaults, or sub-investment grade bonds or their underlying assets cannot be realised, or performed badly, investor may suffer substantial losses.

- In addition, the market for bonds which are rated below investment grade, have a lower credit rating or are unrated generally has lower liquidity and less active than that for higher rated bonds and the Fund's ability to liquidate its holdings in response to changes in the economy or the financial markets may be further limited by such factors as adverse publicity and investor perceptions.
- Investment in sub-investment grade bonds involves greater price volatility and risk of loss of principal and income than investment in bonds of a higher investment grade quality.
- The Fund may invest in unrated bonds which involve higher risks and are more sensitive to adverse changes in general economic conditions and in the industries in which the issuers are engaged and to changes in the financial conditions of the issuers of such securities. The Fund has to rely on the Investment Manager's credit assessment of such bonds and is in particular subject to a high credit risk and a high risk of default.

#### **4. Risk of investing in specific regional market**

- The Fund invests in a specific regional market sector (i.e. short term local Asian currency denominated debt and debt related securities) and is likely to be more volatile than a more widely invested fund.

#### **5. Risk of using financial derivative instruments**

- Risks associated with financial derivative instruments include counterparty/credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk. The leverage element/component of a financial derivative instrument can result in a loss significantly greater than the amount invested in the financial derivative instrument by the Fund. Exposure to financial derivative instrument may lead to a high risk of significant loss by the Fund.

#### **6. Counterparty Risk**

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

#### **7. Risk of investing in emerging markets (including China)**

- The Fund invests in short term local Asian currency denominated debt and debt-related securities thereby providing exposure to emerging markets (such as China) which tend to be more volatile than mature markets and its value could move sharply up or down. In some circumstances, the underlying investments may become less liquid which may constrain the Investment Manager's ability to realise some or all of the portfolio. The registration and settlement arrangements in emerging markets may be less developed than in more mature markets so the operational risks of investing are higher. Political risks and adverse economic circumstances are more likely to arise, putting the value of your investment at risk.

#### **8. Risk relating to securities lending agreements**

- In relation to securities lending transactions, the Fund will be subject to counterparty risk, including the risk that the loaned securities may not be returned or returned in a timely manner and/or at a loss of rights in the collateral if the borrower or the lending agent defaults or fails financially. This risk is increased when the Fund's loans are concentrated with a single or limited number of borrowers. The delays in the return of securities on loans may restrict the ability of the Fund to meet delivery obligations under security sales.
- To the extent that a counterparty defaults on its obligation and the Fund is delayed or prevented from exercising its rights with respect to the investments in its portfolio, it may experience a decline in the value of its position, a loss of income and possible additional costs associated with asserting its rights.

#### **9. Currency risk**

- 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). Performance may be strongly influenced by movements in currency rates because the Fund may have exposure to a particular currency that is different to the value of the securities denominated in that currency held by the Fund. Furthermore, the Fund's portfolio may be fully or partially hedged back to the base currency if, in the opinion of the Investment Manager, this is believed to be appropriate.

#### **10. Exchange rates risk**

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

#### **11. Risks relating to payments of dividends out of capital**

- The Board of Directors of Aberdeen Standard SICAV I may at its discretion pay dividends out of the capital of the Fund or pay dividends out of gross income while charging/ paying all or part of the Fund's fees and expenses to/ out of the capital of the Fund, resulting in an increase in distributable income for the payment of dividends by the Fund and therefore, the Fund may effectively pay dividends out of capital.

- Payment of dividends out of capital amounts to a return or withdrawal of part of an investor's original investment or from any capital gains attributable to that original investment. Any distributions involving payment of dividends out of the Fund's capital or payment of dividends effectively out of the Fund's capital (as the case may be) may result in an immediate reduction of the net asset value per share.
- If Aberdeen Standard SICAV I intends to change the dividend policy, Aberdeen Standard SICAV I will seek the SFC's prior approval and provide shareholders with prior written notification of not less than one month (or such other period as the SFC may require).

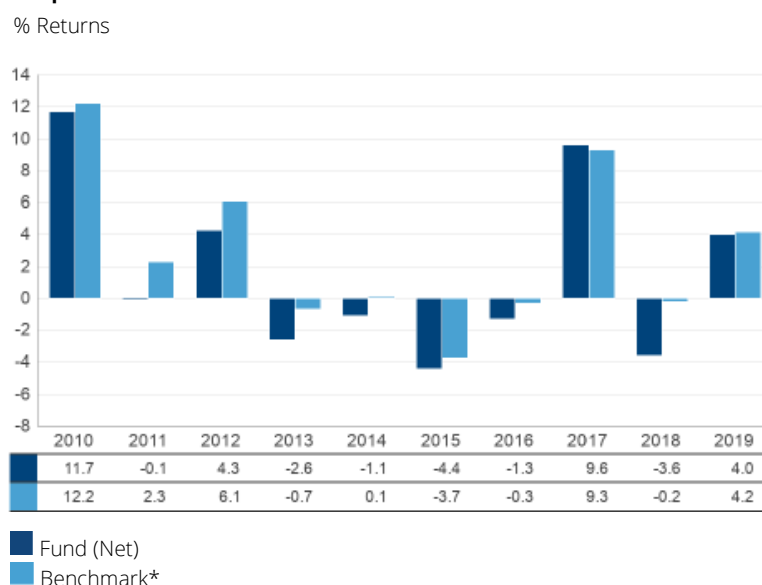
### 12. Risk of Foreign Account Tax Compliance Act ("FATCA")

- The Fund will attempt to satisfy any obligations imposed on it to avoid the imposition of FATCA withholding tax. However, no assurance can be given that the Fund will be able to satisfy these obligations. If the Fund becomes subject to a withholding tax as a result of the FATCA regime, the value of the shares held by the shareholders may suffer material losses.

### 13. General risk

- The value of shares and the income from them can go down as well as up and you may not get back the amount invested.

## How has the fund performed?



\* JP Morgan Asia Credit (USD) from 31/03/2006 to 27/02/2011. Markit iBoxx Asia ex Japan (1-3 year) (USD) from 28/02/2011. The benchmark changed as the current benchmark is considered more representative of the Fund's investment policy.

- Past performance information is not indicative of future performance. Investors may not get back the full amount invested.
- The computation basis of the performance is based on the calendar year-end, NAV-to-NAV, with dividend reinvested.
- These figures show by how much the Class A Acc USD increased or decreased in value during the calendar year being shown. Performance data has been calculated in USD including ongoing charges and excluding subscription fee and redemption fee you might have to pay (if any).
- The Investment Manager views Class A Acc USD being the most appropriate representative share class as this share class is opened for investment by Hong Kong retail investors and broadly indicative of the Fund's performance characteristics.
- The benchmark is Markit iBoxx Asia ex Japan (1-3 year) Index (USD).
- Fund launch date: 08/1999
- Class A Acc USD launch date: 03/2006

## Is there any guarantee?

This Fund does not have any guarantees. You may not get back the full amount of money you invest.

## What are the fees and charges?

Investors should refer to the offering document of Aberdeen Standard SICAV I for details regarding the fees and expenses of the Fund.

### Charges which may be payable by you

You may have to pay the following fees when dealing in the shares of the Fund.

#### Fees and charges

**Subscription fee<sup>^</sup>:**

#### What you pay

Up to 5.0% of the amount you pay

**Switching fee:**

Up to 1% of the net asset value of the shares being switched

**Redemption fee:**

Not applicable

<sup>^</sup> Initial sales charge and capacity management charge if applicable.

### Ongoing fees payable by the Fund

The following expenses will be paid out of the Fund. They affect you because they reduce the return you get on your investments.

	<u>Annual rate (as a % of the Fund's net asset value)</u>
<b>Investment Management Fee:</b>	Class A QInc USD, Class A Acc USD and Class A Acc Hedged EUR: 1.00%*
<b>Performance Fee:</b>	Not applicable
<b>Operating, Administrative and Servicing Expenses:</b>	Fixed at a maximum level of 0.60%, except Hedged Share Classes in respect of which an additional fee of up to 0.04% may be charged by the Investment Manager for providing this currency exposure service

\*You should note that the fee may be increased, up to a specified permitted maximum, by giving shareholders at least one month's prior notice. For details, please refer to the offering document of Aberdeen Standard SICAV I.

### Other fees

You may have to pay other fees and charges when dealing in the shares of the Fund. For details, please refer to the offering document of Aberdeen Standard SICAV I.

## Additional Information

- You generally buy and redeem shares at the Fund's next-determined net asset value after the Hong Kong Representative receives your request in good order before 5:00pm (Hong Kong time) on the Hong Kong business day (being a day, other than Saturday, on which banks in Hong Kong are open for business). Before placing your subscription or redemption orders, please check with your distributor for the distributor's internal cut-off time (which may be earlier than the Fund's dealing cut-off time).
- The net asset value of the Fund is calculated and the price of shares is published daily at [www.aberdeenstandard.com.hk](http://www.aberdeenstandard.com.hk). This website has not been reviewed by the SFC and may contain information of funds not authorised by the SFC.
- Investors may obtain the past performance information of other share classes offered to Hong Kong investors (if any) from [www.aberdeenstandard.com.hk](http://www.aberdeenstandard.com.hk).
- Investors may obtain information on the distributor(s) by referring to Client Services Team of Aberdeen Standard Investments (Hong Kong) Limited.
- The composition of the dividends (i.e. relative amounts paid out of net distributable income and capital) for the last 12 months can be obtained from the Hong Kong Representative on request and can be found at [www.aberdeenstandard.com.hk](http://www.aberdeenstandard.com.hk).

## Important Notes

If you are in doubt, you should seek professional advice.

The SFC takes no responsibility for the contents of this statement and makes no representation as to its accuracy or completeness.