

# Key Investor Information



This document provides you with key investor information about this fund. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this fund. You are advised to read it so you can make an informed decision about whether to invest.

**abrdn High Yield Bond Fund, a Sterling denominated sub fund of the abrdn OEIC II, Retail Acc Shares (ISIN: GB0000938844). This fund is managed by abrdn Fund Managers Limited.**

## OBJECTIVES AND INVESTMENT POLICY

### Investment Objective

To generate income and some growth over the long term (5 years or more) by investing in Sterling and Euro denominated sub-investment grade (high yield) corporate bonds.

**Performance Target** To achieve the return of the ICE BofA GBP/Euro Fixed & Floating High Yield Non-Financial 3% Constrained Index (Hedged to GBP) plus 0.8% per annum over rolling three year periods (before charges).

There is no certainty or promise that the Performance Target will be achieved.

The ICE BofA GBP/Euro Fixed & Floating High Yield Non-Financial 3% Constrained (Hedged to GBP) Index (the "Index") is a representative index of the market for high yield bonds in Europe which excludes financial institutions.

### Investment Policy

#### Portfolio Securities

- The fund will invest at least 70% in sterling and euro denominated sub-investment grade (high yield) corporate bonds (which are like loans to companies that pay a high rate of interest but have a low credit rating).
- The fund may also invest in other bonds (including those issued by government and government-related bodies) issued anywhere in the world.
- The fund may also invest in other funds (including those managed by abrdn), cash and assets that can be turned into cash quickly.

### 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.
- Due to the fund's risk constraints the fund's performance profile is not expected to deviate significantly from that of the Index over the long term.

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.

### Derivatives and Techniques

- The fund may use 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 or governments.

Investors in the fund may buy and sell shares on any dealing day (as defined in the Prospectus).

If you invest in income shares, income from investments in the fund will be paid out to you. If you invest in accumulation shares, income will be added to the value of your shares.

Recommendation: the fund may not be appropriate for investors who plan to withdraw their money within five years. Investors should satisfy themselves that their attitude to risk aligns with the risk profile of this fund before investing.

## RISK AND REWARD PROFILE



This indicator reflects the volatility of the fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the fund invests. Historical data may not be a reliable indication for the future.

The current rating is not guaranteed and may change if the volatility of the assets in which the fund invests changes. The lowest rating does not mean risk free.

The fund is rated as 4 because of the extent to which the following risk factors apply:

- **Credit Risk** - The fund invests in securities which are subject to the risk that the issuer may default on interest or capital payments.
- **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.
- **High Yield Credit Risk** - The fund invests in high yield bonds which typically carry a greater risk of default than those with lower yields.
- **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.
- **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.
- **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.

All investment involves risk. This fund offers no guarantee against loss or

that the fund's objective will be attained.

The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

Inflation reduces the buying power of your investment and income.

The value of assets held in the fund may rise and fall as a result of exchange rate fluctuations.

The fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the fund.

In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the fund's ability to meet redemptions in a timely manner.

The fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

## CHARGES

The charges you pay are used to pay the costs of running the fund including marketing and distributing it. These charges reduce the potential growth of your investment.

### One-off charges taken before or after you invest

Entry charge	4.00%
Exit charge	0.00%

These are the maximum charges that we might take out of your money before it is invested and before we pay out the sale proceeds of your investment. In some cases, you might pay less and you should speak to your financial adviser about this.

### Charges taken from the fund over a year

Ongoing charges	1.01%
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### Charges taken from the fund under certain specific conditions

Performance fee	0.00%
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The entry and exit charges shown are maximum figures. In some cases you might pay less – you can find this out from your financial adviser. The Ongoing Charges figure reflects the amount based on the expenses within the annual report for each financial year. This figure may vary from year to year. It excludes: performance fees (where applicable); portfolio transaction costs, except in the case of an entry/exit charge paid by the fund when buying or selling in another collective investment undertaking.

Where the Fund invests in an open-ended collective investment scheme which is operated or managed by the ACD/the Manager or an associate of the ACD/the Manager, no additional annual management charge will be incurred by the Fund on such an investment.

The annual report for each financial year will include detail on the exact charges made.

The Ongoing Charge figure is as at 29/02/2024.

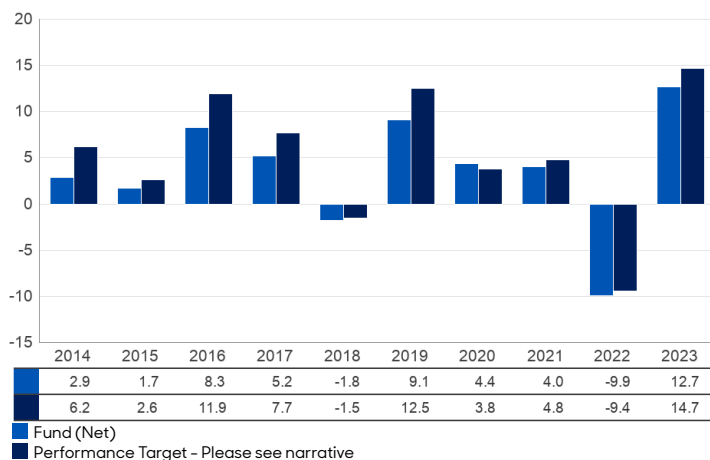
A switching charge may be applied in accordance with the Prospectus. For more information about charges please see Prospectus.

Further information on the charges can be found in the Prospectus.

## PAST PERFORMANCE

abrnd High Yield Bond Fund, Retail Acc, 31 December 2023

% Returns



Past performance is not a guide to future performance.

Performance is net of charges and does not take into account any entry, exit or switching charges but does take into account the ongoing charge, as shown in the Charges section.

Performance is calculated in GBP.

The fund was launched in 2000. The share/unit class was launched in 2000.

Performance Target – ICE BofA GBP/Euro Fixed & Floating High Yield Non Financial 3% Constrained (Hedged to GBP) +0.80%.

## PRACTICAL INFORMATION

Name of Depositary: Citibank UK Limited, Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB.

Further information about abrnd OEIC II (Prospectus, report & accounts) can be found at [www.abrnd.com](http://www.abrnd.com), where documents may be obtained free of charge.

Other practical information (e.g. where to find latest share prices) can be found in documents held at [www.abrnd.com](http://www.abrnd.com).

Details of the up to date remuneration policy which includes a description of how remuneration and benefits are calculated, the identities of the persons responsible for awarding remuneration and benefits and the composition of the remuneration committee, are available at [www.abrnd.com](http://www.abrnd.com) and a paper copy will be available free of charge upon request from abrnd Fund Managers Limited.

Prospective investors should consult their own professional advisers on the potential tax consequences of acquiring, holding or selling shares. abrnd Fund Managers Limited may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the Prospectus for the abrnd OEIC II.

Other share classes are available in the fund and further information about these can be found in the abrnd OEIC II Prospectus.

abrnd OEIC II is an umbrella structure comprising a number of different sub funds, one of which is this fund.

This document is specific to the fund and share class stated at the beginning of this document. However, the Prospectus, annual and half-yearly reports are prepared for the entire umbrella.

The assets of a sub fund within the umbrella belong exclusively to that sub fund and shall not be used or made available to discharge (directly or indirectly) the liabilities of, or claims against, any other person or body including abrnd OEIC II and any other sub fund. Any liability incurred on behalf of or attributable to any sub fund shall be discharged solely out of the assets of that sub fund.

Investors may switch their shares in the fund for shares in another sub fund within the abrnd OEIC II. For further information please refer to the prospectus (section on 'Switching') which can be found at [www.abrnd.com](http://www.abrnd.com).