

**Danske Invest SICAV**  
Société d'investissement à capital variable  
13, rue Edward Steichen, L-2540 Luxembourg  
RCS Luxembourg B 161867

**NOTICE TO SHAREHOLDERS**

Luxembourg, 6 October 2023

Dear Shareholders,

We hereby would like to provide you with some information related to your investment in Danske Invest SICAV (the “**SICAV**”). The board of directors of the SICAV (the “**Board**”) has decided to approve certain changes to the SICAV prospectus.

**1. Reclassification of Europe Long- Short Equity Factors**

To strengthen our proposition of responsible investments, we have taken the decision to recategorise Europe Long-Short Equity Factors fund from Article 6 to Article 8 fund according to the Regulation (EU) 2019/2088 on sustainability – related disclosures in the financial services sector (“**SFDR**”).

Following the recategorisation, the SFDR section of the fund description will be amended and read as follows:

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**SFDR Classification**

*“The fund is categorised as article 8 under SFDR and promotes environmental and/or social characteristics, as well as good governance practices, through screening, exclusions, investment analysis and decision-making as well as active ownership.*

*The fund follows Danske Invest’s responsible investment policy.*

*For more information related to:*

- *Danske Invest’s responsible investment policy, including the sustainability risk integration, see page 48;*
  - *the fund’s environmental and/or social characteristics, see page 206”.*
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Following the recategorisation, the Fund will promote the following environmental/or social characteristics:

- ✓ the fund promotes adherence to UN Global Compact, principles, OECD Guidelines for Multinational Enterprises, UN Guiding Principles on Business and Human Rights and ILO conventions and other relevant social safeguards through the exclusion of certain activities and conducts deemed harmful to society (measured by the share of investments in the fund with activities and conduct deemed harmful to society as determined through an enhanced internal screening and the number of investments excluded on basis of this screening);
- ✓ the fund promotes environmental safeguards through the exclusion of certain activities deemed to have significant negative climate impact (measured by the shares of investments in the fund as determined through exclusions for thermal coal (5% revenue, unless the company has a document and credible transitional plan), tar sands (5% revenue), peat fired power generation (5% revenue) and the number of investments excluded as a result of these exclusions);
- ✓ the fund promotes certain ethical and social safeguards through the exclusion of certain activities deemed to be non-ethical or controversial (measured by the share of investments with non-ethical or controversial investments as determined through exclusions for controversial weapons (0% revenue), tobacco (5% revenue) and pornography (1% revenue) and exclusions replicating those applied for Statens Pensjons Utland (SPU) and the number of investments excluded as a result of these exclusions).
- ✓ the fund seeks to influence issuers’ impact on sustainability matters through engagement on material sustainability topics (as measured by the number of engagement activities applied for the investment in the fund).

The fund does not apply a benchmark for the attainment of its environmental and/or social characteristics.

The fund promotes environmental and/or social characteristics through the pass or fail criteria for its exclusions and through its active ownership activities. The expected minimum proportion of investments meeting the pass or fail criteria of the fund’s environmental and/or social characteristics is 60%.

All above characteristics are not exhaustive and will further be described in SFDR Appendix to the prospectus.

## 2. ESG changes

### 2.1. Clarifications to the section “Risk Descriptions”, sub-section “Sustainability Risk”

The additional wording has been added to the section “Risk Descriptions”, sub-section “Sustainability Risk” to enhance the existing disclosures (as highlighted in *italics*):

*“For a sustainability factor to be considered material it needs to translate into investment performance, meaning it should have a positive or negative impact on either the revenue or expenses of an investment, the value of its assets or liabilities or its cost of capital.*

*Sustainability risks that could negatively affect the value of a particular investment might include the following:*

- *Environmental: energy consumption and efficiency, extreme weather events such as flooding and high winds; pollution incidents; damage to biodiversity or marine habitats. New regulations, taxes or industry standards to protect or encourage sustainable businesses and practices may be introduced.*
- *Social: Inclusiveness/inequality, labour strikes; health and safety incidents such as injuries or fatalities; product safety issues.*
- *Governance: tax fraud; discrimination within a workforce; inappropriate remuneration practices; failure to protect personal data.*

Furthermore, although duly mapped, identified and managed in the investment processes, the following elements can affect the degree to which sustainability risks are likely to impact the returns of the funds:

- *sustainability risk profile is dynamic and can be impacted by dimensions such as asset class, investment universe, investment strategy, specific investments, geographical exposure, responsible investment processes and investment horizon. This also means that the sustainability risk exposure will evolve over time.*

*The value of investments in the fund may deteriorate due to the materialisation of sustainability risk. The exact impact of a sustainability risk materialisation is difficult to model due to the variety of mentioned above. As a result, the impact the impact of sustainability risk on returns be both larger and smaller than expected based on the exact nature of the situation and context.*

*The sustainability risk exposure is monitored on a continuous basis using the “Sustainability Risk Alert Framework”. The framework, leveraging the same indicators, measures the relative risk exposures versus a relevant benchmark to ensure that sustainability risks are continuously managed by the funds. The sustainability risk exposures must be well managed and, as needed, lead to and/or influence a decision to either buy/increase weighting, hold/maintain weighting, decrease weighting, or sell/divest or to engage through active ownership activities.*

*The table below shows the expected impact that sustainability risks can have on a fund’s return, stated as “Low”, “Medium” or “High”. This assessment is based on data from providers that specialize in sustainability risks.*

Fund	Sustainability risks impact on return
Aktiv Förmögenhetsförvaltning	Low
China	Medium
Danish Bond	Low
Danish Mortgage Bond	Low

<i>Denmark Focus</i>	<i>Low</i>
<i>Emerging Markets Debt Hard Currency</i>	<i>Medium</i>
<i>Emerging Markets Sustainable Future</i>	<i>Medium</i>
<i>Euro High Yield Bond</i>	<i>Low</i>
<i>Euro Investment Grade Corporate Bond</i>	<i>Low</i>
<i>Europe</i>	<i>Low</i>
<i>Europe High Dividend</i>	<i>Low</i>
<i>Europe Long Short Equity Factors</i>	<i>Low</i>
<i>Europe Small Cap</i>	<i>Medium</i>
<i>European Corporate Sustainable Bond</i>	<i>Low</i>
<i>Global Alternative Opportunities</i>	<i>Low</i>
<i>Global Corporate Sustainable Bond</i>	<i>Low</i>
<i>Global Emerging Markets</i>	<i>Medium</i>
<i>Global Emerging Markets Small Cap</i>	<i>Medium</i>
<i>Global Index</i>	<i>Medium</i>
<i>Global Index Restricted</i>	<i>Low</i>
<i>Global Inflation Linked Bond</i>	<i>Low</i>
<i>Global Inflation Linked Bond Short Duration</i>	<i>Low</i>
<i>Global Portfolio Solution – Balanced</i>	<i>Medium</i>
<i>Global Portfolio Solution – Defensive</i>	<i>Medium</i>
<i>Global Portfolio Solution – Growth</i>	<i>Medium</i>
<i>Global Portfolio Solution – Opportunity</i>	<i>Medium</i>
<i>Global Portfolio Solution – Stable</i>	<i>Medium</i>
<i>Global Sustainable Future</i>	<i>Low</i>
<i>Global Tactical Allocation</i>	<i>Medium</i>
<i>India</i>	<i>Medium</i>
<i>Japan</i>	<i>Medium</i>
<i>Multi Asset Inflation Strategy</i>	<i>Low</i>
<i>Nordic Corporate Bond</i>	<i>Low</i>
<i>Sustainable Emerging Markets Debt Hard Currency</i>	<i>Low</i>
<i>Sverige</i>	<i>Low</i>
<i>Sverige Beta</i>	<i>Low</i>
<i>Sverige Kort Ränta</i>	<i>Low</i>
<i>Sverige Ränta</i>	<i>Low</i>
<i>Sverige Småbolag</i>	<i>Medium</i>

The following description is removed from the sustainability risk descriptions:

~~Funds that have environmental and/or social characteristics (article 8 funds under SFDR) would usually be considered to have lower exposure to sustainability risks as a result of their investment strategy and processes. Notwithstanding a limited exposure to sustainability risk, those funds could underperform funds without such sustainability features due to a potential limited investment universe.~~

## **2.2 Update of SFDR Annexes**

The SFDR annexes forming part of the prospectus have been further revised to strengthen the existing disclosures and, among others, to implement the disclosure requirements of the new Commission Delegated Regulation (EU) 2023/363 of 31 October 2022 related to the disclosure of financial products' exposure to investments in nuclear energy and fossil gas activities.

### **2.3. Additional ESG exclusions**

To fulfil investors' demands it has been suggested to add the pornography to the list of investment exclusions applying to all the funds in the SICAV. For Europe Small Cap, the additional investment exclusions will include alcohol and gambling. Furthermore, all the funds except Danish Bond, Sverige Småbolag, Sverige Kort Ränta, Sverige Ränta, Aktiv Förmögenhetsförvaltning, Sverige Beta will adopt the list of exclusions defined by Norges Bank (called "Statens Pensjons Utland" – "SPU" exclusions).

### **2.4. Alignment with the EU Taxonomy Regulation**

Due to new regulatory requirements set out in the new Commission Delegated Regulation (EU) 2023/363 of 31 October 2022 related to the disclosure of financial products' exposure to investments in nuclear energy and fossil gas activities, the funds committing to make taxonomy-aligned investments have to disclose minimum exposures to fossil gas and nuclear energy. The funds currently committing to 1 % taxonomy alignment, do not have full visibility on how best to manage the related commitments for fossil gas and nuclear energy, hence the funds will choose not to commit to any taxonomy aligned investments at the current stage (i.e. 0 % of taxonomy alignment). Actual taxonomy alignment (including for fossil gas and nuclear energy) will be reported still in accordance with the applicable regulations.

## **3. Other changes**

### **3.1. Benchmark changes**

3.1.1. We propose to change the benchmark used in China fund for performance comparison purposes to that of MSCI China 10/40 Total Return Index. The sub-investment manager of the fund considers it to be more appropriate for this investment mandate since MSCI China 10/40 Total Return Index better reflects the portfolio of the fund. The proposed change is considered to be done in the best interest of shareholders.

3.1.2. We propose to change the benchmark SIX Portfolio Return Index for Sverige and Aktiv Förmögenhetsförvaltning funds to that of OMX Stockholm Benchmark ESG Responsible Capped Net Index. The current benchmark does not include any ESG exclusions and switching to the new benchmark will help to better align the strategies' current exclusions with the investment universe of the benchmark.

3.1.3. The benchmark of Sverige Ränta has increased in duration over time. As a result, to be able to continue serving our clients, there is a need to rephrase the duration limit bands in the prospectus to reflect the increase in duration in the benchmark in the following manner: "*the total duration, including cash, is the benchmark duration plus or minus 2 years*". The proposed change is considered to be done in the best interest of shareholders.

### **3.2. Sub sub-investment manager of Global Emerging Markets Small Cap**

The reference to abrdn Investments Limited, as the sub sub-investment manager for Global Emerging Markets Small Cap fund, has been added to the fund description of Global Emerging Markets Small Cap fund to evidence the existing delegation by abrdn Asia Limited.

### **3.3. Derivatives for investment purpose**

The Derivatives section of Danish Bond and Danish Mortgage Bond funds has been supplemented with the disclosure stating that the funds will be allowed to use derivatives for investment purposes. As a result, the fund may need to take short positions through derivatives. The proposed change will allow the investment manager to adjust portfolio duration within the funds' current limits. Please, note that main risk section of the fund

descriptions has been supplemented with an additional risk related to the use of derivatives. You may refer to Risk Descriptions section “Derivatives risk” for further information.

### **3.4. Investor profile**

The references in the investor profile sections of the fund descriptions of Global Portfolio Solution Balanced, Global Portfolio Solution Defensive and Global Portfolio Solution Stable master fund have been further revisited to align among the fund descriptions.

Investor profile description has been further amended for Global Portfolio Solution Stable master fund to state that the funds may appeal to investors who “*have a low medium risk profile and can bear moderate temporary losses*”.

### **3.5. Performance fee**

In the section Fund Fees and Costs the following has been further clarified in relation to the performance fee:

*“The first calculation period shall not be less than a full year. If a fund or share class that carries a performance fee is launched during the course of the year, its first calculation period will be from the launch date until the end of the following calendar year. The same is true for any existing fund or share class to which a performance fee is added”.*

### **3.6. Securities lending**

The funds of the SICAV do not anymore intend to engage in securities lending operations. As a result of this, the references to securities lending in the prospectus have been removed.

### **3.7. Board of directors**

There have been changes to the board of directors of the Management Company, which are further displayed under the section of the prospectus “Directors of the Management Company”.

### **3.8. Global Index fund**

The disclosure regarding the tracking error in the fund description of Global Index fund has been enhanced and shall read as follows: “*Tracking error is anticipated to be less than 1.00%, however it could be higher as the index may include stocks that are restricted from the fund’s investment universe*”.

### **3.9. Depositary and Paying Agent**

Following the acquisition of RBC Investor Services Bank A.S. by CACEIS and subsequent rebranding that has taken effect on 3 July 2023, the section Depositary and Principal Paying Agent has been restated accordingly. The same Depositary and Paying Agent agreement dated 14 July 2016 as entered into with RBC Investor Services Bank A.S. will continue governing the relationship between the SICAV and CACEIS Investor Services Bank AS and little to no impact on services to the SICAV is foreseen.

## **4. Practical considerations**

The above changes, except as mentioned below, take effect once the prospectus has been visa-stamped by the CSSF or any later date as may be decided by the Board.

The changes related to the reclassification of Europe Long-Short Equity Factors as well the changes under the sections 2.3, 2.4, 3.1 and 3.3 take effect on 6 November 2023.

The shareholders who disagree with the proposed changes may request, until this date subject to terms set out in the prospectus, the full redemption or conversion of their holdings into any other fund within the SICAV free of redemption or conversion charges. This right is vested in with the investors of all the funds, *except Global Alternative Opportunities fund*. Both the prospectus as well as the relevant PRIIPs KIDs will be made available online at [danskeinvest.com](https://danskeinvest.com) and free of charge at the registered office of the SICAV.

Yours faithfully,

The Board of Directors of  
**Danske Invest SICAV**  
13, rue Edward Steichen  
L-2540 Luxembourg