



THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IF IN DOUBT, PLEASE SEEK PROFESSIONAL ADVICE.

26 February 2024

Dear Shareholder,

ABRDN LIQUIDITY FUND (LUX)

We are writing to inform you of the changes that the Board of Directors of abrdn Liquidity Fund (Lux) (the “**Company**”) proposes to make to the Company and certain of its sub-funds (the “**Funds**”) with effect from 27 March 2024 (the “**Effective Date**”). The principal proposed changes are detailed in this letter.

Capitalised terms used in this letter shall have the same meaning as set out in the latest version of the prospectus of the Company (the “**Prospectus**”) unless the context otherwise requires.

1. Clarification to the Investment Objective and Policy for all Funds

From the Effective Date, in order to enhance transparency and increase consistency across abrdn’s range of funds, references in each Fund’s Investment Objective and Policy to “performance comparator” will be updated to refer to “benchmark”.

This change has no impact on the Funds’ risk profile or how they are managed.

2. Conversion of (i) abrdn Liquidity Fund (Lux) – Sterling Fund, (ii) abrdn Liquidity Fund (Lux) – Euro Fund, and (iii) abrdn Liquidity Fund (Lux) – US Dollar Fund, into Article 8 funds and associated changes to their Investment Objective and Policy

abrdn, through its Investment Managers, is committed to continuously reviewing its range of funds to ensure that they continue to meet client requirements as they develop and change over time. Recently there has been identified a clear increase in client focus on Environmental, Social and Governance (“**ESG**”) issues and wider sustainability.

Sustainability risk integration is a key part of abrdn’s investment process and as part of this process we are now looking to make changes to each of the Funds to further promote the Fund’s ESG characteristics.

The Funds will follow a Liquidity SFDR Framework which incorporates a Portfolio ESG target and applies negative screening based on ESG factors. The screenings include the removal of ESG laggards and companies identified as not having sustainable business practices i.e. companies rated poorly based on their management of ESG risks within their business.

The changes do not alter the risk profile of the Funds and any associated costs will be borne by a group company of abrdn plc.

Please refer to Appendix 1 for details of the ESG investment strategy and the new Investment Objective and Policy for the Funds. The investment approach documents can be found at www.abrdn.com.



Portfolio Alignment

Please note, that it is intended that the Funds will become fully compliant with its new investment mandate as described above (the “**New Investment Mandate**”) as soon as practicably possible, but this is not expected to exceed 1 calendar month following the Effective Date (the “**Realignment Period**”). As at the date of this notice, there is no intention to adjust the Funds’ portfolio and asset allocation. Should this be the case, the associated fees will be borne by the above Funds.

Shareholders should be aware that during the Realignment Period, the Investment Manager may need to adjust the Funds’ portfolio and asset allocation in order to implement the New Investment Mandate. In the event that realignment is required the Funds may not fully adhere to the New Investment Mandate during this brief period.

SFDR

The Funds will, from the Effective Date, be classified as Article 8 under the EU’s Sustainable Finance Disclosure Regulation (“**SFDR**”), changing from Article 6. Article 8 funds are those that promote social and/or environmental characteristics, invest in companies that follow good governance, give binding commitments but do not have a sustainable investment objective.

3. Update to the Delegation Framework for Investment Management of the Funds

abrdn has established a global network of investment management entities through which the Management Company obtains active investment advisory and management services to manage its Funds. The Funds benefit from the depth and interaction of this global investment advisory network and enjoy the advantages of having specialist personnel who have local expertise and timely access to the latest local market information. The Investment Managers are responsible for day-to-day management of the Funds’ portfolios in accordance with the stated investment objectives and policies.

abrdn is committed to continuously reviewing its prospectuses and processes to include any efficiencies and increase transparency. As such, in order to offer greater flexibility, efficiency and increased transparency to investors, a new delegation framework is to be introduced which will enable (i) the Management Company to appoint or remove Investment Managers belonging to abrdn Group and (ii) the Investment Managers to, from time to time, appoint or remove additional entities of the abrdn Group to assist with portfolio management, without the current requirement to update the Prospectus and issue a notice.

No one month prior notice will be required provided that (1) such appointment will have no significant impact on the way the relevant Fund is being managed, (2) no additional fees will be charged to the relevant Fund, as any additional entities will be remunerated by the relevant Investment Manager out of the Investment Management Fee, and (3) the additional entity is a current abrdn Group entity disclosed in the Prospectus. From the Effective Date, shareholders will be able to access up-to-date information on the appointed abrdn Group entities for their relevant Funds at www.abrdn.com under “Fund Centre” opposed to this being set out in the Prospectus.

The list of abrdn Group entities which can be appointed is set out below and will be disclosed in the main part of the Prospectus in the “Management and Administration” section along with full entity details.

abrdr Investments Limited
abrdr Investment Management Limited
abrdr Inc.
abrdr Hong Kong Limited
abrdr Asia Limited
abrdr Japan Limited
abrdr Brasil Investimentos Ltda. (as Investment Advisor)

Any appointed Investment Managers and/or Investment Advisors which do not belong to the abrdn Group will continue to be disclosed in the relevant Fund description in the Prospectus and on the

website at www.abrdn.com. Any changes relating to such third party entities would be communicated to investors.

4. Data Processing Agents

You are reminded that by subscribing for or purchasing Shares of the Company, you acknowledge and accept that data (including, as relevant, Personal Data) will be processed for the purpose of the investment services and compliance obligations described in the Prospectus and in particular, that the disclosure and the transfer of your data (including, as relevant, Personal Data) may take place to Processors which are located in countries outside of the European Union, and which are not subject to an adequacy decision of the European Commission and whose legislation may not ensure an adequate level of protection as regards the processing of data (including, as relevant, Personal Data).

From the Effective Date, a full list of entities that are receiving data from the Data Processing Agents of the Company will be available at www.abrdn.com under “Fund Centre” in relation to the Registrar and Transfer Agent and at <https://www.citigroup.com/global/about-us/global-presence/luxembourg> in relation to the Depositary and Administrator.

5. Other changes

In addition to the above, details on the rounding methodology for the Constant NAV of LVNAV funds will be enhanced to clarify that the Constant NAV will be rounded to 2 decimal places or 4 significant figures for income Shares, or 4 decimal places for accumulation Shares.

A further disclosure will also be added relating to the potential for performance outcomes to differ between income and accumulation Shares. This is an unavoidable consequence of the need to apply different rounding methodologies as set out above.

These changes have no impact on the Funds’ risk profile or how they are managed.

Rights of Shareholders

Shareholders affected by the changes mentioned above, who feel that they no longer meet their investment requirements, may request redemption or switching of their Shares until the relevant Cut-Off Time as set out in the Prospectus on 26 March 2024.

Prospectus

The changes detailed in this letter will be reflected in a new Prospectus to be dated 27 March 2024. The relevant Key Information Documents will be updated accordingly.

Your Board of Directors accepts responsibility for the accuracy of the information contained in this letter. To the best of the knowledge and belief of your Board of Directors (who have taken reasonable care to ensure this is the case) the information contained in this letter is in accordance with the facts and does not omit anything likely to affect the importance of such information.

If you have any questions or would like any further information please contact us at our registered office or, alternatively, call one of the following Shareholder Service Centre helplines:

Europe (excluding UK) and rest of the World +352 46 40 10 820

UK +44 1224 425 255

Asia +65 6395 2700

Your Board of Directors believes that the changes are fair and reasonable and are in the best interests of Shareholders.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'S. Bird', with a horizontal line underneath.

Stephen Bird
For and on behalf of
the Board of Directors - abrdn Liquidity Fund (Lux)

Appendix 1 – New Investment Objective and Policy

abrDN Liquidity Fund (Lux) – Sterling Fund

The Fund's investment objective is to preserve capital and provide liquidity whilst aiming to provide a return in line with prevailing short term money market rates for which SONIA has been chosen as a benchmark. To achieve this objective, the assets of the Fund are invested with the principle of risk diversification predominantly in fixed and floating Sterling denominated Money Market Instruments and in deposits with credit institutions, including but not limited to, fixed-term deposits at financial institutions, certificates of deposit, commercial paper, medium-term notes, short-term treasury bills, floating rate notes, asset backed securities, ABCPs, call and notice accounts. The Fund is actively managed. The Fund may hold ancillary liquid assets. The Fund may have exposure to investments with zero or negative yields in adverse market conditions.

The Fund may use the derogation provided under section 17.7 of the MMF Regulation and invest up to 100% of its assets in the entities referred to under paragraph V.(8) of part II of Appendix A.

The Fund's investment in securities is limited to those with a residual maturity not exceeding 397 days. The Fund's investment has a WAM that does not exceed 60 days and a WAL that does not exceed 120 days.

The Fund qualifies as a Money Market Fund under the MMF Regulation and more specifically as a Low Volatility Net Asset Value Money Market Fund. In addition, the Management Company and the Investment Manager will solicit external rating and seek to obtain and maintain an AAAM or equivalent external credit rating assigned by at least one ratings agency.

The Fund promotes environmental and social characteristics but does not have a sustainable investment objective.

Investment in the Fund's assets will follow the "abrDN Liquidity Sterling Fund Investment Approach".

Through the application of this approach, the Fund will target a MSCI ESG Fund rating of at least AA.

This approach utilises abrDN's fixed income investment process, which enables portfolio managers to qualitatively assess how ESG factors are likely to impact on the company's ability to repay its debt, both now and in the future. To complement this research, MSCI ESG Scoring is used to quantitatively identify and exclude those companies exposed to the highest ESG risks. In addition, abrDN apply a set of company exclusions, which are related to the UN Global Compact, Controversial Weapons, Tobacco Manufacturing and Thermal Coal.

Engagement with external company management teams is a part of abrDN's investment process and ongoing stewardship programme. This process evaluates the ownership structures, governance and management quality of those companies, in order to inform portfolio construction.

Further detail of this overall process is captured within the abrDN Liquidity Sterling Fund Investment Approach, which is published at www.abrDN.com under "Fund Centre".

abrdn Liquidity Fund (Lux) – Euro Fund

The Fund's investment objective is to preserve capital and provide liquidity whilst aiming to provide a return in line with prevailing short term money market rates for which € STR has been chosen as a benchmark. To achieve this objective, the assets of the Fund are invested with the principle of risk diversification predominantly in fixed and floating Euro denominated Money Market Instruments and in deposits with credit institutions, including but not limited to, fixed-term deposits at financial institutions, certificates of deposit, commercial paper, medium-term notes, short-term treasury bills, floating rate notes, asset backed securities, ABCPs, call and notice accounts. The Fund is actively managed. The Fund may hold ancillary liquid assets. The Fund may have exposure to investments with zero or negative yields in adverse market conditions.

The Fund may use the derogation provided under section 17.7 of the MMF Regulation and invest up to 100% of its assets in the entities referred to under paragraph V.(8) of part II of Appendix A.

The Fund's investment in securities is limited to those with a residual maturity not exceeding 397 days. The Fund's investment has a WAM that does not exceed 60 days and a WAL that does not exceed 120 days.

The Fund qualifies as a Money Market Fund under the MMF Regulation and more specifically as a Low Volatility Net Asset Value Money Market Fund. In addition, the Management Company and the Investment Manager will solicit external rating and seek to obtain and maintain an AAAM or equivalent external credit rating assigned by at least one ratings agency.

The Fund promotes environmental and social characteristics but does not have a sustainable investment objective.

Investment in the Fund's assets will follow the "abrdn Liquidity Euro Fund Investment Approach".

Through the application of this approach, the Fund will target a MSCI ESG Fund rating of at least AA.

This approach utilises abrdn's fixed income investment process, which enables portfolio managers to qualitatively assess how ESG factors are likely to impact on the company's ability to repay its debt, both now and in the future. To complement this research, MSCI ESG Scoring is used to quantitatively identify and exclude those companies exposed to the highest ESG risks. In addition, abrdn apply a set of company exclusions, which are related to the UN Global Compact, Controversial Weapons, Tobacco Manufacturing and Thermal Coal.

Engagement with external company management teams is a part of abrdn's investment process and ongoing stewardship programme. This process evaluates the ownership structures, governance and management quality of those companies, in order to inform portfolio construction.

Further detail of this overall process is captured within the abrdn Liquidity Euro Fund Investment Approach, which is published at www.abrdn.com under "Fund Centre".

abrdn Liquidity Fund (Lux) – US Dollar Fund

The Fund's investment objective is to preserve capital and provide liquidity whilst aiming to provide a return in line with prevailing short term money market rates for which SOFR has been chosen as a benchmark. To achieve this objective, the assets of the Fund are invested with the principle of risk diversification predominantly in fixed and floating US Dollar denominated Money Market Instruments and in deposits with credit institutions, including but not limited to, fixed-term deposits at financial institutions, certificates of deposit, commercial paper, ABCPs, medium-term notes, short-term treasury bills, floating rate notes, asset backed securities, call and notice accounts. The Fund is actively managed. The Fund may hold ancillary liquid assets. The Fund may have exposure to investments with zero or negative yields in adverse market conditions which may reduce the Share Price.

The Fund may use the derogation provided under section 17.7 of the MMF Regulation and invest up to 100% of its assets in the entities referred to under paragraph V.(8) of part II of Appendix A.

The Fund's investment in securities is limited to those with a residual maturity not exceeding 397 days. The Fund's investment has a WAM that does not exceed 60 days and a WAL that does not exceed 120 days.

The Fund qualifies as a Money Market Fund under the MMF Regulation and more specifically as a Low Volatility Net Asset Value Money Market Fund. In addition, the Management Company and the Investment Manager will seek to obtain and maintain an AAAM or equivalent external credit rating assigned by at least one ratings agency.

The Fund promotes environmental and social characteristics but does not have a sustainable investment objective.

Investment in the Fund's assets will follow the "abrdn Liquidity US Dollar Fund Investment Approach".

Through the application of this approach, the Fund will target a MSCI ESG Fund rating of at least AA.

This approach utilises abrdn's fixed income investment process, which enables portfolio managers to qualitatively assess how ESG factors are likely to impact on the company's ability to repay its debt, both now and in the future. To complement this research, MSCI ESG Scoring is used to quantitatively identify and exclude those companies exposed to the highest ESG risks. In addition, abrdn apply a set of company exclusions, which are related to the UN Global Compact, Controversial Weapons, Tobacco Manufacturing and Thermal Coal.

Engagement with external company management teams is a part of abrdn's investment process and ongoing stewardship programme. This process evaluates the ownership structures, governance and management quality of those companies, in order to inform portfolio construction.

Further detail of this overall process is captured within the abrdn Liquidity US Dollar Fund Investment Approach, which is published at www.abrdn.com under "Fund Centre".