



abrdn Private Equity Opportunities Trust PLC

Alternative Investment Fund Managers Directive
Pre-investment Disclosure Document

Article 23 AIFMD/Rule 3.2 FCA FUND Sourcebook

abrdn.com

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abrdn Private Equity Opportunities Trust PLC

This document is issued by abrdn Capital Partners LLP, as the alternative investment fund manager (“AIFM” or the “Manager”) of abrdn Private Equity Opportunities Trust PLC (the “Company” or “APEO”), in order to make certain information available to prospective investors in the Company prior to their investment, in accordance with the requirements of the FCA Handbook implementing the EU Alternative Fund Managers Directive (Directive 2011/61/EU) (“AIFMD”) in the United Kingdom. This document is being made available to investors on the Company’s website: <http://www.abrdnpeot.co.uk>

Defined terms used in this pre-investment disclosure document can be found in section 20 below.

1. A description of the Investment Strategy, Policy and Objective of the Company, Types of Assets the Company may invest in, Investment Techniques, Principal Risks and Investment Restrictions

Information about the Company’s investment strategy, policy and objective, the types of assets in which the Company may invest, the investment techniques and any investment restrictions is contained in the Annual Report, which is available on its website at <http://www.abrdnpeot.co.uk>

Investment objective

The investment objective is to achieve long-term total returns through holding a diversified portfolio of private equity funds and direct investments into private companies alongside private equity managers (“co-investments”), a majority of which will have a European focus.

Investment policy

The Company: (i) commits to private equity funds on a primary basis; (ii) acquires private equity fund interests in the secondary market; and (iii) makes direct investments into private companies via co-investments. The Company’s policy is to maintain a broadly diversified portfolio by country, industry sector, maturity and number of underlying investments. In terms of geographic exposure, a majority of the Company’s portfolio will have a European focus. The objective is for the portfolio to comprise around 50 “active” private equity fund investments; this excludes funds that have recently been raised, but have not yet started investing, and funds that are close to or being wound up. The Company may also invest up to 20% of its assets in co-investments.

The Company may also hold direct private equity investments or quoted securities as a result of distributions in specie from its portfolio of fund investments. The Company’s policy is normally to dispose of such assets where they are held on an unrestricted basis. This is in addition to the 20% that can be held in co-investments.

To maximise the proportion of invested assets, it is the Company’s policy to follow an over-commitment strategy by making commitments which exceed its uninvested capital. In making such commitments, the Manager, together with the Board, will take into account the uninvested capital, the value and timing of expected and projected cashflows to and from the portfolio and, from time to time, may use borrowings to meet drawdowns. The Company’s maximum borrowing capacity, defined in its articles of association, is an amount equal to the aggregate of the amount paid up on the issued share capital of the Company and the amount standing to the credit of the reserves of the Company. However, it is expected that borrowings would not normally exceed 30% of the Company’s net assets at the time of drawdown.

The Company’s non-sterling currency exposure is principally to the euro and US dollar. The Company does not seek to hedge this exposure into sterling, although any borrowings in euros and other currencies in which the Company is invested would have such a hedging effect.

Cash held pending investment is invested in short-dated government bonds, money-market instruments, bank deposits or other similar investments. Cash held pending investment may also be invested in other listed investment companies or trusts.

The Company will not invest more than 15% of its total assets in such listed equities.

The investment limits described above are all measured at the time of investment.

Other investment restrictions

In conducting its activities, the Company complies with the requirements of the Listing Rules. In particular, the Listing Rules require the Company not to conduct any trading activity which is significant in the context of the Company as a whole and at all times to invest and manage its assets in a way which is consistent with its object of spreading investment risk and in accordance with its published investment policy.

As an investment trust, the Company aims to comply with section 1158 of the Corporation Tax Act 2010, which imposes on the Company an obligation to spread investment risk.

Sustainable Finance Disclosure Regulation

The Manager integrates sustainability risks and opportunities into its research, analysis and investment decision-making processes. The AIFM believes that the consideration of sustainability risks and opportunities can have a material impact on long-term returns for investors. The Company is managed using an investment process integrating environmental, social and governance (“ESG”) factors but does not promote environmental or social characteristics or have specific sustainable investment objectives. This means that whilst sustainability risk factors and risks are considered, they may or may not impact portfolio construction. The Manager’s sustainability risk integration requires, in addition to its inclusion in the investment decision making process, appropriate monitoring of sustainability considerations in risk management and portfolio monitoring. Where the Manager believes it can influence or gain insight, the Manager actively engages with the companies and assets in which it invests. The Manager believes this will create long-term value, including in relation to ESG practice.

Combining the integration of sustainability risks and opportunities with broader monitoring and engagement activities may affect the value of investments and therefore returns.. Further information on the Manager’s approach on sustainable investing and sustainability risk integration is available at www.abrdn.com under “Sustainable Investing”.

Sustainability-related disclosure in line with EU SFDR

The EU SFDR is designed to enable investors to better understand sustainability-related investment strategies, notably sustainability risk integration, promotion of environmental or social characteristics and pursuit of a sustainable investment objective. As part of this enhanced transparency, investment funds are subject to disclosure requirements depending on the degree of consideration given to sustainability and binding investment criteria. The disclosure requirements are defined in the following EU SFDR articles:

- Article 6 – Funds which integrate sustainability risks into their investment process but do not give binding commitments, do not promote environmental and/or social characteristics and do not have sustainable investments as their objective.
- Article 8- Funds 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.
- Article 9 - Funds that have sustainable investment or carbon reduction as their objective and give binding commitments.

The Company is subject to EU SFDR Article 6.

Principle adverse impact (“PAI”) consideration

Under EU SFDR all funds have to indicate whether they consider PAIs on sustainability factors and if so, how this is applied.

PAI indicators are metrics that measure the negative effects on environmental and social matters. With the exception of house exclusions, PAIs are not considered for Article 6 funds. Therefore, as an Article 6 fund, the Manager does not consider PAIs in relation to the Company.

EU Taxonomy

The EU Taxonomy regulation provides a methodology to identify whether economic activities can be considered environmentally sustainable or not. The investments underlying an Article 6 Fund do not take into account the EU criteria for environmentally sustainable economic activities.

2. Key risks Principal Risks and Uncertainties

There are certain key risks which may arise from investment in the Company which include:

The Board reviews the risks and uncertainties faced by the Company in the form of a risk matrix regularly and a summary of the principal risks is set out below.

Principal Risk	Mitigating Action
<p>Market – Pricing risk APEO is at risk of the economic cycle impacting listed financial markets and hence potentially affecting the pricing of underlying investments and timing of exits.</p>	<p>Public markets remain volatile but have generally increased over levels seen in 2022, which has impacted the valuation of the APEO portfolio. Investments in APEO's portfolio are all subject to private equity guidelines such as IPEV Guidelines with respect of valuations. Furthermore, they are predominantly in line with either IFRS or US GAAP accounting standards.</p> <p>Inflation and interest rate rises have impacted both the valuations of the existing underlying portfolio and the pricing of new investments. Pricing risk is mitigated by APEO having a diversified portfolio of fund investments and co-investments.</p> <p>Private equity market deal activity has remained low in 2023, continuing the trend seen in the second half of 2022. This has extended the timing of some investment exits and distributions. The Manager forecasts an uptick in market activity in 2024 but continues to plan in case the exit environment remains similar to 2023. As such, APEO increased the size of its revolving credit facility to £300 million and took extra caution in new investment deployment in 2023 to help mitigate this risk.</p>
<p>Market – Currency risk APEO has a material proportion of its investments and cash balances in currencies other than Sterling and is therefore sensitive to movements in foreign exchange rates.</p>	<p>The Manager monitors APEO's exposure to foreign currencies and reports to the Board on a regular basis. It is not APEO's policy to hedge foreign currency risk. APEO's non-sterling currency exposure is primarily to the euro and the US dollar.</p> <p>During the year ended 30 September 2023, sterling appreciated by 1.2% relative to the euro (2022: depreciated 2.1%) and appreciated by 9.3% relative to the US dollar (2022: depreciated 17.2%).</p> <p>This movement in the euro and the US dollar had a net negative impact on the net assets of APEO.</p>
<p>Over-commitment The risk that APEO is unable to settle outstanding commitments to fund investments.</p>	<p>APEO makes commitments to private equity funds, which are typically drawn over three to five years. Hence, APEO will tolerate a degree of over commitment risk in order to deliver long-term investment performance.</p> <p>In order to mitigate this risk, the Manager ensures that APEO has appropriate levels of resources, whether through resources available for investment or the revolving credit facility, relative to the levels of over-commitment.</p> <p>The Manager will also forecast and assess the maturity of the underlying portfolio to determine likely levels of distributions in the near term.</p> <p>The Manager will also track the over-commitment ratio and ensure that it sits within the range, agreed with the Board, of 30% to 75% over the long term.</p> <p>At 30 September 2023 APEO had £651.9 million (2022: £678.9 million) of outstanding commitments, with £94.3 million (2022: £69.9 million) expected not to be drawn. The over-commitment ratio was 35.2% (2022: 42.8%).</p>

<p>Investment selection The risk that the Manager makes decisions to invest in funds and/or co-investments that are not accretive to APEO's NAV over the long term.</p>	<p>The Manager undertakes detailed due diligence prior to investing in, or divesting, any fund or co-investment. It has an experienced team which monitors market activity closely. APEO's management team has long-established relationships with the third-party fund managers in the Company's portfolio which have been built up over many years. ESG factors are integrated into the investment selection process and the Board and the Manager believes that will improve investment decision making and help to generate stronger, more sustainable returns.</p>
<p>Climate The risk that climate change impacts the APEO portfolio, either from a physical or transition point of view.</p>	<p>APEO is committed to being an active, long-term responsible investor. As such sustainability and ESG is a fundamental component of its Manager's investment process.</p> <p>The Manager commits APEO's capital with or alongside private equity managers who demonstrate strong adherence to ESG principles and processes or have a cultural commitment to improve their ESG credentials. Focus on climate change is part of that assessment. The private equity industry is still relatively early in its response to climate change and the Manager is focused on engaging with its portfolio of private equity managers to help promote further positive change.</p>
<p>Liquidity The risk that APEO is unable to meet short-term financial demands.</p>	<p>APEO manages its liquid investments to ensure that sufficient cash is available to meet contractual commitments and also seeks to have cash available to meet other short-term needs. Additional short-term flexibility is achieved through the use of the £300 million revolving multi-currency loan facility.</p> <p>APEO had cash and cash equivalents of £9.4 million (2022: £30.3 million) and £197.7m (2022: £138.0 million) available on its revolving credit facility as at 30 September 2023.</p>
<p>Credit The exposure to loss from failure of a counterparty to deliver securities or cash for acquisitions or disposals of investments or to repay deposits.</p>	<p>APEO places funds with authorised deposit takers from time to time and, therefore, is potentially at risk from the failure of such an institution.</p> <p>APEO's cash is held by BNP Paribas Securities Services S.A., which is rated 'A+' by S&P Global Ratings.</p> <p>The credit quality of the counterparties is kept under regular review. Should the credit quality or the financial position of these financial institutions deteriorate significantly, the Manager would move cash balances to other institutions.</p>
<p>Operational The risk of loss or a missed opportunity resulting from a regulatory failure or a failure relating to people, processes or systems.</p>	<p>The Manager's business continuity plans, and approach to cyber security risk, are reviewed on an ongoing basis alongside those of APEO's key service providers.</p> <p>The Board has received reports from its key service providers setting out their existing business continuity framework. Having considered these arrangements, the Board is confident that a good level of service will be maintained in the event of an interruption to business operations or other major event, including another global pandemic.</p>

3. Risk management systems

The directors of abrdn Capital Partners LLP collectively assume responsibility for abrdn Capital Partners LLP's obligations under the AIFMD including monitoring the Company's risk profile during the year.

ACP, as a fully integrated member of the abrdn group of companies (the "Group"), receives a variety of services and support in the conduct of its business activities from the resources of the Group. aCP conducts its risk oversight, including the conduct of its risk oversight function, through the operation of the Group's risk management processes and systems. Further details of the Group's risk management programme and systems are set out in the Appendix to this document.

4. Leverage

Leverage limits

The maximum leverage level which the Manager is entitled to employ on behalf of the Company (expressed as a ratio to total assets) is:

Commitment Method	250%
Gross Method	250%

Types of leverage

Although leverage is often used as another term for gearing, under the AIFMD regulations leverage is expressed as a ratio of the exposure of debt, non-sterling currency, equity or currency hedging and derivatives exposure against the net asset value. It defines two types of leverage, the gross method and the commitment method. These are essentially the same other than the commitment method allows derivative instruments to be netted off to reflect 'netting' or 'hedging arrangements'. Non-sterling cash is deemed to carry a currency exposure so is considered to be leverage. In accordance with the AIFMD the Company is obliged to disclose the maximum expected leverage levels under both methods and this is disclosed above. In order to comply with the AIFMD the maximum leverage levels have been set in accordance with the maximum gearing allowable by the Company's Articles of Association. However, the day-to-day management of gearing and leverage levels will be conducted within the tighter limits set by the Company's investment policy.

Leverage may be applied to the portfolio by utilising financial gearing (such as bank borrowings and overdrafts) and synthetic gearing (through derivatives and/or other non-fully funded instruments or techniques for efficient portfolio management purposes such as stock-lending). Typically, leverage will arise through the use of index futures, forward foreign exchange contracts or contracts for difference, where cash is paid to the counterparty as a margin against the current mark-to-market value of the derivative contract; as a result, depending on the type of instrument, a relatively small movement in the price of a contract may result in a profit or a loss which is high in proportion to the amount of funds actually placed as initial margin and may even result in further loss exceeding any margin deposited. The use of leverage therefore creates additional risks and may significantly increase the market and counterparty risk of the Company through non-fully funded exposure to underlying markets or securities. Leverage is considered in terms of the Company's overall 'exposure' to financial or synthetic gearing and includes any method by which the exposure of the Company is increased whether through borrowing of cash or securities, or leverage embedded in derivative positions or by any other means. aCP is required, in accordance with the AIFMD, to calculate and monitor the level of leverage of the Company, expressed as the ratio between the total exposure of the Company and its net asset value with exposure values being calculated by both the gross method and commitment method.

Exposure values under the gross method basis are calculated as the absolute value of all positions in the portfolio; this includes all eligible assets and liabilities, relevant borrowings, derivatives (converted into their equivalent underlying positions) and all other positions, even those held purely for risk reduction purposes, such as forward foreign exchange contracts held for currency hedging.

The gross method of exposure of the Company requires the calculation to:

- Include the sum of all non-derivative assets (if applicable) held at market value, plus the absolute value of all such liabilities.

- Exclude cash and cash equivalents which are highly liquid investments held in the base currency of the Company, that are readily convertible to a known amount of cash, which are subject to an insignificant risk of change in value and provide a return no greater than the rate of a three month high quality bond.
- Include derivative instruments which are converted into the equivalent position in their underlying assets.
- Exclude cash borrowings that remain in cash or cash equivalents and where the amounts payable are known.
- Include exposures resulting from the reinvestment of cash borrowings, expressed as the higher of the market value of the investment realised or the total amount of cash borrowed.
- Include positions within repurchase or reverse repurchase agreements and securities lending or borrowing or other similar arrangements as applicable.

Exposure values under the commitment method basis are calculated on a similar basis but may take into account the effect of netting off instruments to reflect eligible netting and hedging arrangements on eligible assets and different treatment of certain cash and cash equivalent items in line with regulatory requirements.

The calculation of leverage assumes that a leverage ratio of 1.00:1 equates to zero leverage. A ratio of less than 1.00:1 would mean that the portfolio included uninvested cash whilst a ratio above 1.00:1 would mean that the portfolio had leverage to the ratio amount above 1.00:1.

Where the Company invests in derivatives, it may be required to post assets as collateral. To the extent that the Company posts collateral to its counterparties, the counterparties have a security interest in the collateral and may, in certain circumstances, have the right to re-use that collateral.

5. Modification of Investment policy

In accordance with the FCA listing rules, any material change to the Company's investment policy will require the FCA's prior approval as well as the approval of Shareholders. In considering what is a material change the Company must have regard to the cumulative effect of any changes since Shareholders last had the opportunity to vote.

6. Contractual relationship between the Company and Investors, applicable law and the enforcement of judgements

The Company is incorporated as a public limited company under the laws of Scotland. Investors who acquire shares in the Company will do so subject to the Articles. The Articles are one of the Company's constitutional documents and contain the rights and restrictions attaching to the Company's shares. The Articles may only be amended by way of a special resolution. A Shareholder's liability to the Company will be limited to the value of the shares held by such Shareholder.

As the Company is incorporated in Scotland, it may not be possible for an investor located outside that jurisdiction to effect service of process upon the Company within the local jurisdiction in which that investor resides. All or a substantial portion of the assets of the Company may be located outside of the local jurisdiction in which an investor resides and, as a result, it may not be possible to satisfy a judgment against the Company in such local jurisdiction or to enforce a judgment obtained in the local jurisdiction's courts against the Company.

A number of legal instruments provide for the recognition and enforcement in Scotland of judgments given in other states. These include the Brussels Regulation, in relation to judgments made in most EU member states, and domestic legislation implementing the terms of international conventions. Where no particular legal instrument applies, a judgment creditor may nevertheless have rights to seek to enforce a judgement under the common law.

Details on how to invest in abrdn Private Equity Opportunities Trust PLC are set out in the Annual Report, which is available on its website at <http://www.abrdnpeot.co.uk>

7. Information on the AIFM, Depositary and Service providers

AIFM/Manager

The Company has appointed abrdn Capital Partners LLP, a limited liability partnership incorporated in Scotland, as its alternative investment fund manager (the “AIFM” or the “Manager”). The Manager is a limited liability partnership the members of which are abrdn Private Equity (Europe) Limited and abrdn Investment Management Limited, each of which is a company incorporated in Scotland and a wholly-owned subsidiary of abrdn plc, which is also a company incorporated in Scotland.

The Manager is authorised and regulated by the FCA as an alternative investment fund manager. Pursuant to the Management Agreement, the Manager provides investment management services (including portfolio management), risk management services and general administrative services to the Company.

The duties of the Manager also include (but are not limited to) the following:

- The proper valuation of the Company’s assets and the calculation and publication of the Net Asset Value of the Company.
- To review any delegations of functions (if any) to delegates on an ongoing basis.
- To ensure that appropriate and consistent procedures are established so that a proper and independent valuation of the assets of the Company can be performed.
- To implement a risk management system to identify, measure and manage appropriately all risks relevant to the Company’s investment strategies and to review this system on an annual basis.
- To ensure that a single depositary is appointed to ensure, among other things, the proper monitoring of the Company’s cash flows and the safe-keeping of the Company’s assets that can be held in custody.
- To employ an appropriate liquidity management system.
- To adopt procedures enabling it to monitor the liquidity risk of the Company and ensure that the liquidity profile of the Company’s investments complies with its underlying obligations.
- To use adequate and appropriate human and technical resources necessary for the proper management of the Company.
- To make available an annual report for the Company no later than six months following the end of its annual accounting period.

The Management Agreement contains customary termination provisions and may, in normal circumstances, be terminated on twelve months’ written notice by either the Company or the Manager, or immediately by either party by notice upon the insolvency or winding up of the other party or upon a material breach of contract. The Company may terminate the agreement immediately, inter alia, if the Manager ceases to maintain its regulatory permissions to act as AIFM.

Depositary

The Company has appointed IQ EQ Depositary Company (UK) Limited to act as its depositary. Pursuant to the Depositary Agreement, the Depositary must carry out the duties specified in AIFMD, including:

- Safekeeping of the assets of the Company which are entrusted to it
- Cash monitoring and verifying the Company’s cash flows
- Oversight of the Company and the Manager, including:
 - Ensuring that the sale, issue, re-purchase, redemption, transfer, buy back and valuation of the Company’s shares are carried out in accordance with the Company’s constitutional documentation and applicable laws, rules and regulations.
 - Ensuring that in transactions involving the Company’s assets the consideration is remitted to the Company within the usual time limits.
 - Ensuring that the Company’s income is applied in accordance with the Company’s constitutional documentation and applicable laws, rules and regulations.
 - Carrying out instructions received from the Manager unless they conflict with the Company’s constitutional documentation or any applicable law, rule or regulation, or the provisions of the Depositary Agreement.

In carrying out such functions the Depositary must act honestly, fairly, professionally, independently and in the interests of the Shareholders. The Depositary does not delegate its safe-keeping function in relation to the Company’s assets but may appoint sub-custodians to provide custody services.

The Depositary is liable to the Company and/or Shareholders for the loss of a financial instrument held in custody by the Depositary or a delegate unless the Depositary is permitted to discharge and has discharged such liability under AIFMD and the Depositary Agreement. The Manager will inform investors of any changes with respect to the Depositary's liability for the loss of a financial instrument held in its custody. The Depositary is also liable to the Company and/or Shareholders for all other losses suffered by them as a result of the Depositary's negligent and/or intentional failure to properly fulfil its duties.

Under the Depositary Agreement, the Company has indemnified the Depositary against certain liabilities suffered by the Depositary arising directly out of the performance of its obligations under the Depositary Agreement, except in the case of any liability arising from the fraud, negligence, intentional failure or breach of contract of the Depositary or any of its affiliates or delegates, or the loss of financial instruments as described above.

The Company, the Manager and the Depositary may terminate the Depositary Agreement at any time by giving 90 days' notice in writing. The Depositary may only be removed from office when a new depositary is appointed by the Company.

Administrator

The Company has appointed IQEQ Administration Services (UK) Limited as administrator to the Company. The Administrator provides fund accounting services to the Company and is responsible for providing a quarterly valuation of the Company's underlying investments.

Company Secretary

The Company has appointed abrdn Holdings Limited as company secretary to the Company. Under the CoSec Agreement, the Company Secretary provides company secretarial services including convening meetings of Directors and general meetings of Shareholders, keeping the statutory books and records of the Company, maintaining the Company's register, preparing and delivering company announcements and other company secretarial duties properly or reasonably performed by the secretary of a company.

Auditor

BDO LLP has been appointed as the Company's auditor responsible for auditing the annual financial statements in accordance with auditing standards and, as appropriate, regulations, and for providing its report to the Company's shareholders in the annual report and financial statements. In addition, applicable law and regulation may require other reports to be prepared for the Company and, as the appointed auditor of the Company, the Auditor will undertake such work under the auditor service agreement between the Company and the Auditor.

Registrar

The registrar of the Company is Equiniti Limited which is responsible for keeping the register of shareholders, which may be inspected, during normal business hours, at the Registrar's offices at Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA, United Kingdom.

Stockbroker

Winterflood Securities has been appointed as the Company's stockbroker to provide the Company with corporate broking and associated financial advisory services.

Investors' rights against service providers will vary depending on a range of factors. If the relevant service provider is an authorised person under FSMA carrying out a regulated activity with respect to the Company, then a contravention by it of a Rule contained within the FCA Handbook may in certain circumstances give rise to a claim for breach of statutory duty against that service provider by an investor who suffers loss as a result of that contravention. Investors may also be afforded certain rights against service providers under general law.

8. Protection from professional liability risks

The Manager has effective internal operational risk management policies and procedures in order to appropriately identify measure, manage and monitor operational risks, including professional liability risks, to which it is or could reasonably be exposed. These policies and procedures are subject to regular review and the operational risk management activities are performed independently as part of the risk management policy.

The management of operational risk, through the risk and control self-assessment process, is aimed at identifying risks in existing processes and improving existing controls to reduce their likelihood of failure and the impact of losses. All risks and events are facilitated via the internal risk management system, which provides a platform to facilitate the convergence of governance, risk and compliance.

The Manager is required to cover professional liability risks, such as the risk of loss of documents evidencing title of assets to the Company and complies with such requirement by maintaining an amount of its own funds in accordance with AIFMD.

9. Delegation arrangements and management of conflicts

Delegation arrangements

From time to time, the AIFM may sub-delegate certain management functions to its affiliated subsidiaries or third parties. The Manager has not delegated any of its functions of AIFM of the Company.

The Depositary may delegate certain safekeeping functions entrusted to it by the Company to various formally appointed delegates and third parties including in countries outside the domicile of the Company or the Depositary (including central securities depositaries, securities settlement systems, clearing houses, book-entry securities system and similar depositaries, systems or facilities) in accordance with the provisions of AIFMD and the Depositary Agreement.

Conflicts of interests

The Manager is committed to treating clients and shareholders fairly and have implemented procedures and processes to ensure that this is the case. In particular, the Manager has approved and adopted the Conflicts of Interests Policy of abrdn.

The objective of the Conflicts of Interests Policy is to ensure the fair treatment of clients and shareholders in cases of conflicts of interests or potential conflicts of interests which may arise in the course of providing management, advisory or administrative services to the Company.

To achieve this objective, the Conflicts of Interests Policy seeks to ensure that the Company and its service providers and the Manager and its delegates have adequate organisational and structural measures in place:

- To identify circumstances which constitute or may give rise to a conflict of interests entailing a material risk of damage to the interests of the Company or its shareholders
- To provide procedures, mechanisms and systems to manage or resolve any such conflicts of interests; where such conflict cannot otherwise be avoided, ensuring that the Company, the Manager and the Investment Manager always act in the best interests of shareholders
- To maintain a proper record of any such conflict or potential conflict and to ensure proper reporting to affected shareholders

The following circumstances have been identified as constituting or potentially giving rise to conflicts of interests:

- Directors of the Manager are senior executives of, and employed by, abrdn.
- The Manager and the Company Secretary are affiliated entities of abrdn. The key terms of the Management Agreement and the CoSec Agreement are similar to those which might be agreed between independent third parties.
- The Manager has discretion to enter into foreign exchange hedging transactions and borrowings on behalf of the Company. The Manager may appoint an affiliate of any existing service provider or any other third party to act as a counterparty in the execution of foreign exchange transactions in connection with the currency hedging activities of the Company and/or to implement the currency hedging strategy.
- abrdn and its affiliates may hold or trade in securities and instruments of the same type as the securities and instruments held or traded in by the Company; they may also utilise the same or similar strategies as those adopted by the Manager on behalf of the Company. In addition, the Company may make investments in other funds managed or advised by abrdn plc or its affiliates.

In order to ensure that actual and potential conflicts of interests are appropriately identified, managed and monitored, abrdn has established a formal committee which operates under documented terms of reference and which meets regularly to maintain oversight of the Conflicts of Interests Policy and the management of live conflicts situations. Abdrn maintains a documented matrix of known or inherent conflicts of interests, as well as a documented register of live actual or potential conflicts of interests arising in the carrying on of its business operations.

In order to address situations of conflicts of interest, the Depositary has implemented and maintains a conflicts of interest policy. Where a situation gives rise to a conflict which cannot be avoided, the Manager and Depositary will monitor the conflict in order to prevent adverse effects on the interests of the Company and investors.

10. Valuation procedures

The Company's accounting policies, including its policy in relation to the valuation of investments, are set out in the Annual Report which can be viewed at <http://www.abrdnpeot.co.uk>

Unquoted investments are stated at the directors' estimate of fair value and follow the recommendations of the European Private Equity & Venture Capital Association ("EVCA") and the British Private Equity & Venture Capital Association ("BVCA"). The estimate of fair value is normally the latest valuation placed on an investment by its manager as at the Statement of Financial Position date. The valuation policies used by the manager in undertaking that valuation will generally be in line with the joint publication from the EVCA and the BVCA, 'International Private Equity and Venture Capital Valuation guidelines'. Where formal valuations are not completed as at the Statement of Financial Position date, the last available valuation from the Manager is adjusted for any subsequent cash flows occurring between the valuation date and the Statement of Financial Position date. The Manager may further adjust such valuations to reflect any changes in circumstances from the Manager's last formal valuation date to arrive at the estimate of fair value.

The Depositary is responsible for checking and monitoring that the Net Asset Value of the Company's assets is calculated in accordance with applicable law and regulation and the Articles.

11. Liquidity risk management and redemption rights

The Manager has a Liquidity Policy in place. For closed ended funds such as the Company, given their very nature, the Liquidity Policy focuses, primarily, upon the potential issues with regard to the mis-pricing of illiquid securities. abrdn's market risk department is responsible for providing asset level liquidity evaluation reports on a periodic (e.g., monthly) basis to the Manager and other abrdn entities. This market risk department uses various risk assessment methods and sophisticated portfolio modelling, via a tool called APT (Advanced Portfolio Technologies), to measure the risk profile of assets held by portfolios and the risk of there being portfolio illiquidity related to the assets. This measurement enables the provision of management information to the Manager and the Investment Manager to enable those risks to be monitored. The portfolio modelling and measurement looks at the following risks: (i) asset liquidity risk (where a number of methods are used to measure liquidity, depending upon the nature of the asset – e.g. traded volumes reported on an exchange as a percentage of the total outstanding of the specific asset or with reference to the depth of the market using the bid-ask spread as an indicator); and (ii) contingency arrangements or liquidity buffers.

There are no redemption rights attaching to shares in the Company.

12. Fees, charges and expenses

The Manager charges a management fee, payable quarterly, which is calculated as 0.95% per annum of the Company's net asset value at the end of the relative quarter. No fee is payable on any investments in any investment trust, collective investment scheme or any other company or fund managed, operated or advised by the Manager or any other subsidiary of abrdn where there is an entitlement to a fee on that investment. The Company also incurs annual fees, charges and expenses in connection with administration, directors' fees, promotional activities, auditors' fees, lawyers' fees and depositary charges. The Company's Ongoing Charges (which include the management fee) for the last reported financial year, amounted to **1.1%**.

13. Fair treatment/preferential treatment of Investors

The Manager is subject to the FCA's rules on treating customers fairly and has adopted a policy regarding treating customers fairly, the operation of which is overseen by a formal committee comprised of senior managers from the Group's various business units and from its risk division. The role of the Conduct Risk Committee, which meets regularly and operates under documented terms of reference, is to ensure that, among other matters, the Conduct Risk Policy is implemented and maintained and to consider any actual or potential Conduct Risk Policy issues arising in connection with the Group carrying on its business operations. General awareness training on the Conduct Risk Policy and what it means to the Group and its customers is delivered to all Group staff.

No investor in the Company obtains preferential treatment or the right to obtain preferential treatment.

14. Availability of the AIF's latest annual report

The Company's latest Annual Report is available on the Company's website at <http://www.abrdnpeot.co.uk>

15. Procedure and conditions for the Issue and sale of shares

The issue of new shares by the Company, either by way of a fresh issue of shares or by way of the sale of shares from treasury, is subject to the requisite shareholder authorities being in place and all FCA listing rule requirements having been met. Shares in the Company can also be bought in the open market through a stockbroker. They can also be purchased through the abrdn Investment Trusts savings schemes and qualify fully for inclusion within tax-efficient ISA wrappers. Further information on how shares in the Company may be purchased is set out in the section headed "How to Invest" in the Annual Report at <http://www.abrdnpeot.co.uk>

16. Latest NAV of the AIF

The Company's NAV is published quarterly by way of an announcement on a regulatory information service. For internet users, additional data on the Company, including the latest published NAV, the closing price of ordinary shares for the previous day of trading on the London Stock Exchange, performance information and a monthly factsheet, is available on the Company's website: www.abrdnpeot.co.uk.

17. AIF's historical performance

The Company's historical performance data, including copies of the Company's previous annual report and accounts, is available on the Company's website: www.abrdnpeot.co.uk

18. Prime brokerage

The Company has not appointed a prime broker.

19. Periodic disclosures

The Manager will, at least as often as the annual report and accounts are made available to Shareholders, make the following information available to Shareholders:

- Any changes to (i) the maximum level of Leverage that the Manager may employ on behalf of the Company and (ii) any right of reuse of collateral or any guarantee granted under any leveraging arrangement.
- The total amount of Leverage employed by the Company.
- The percentage of the Company's investments which are subject to special arrangements resulting from their illiquid nature.
- The current risk profile of the Company outlining (i) measures to assess the sensitivity of the Company to the most relevant risks to which the Company is or could be exposed and (ii) if risk limits set by the Manager have

been or are likely to be exceeded and where these risk limits have been exceeded, a description of the circumstances and, the remedial measures taken.

- The risk management systems employed by the Manager outlining the main features of the risk management systems employed by the Manager to manage the risks to which the Company is or may be exposed. In the case of a change, information relating to the change and its anticipated impact on the Company and its Shareholders will be made available.
- The Manager will inform Shareholders as soon as practicable after making any material changes to its liquidity management system and procedures. Any material changes to the periodic disclosures described above will be provided to Shareholders by way of an announcement to a regulatory news service announcement on the London Stock Exchange.

20. Defined terms

The following defined terms are used in this pre-investment disclosure document:

abrdrn Holdings Limited	a subsidiary of abrdrn
abrdrn	abrdrn plc
Administrator	IQ EQ Administration Services (UK) Limited (formerly Argentius (UK) Limited)
AIFMD	European Union Directive 2011/61/EU together with its implementing measures
AIFM or Manager	abrdrn Capital Partners LLP
Annual Report	the Company's Annual Report and Accounts for the year ended 30 September 2023
Articles	the Company's articles of association
Auditor	BDO LLP
Brussels Regulation	Council Regulation (EC 44/2001) of 22 December 2000, concerning the recognition and enforcement in England and Wales of judgments given by the courts of most EU member states in civil and commercial matters
Commitment Method	the commitment method for calculating leverage as prescribed under Article 8 of the AIFMD, which excludes certain hedging instruments from the calculation
Company or AIF	abrdrn Private Equity Opportunities Trust PLC
Company Secretary	abrdrn Holdings Limited
Conduct Risk Committee	abrdrn's formal committee for overseeing, among other matters, the Conduct Risk Policy
Conduct Risk Policy	abrdrn's documented policy regarding treating customers fairly
CoSec Agreement	the company secretarial agreement between the Company and the Company Secretary dated 13 March 2020
Conflicts of Interests Policy	abrdrn's documented conflicts of interests policy
Depository	IQ EQ Depository Company (UK) Limited
Depository Agreement	Depository agreement among the Company, the Manager and the Depository dated 22 January 2019
ESG	environmental social and governance
EU SFDR	the European Union Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector
EU Taxonomy	Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment
FCA	Financial Conduct Authority

FCA Handbook	the FCA's Handbook of rules and guidance
FSMA	Financial Services and Markets Act 2000, as amended
Gross Method	the gross notional method for calculating leverage as prescribed under Article 7 of the AIFMD, which includes certain hedging instruments within the calculation
Group	abrdrn's group of companies
Leverage	any method by which the AIFM increases the exposure of the Company whether through borrowing of cash or securities, or leverage embedded in derivative positions or by any other means
Liquidity Policy	abrdrn's documented policy regarding liquidity risk management
Management Agreement	management agreement between the Company and the Manager dated 27 June 2014 (as amended from time to time)
Net Asset Value or NAV	the net asset value of the Company
Ongoing Charges	ratio of expenses as a percentage of average daily shareholders' funds calculated as per the Association of Investment Company's industry standard method
Registrar	Equiniti Limited
Shareholders	Shareholders of the Company
Stockbroker	Winterflood Securities
Valuation Policy	abrdrn's documented valuation policy regarding the production and oversight of net assets values of collective funds in the Europe, Middle East and Africa region

Other important information

Issued by abrdrn Capital Partners LLP which is authorised and regulated by the Financial Conduct Authority in the United Kingdom. Registered Office: 1 George Street, Edinburgh, Midlothian, EH2 2LL. Registered in the United Kingdom No. SO301408. An investment trust should be considered only as part of a balanced portfolio. Under no circumstances should this information be considered as an offer or solicitation to deal in investments.

Appendix to Pre-investment Disclosure Document

abrdrn Capital Partners LLP: Risk management

Risk Management function

abrdrn plc and its subsidiaries (“the Group”) is committed to building and continuously improving a sound and effective system of internal control and a risk management framework that is embedded within its operations; this is the Group’s first line of defence.

The Group’s Risk Division, as the second line of defence, exists to support management in the identification and mitigation of risks and provides independent monitoring of the business. The Division includes Conduct & Compliance, Operational Risk and investment risk Oversight. The team is headed by the Group’s Chief Risk Officer, who reports to the Chief Executive Officer of the Group. The Risk Division achieves its objective through embedding the Risk Management Framework throughout the organisation using the Group’s operational risk management system (SHIELD).

The Group’s Internal Audit Department is independent of the Risk Division and reports directly to the Group CEO and to the chair of the Audit Committee of the Group’s Board of Directors. The Internal Audit Department is responsible for providing an independent assessment of the Group’s control environment; it is the Group’s third line of defence.

The Group’s corporate governance structure is supported by several committees that bring together Group’s subject matter experts from different departments, to assist the Boards of Directors of abrdrn, its subsidiaries and the funds to fulfil their roles and responsibilities. The Group’s Risk Division is represented on all committees, with the exception of those that deal with investment recommendations to the Boards. The specific goals and guidelines on the functioning of these committees are described in their respective terms of reference.

Description of the process of identifying, assessing and managing risks

- **Market risk:** Is monitored through factor modelling used to calculate both absolute and relative ex ante quantities such as tracking error (TE) and Value at Risk (VaR). The VaR is computed on a NAV basis as the maximum loss that the portfolio should incur over 20 days, 99% of the time under normal market conditions. The fund’s portfolio risks are decomposed into intuitive components to pinpoint areas of unexpected market risk. The techniques are applied to all relevant asset classes. The market risk is further monitored through the computation of the level of leverage by both the gross and net approach. The leverage is calculated by converting each FDI into the equivalent position in the underlying assets of those derivatives, on a NAV basis. The market risk linked to the concentration risk is mitigated through investment restrictions set according to the basic principle of diversification.
- **Liquidity risk:** The Group has a Liquidity Risk Management Policy in place applicable to the funds and set out in accordance with its overall Risk Management Process, relative to the size, scope and complexity of the funds. Liquidity Risk is monitored on both the asset and liability sides. To measure and monitor asset liquidity risk the Group employs a number of methods specific to the underlying assets. In all cases, the approach is to reference the actual holdings of the sub-fund against a true measure of the market at both an aggregate and a position level. The Group has implemented a Group Pricing Policy which details the operational responsibilities for pricing assets, this policy is owned and overseen by the Group pricing Committee. On the liability side, investor transactions and, beyond this, investor behaviour are the main driver of liquidity within each sub-fund. In this context, the articles and prospectuses contain certain key provisions or limits which provide protection to the funds and ultimately investors, in situations where liquidity might become a concern. In addition, the fund receives and analyses periodic reports in respect of the shareholder concentration within each sub-fund. Any shareholder concentrations and transactional behaviour are identified at sub-fund level and any particular concerns noted are escalated to the relevant Group Committee and respective Boards, if material.

- **Credit and counterparty risk:** The credit and counterparty risks linked to derivatives transactions are managed through processes outlined in the Group's Counterparty Credit Risk Policy. This Policy underpins on the following principles: Internal Credit assessments; credit limits; exposure calculation and oversight and Control. Credit research on counterparties is carried out by the Credit Investment Team. Research is conducted on the basis of qualitative and quantitative analysis and is presented for discussion at the Credit Committee on a monthly basis. Each counterparty is reviewed at least once per annum. Furthermore the Risk and Exposure Committee (REC) and/or credit Committee can impose house level restrictions on concentrations. Credit risk exposures are calculated net of collateral received. The methodology for calculating an amount for potential exposure arising from movements in mark to market is approved by the REC. Acceptable collateral and other commercial and credit terms for inclusion in the International Swap and Derivative Association (ISDA) documentation is defined in the Group Derivative Management Policy. Counterparty credit exposures are monitored against internal limits by an investment control team and monitored by the Group Credit Committee and Risk and Exposure Committee.
- **Legal risk:** All key contractual arrangements entered into by the funds are reviewed by the Legal Department and, where required, by external legal counsel. If these contracts refer to delegation arrangements, where applicable, there is an operating memorandum defining information flows between the parties, frequency of services and deadlines, a clear attribution of rights and responsibilities of each party and, when applicable, the key performance indicators to measure performance. Any litigation issues are also handled by the Legal Department.

Each OTC derivatives are framed within the legal provisions of the ISDA Master agreement which defines the rights and obligations of parties engaging in derivatives trading. The ISDA master agreements are negotiated and signed between each umbrella/sub-fund and the counterparty. The Credit Support Annex (CSA) is a legally binding document which is annexed to the ISDA agreement and details the Minimum Transfer Amount (MTA) or collateral required by AAML when engaging in OTC derivatives trading with counterparties. The Group Derivative Management Committee is responsible for approving the commercial terms associated to derivative documentation for the Group.
- **Tax risk:** The Group uses external tax consultants to advise on tax structuring, transactions and tax reporting.
- **Operational risk:** The Operational Risk Management Framework ensures that the operational risks taken and their contribution to the overall risk profile are accurately measured on the basis of sound and reliable data and that the risk measurement arrangements, processes and techniques are adequately documented. The identification, measurement, management and monitoring of operational risk within the Group are achieved through the use of the Group's Operational Risk Management Framework System, SHIELD. This system provides the following key Risk Management Modules:
 - *Event Management:* This module serves as a historical loss database, in which any operational failures, loss and damage experience (Events) will be recorded. The records include professional liability damages. The process for recording, investigation and mitigation of Events aims to ensure that they are not repeated.
 - *Issues and Actions Plan:* The issues and actions module provides a standardised mechanism for identifying, prioritising, classifying, escalating and reporting internal audit findings and other on-going / unresolved matters impacting the Group from a risk or regulatory perspective (Issues).
 - *Risk and Control Self Assessment (RCSA):* The RCSA process is to ensure key risks and key controls are identified and managed effectively in order to satisfy, at a Group level, Internal Capital Adequacy (ICAAP) requirements. The RCSA also provides a systematic and holistic means of identifying risk and control gaps that could impact business or process objectives which are agreed by senior management to complete.
 - *Business Continuity Plan (BCP):* Is in place and designed for invocation where there has been significant disruption to normal business functions at any abrdn office that is likely to last longer than 24 hours.

Measuring risk

Where appropriate the Group applies the following measurements for each fund:

- **Leverage:** Has the effect of gearing a fund's expected performance by allowing a fund to gain greater exposure to underlying investment opportunities (gains and losses). The higher the leverage the greater the risk (potential loss).
- **Volatility, Value-at-Risk (VaR) and Conditional VaR (CVaR):** Volatility measures the size of variation in returns that a fund is likely to expect. The higher the volatility the higher the risk. VaR measures with a degree of confidence the maximum the fund could expect to lose in any one given day, assuming a normal (Gaussian) distribution, this is a function of the volatility of the fund. The higher the volatility, the higher the VaR, the greater the risk. CVaR calculates the expected loss, under the assumption that the VaR has been reached.
- **Tracking error (TE):** Measures the expected magnitude of divergence of returns between the fund and benchmark over a given time.
- **Systematic and stock specific risk:** Systematic risk represents the proportion of a fund's risk that is attributable to market exposure; and specific risk represents the risk that is intrinsic to individual stocks (i.e., particular to a given stock's attributes).
- **Stress test and scenario analysis:** Captures how much the current portfolio will make or lose if certain market conditions occur.
- **Concentration risk:** By grouping the portfolio through various different exposures: country, sector, issuer, asset etc., to identify where concentration risk exists.

Escalation and reporting

The Group recognises timely and adequate reporting measures as well as escalation channels to be key components of the control process and management of risk.

The Risk team provide regular updates to the Board/senior management on the adequacy and effectiveness of the Risk Management Process indicating, where applicable, actual or anticipated deficiencies and the remedial measures.

In addition, all issues and events impacting any Group entity or the funds are logged in SHIELD, by the relevant area within the prescribed time limits.

