

## Danske Invest SICAV-SIF

Société d'Investissement à Capital Variable - fonds d'investissement spécialisé  
13, rue Edward Steichen, L-2540 Luxembourg  
R.C.S. Luxembourg: B 50991

### NOTICE TO SHAREHOLDERS

Luxembourg, 10 November 2021

Dear Shareholders,

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

#### *A. Main changes to the general part of the prospectus*

- Some amendments shall be made to the presentation of the Responsible Investment Policy section of the SICAV prospectus, as shown in the Annex I to this notice.
- The table listing the investment restrictions under section "Investment Restrictions" of the SICAV prospectus shall be updated, as shown in the Annex I to this notice.
- A table shall be introduced under the section "Funds promoting environmental and/or social characteristics or meeting sustainable investment objectives" of the SICAV prospectus, listing the promoted characteristics per fund, as shown in the Annex I to this notice.
- The performance fee methodology shall be amended in accordance with CSSF Circular 20/764 regarding guidelines on performance fees in UCITS and certain types of AIFs, ESMA Guidelines on performance fees in UCITS and certain types of AIFs and ESMA "Questions and Answers" regarding the application of the UCITS Directive. The changes also encompass the introduction of the Euro short-term rate as the new EUR hurdle rate as the current one, the EURO Overnight Index Average, will be discontinued by its administrator. The description in the prospectus shall include examples to illustrate how the methodology is applied, which shall be as follows:

*"General description A performance fee is charged only on certain funds and share classes as disclosed in "Fund Descriptions" only when a share class of a fund outperforms its hurdle rate, a measure of relevant market performance, as shown below:*

Share class currency	Hurdle rate (HR)	Bloomberg ticker	HR administrator ESMA registered
CHF	Swiss Average Rate Overnight	SSARON	Yes
DKK	Tomorrow/Next Interest Rate	DETNT/N	Yes
EUR	Euro short-term rate	ESTRON	N/A
NOK	Norwegian Overnight Weighted Average Rate	NOWA	N/A
SEK	Stockholm Interbank Offered Rate Tomorrow/Next	STIBID	No
USD	US Federal Funds effective rate	FEDLO1	No

*The performance fee calculation method is designed so that no fee will be paid merely to earn back performance that was previously lost. As with most types of performance fees, however, it is possible that an investor could end up paying a performance fee even though the fund's actual performance is negative. This would occur, for example, if an investor held shares during a period when the fund's value declined, but less than the fund's hurdle rate.*

*The performance reference period is equal to the whole life of the fund. The performance fee is calculated and accrued daily. The crystallisation date, being the date when the performance fee becomes payable, is set on the last valuation date of each calendar year. A performance fee also crystallises when any fund or share class is merged, liquidated, or redeemed.*

*If, on the crystallisation date, the fund has overperformed the hurdle rate and there is a positive accrual of performance fee, it will be paid to the management company. On the contrary, if, on the crystallisation date, the fund has underperformed the hurdle rate, no performance fee is accrued and no performance fee is payable, and the calculation period is extended to the next calendar year. In this way, compensation of negative performances is ensured.*

*If a fund or share class that carries a performance fee is launched, its first calculation period will be from the launch date until the end of the calendar year. The same is true for any existing fund or share class to which a performance fee is added.*

**How the fee is calculated** *At the beginning of the first business day of a calculation period, and as soon as a performance fee is crystallised at the end of the calculation period, the accrued fee is zero and the respective values of the relevant NAV and hurdle rate are defined as the zero point for the period's performance fee calculations.*

*On every day that is a business day for a fund, the performance of the applicable hurdle rate is subtracted from the fund or share class performance. A positive result indicates outperformance, a negative number underperformance.*

*The results from these calculations accrue over the calculation period. When the accruals result in net outperformance for the period to date, they are factored into NAV. When the accruals result in net underperformance for the period to date, no performance fee is factored into NAV, but the accrual calculations continue, meaning that no performance fee can be earned during that calculation period until the accrued underperformance is overcome.*

*The performance fee amount per share is the performance fee percentage stated in "Fund Descriptions" multiplied by the amount of outperformance.*

*The performance fee is payable only if the performance of the share class exceeds the NAV previously attained when a performance fee was crystallised at the end of the calculation period, or if it exceeds the NAV at inception, if no performance fee has been paid.*

*This highest NAV, referred as high watermark, is adjusted for the movements in the respective hurdle rate and takes into account the subscriptions, redemptions or distributions effects. The calculation method is designed to account for the actual investment performance of the fund and not for NAV increases resulting from new subscriptions. Furthermore, swing pricing or other adjustments intended to mitigate the effects of transaction volumes or costs are not counted in the performance fee calculation.*

*In cases where the hurdle rate is negative, the hurdle rate is defined as zero for the purposes of the calculation of the performance fee.*

*Because different share classes of a given fund may have different NAVs, the actual performance fees paid may vary by share class."*

- The Sustainability Risk factor is amended in the Risk Factors section of the prospectus as follows, where it incorporates elements previously appearing under the Responsible Investment Policy section of the prospectus:

**"Sustainability risk** *An environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment.*

*The probability of sustainability risks and the extent to which they impact the returns of a fund depend on several factors. 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 a fund:*

- sustainability risks are often complex, multidisciplinary and interlinked, which can make it difficult to assess in their entirety
- sustainability risks are usually difficult to quantify and are long-term in nature, and the probability of materialisation also depends on the investor's time horizon
- sustainability risks, such as risks stemming from changes in physical climate, political action, societal expectation, consumer demand or technological development, can be driven by megatrends that are large in scope and magnitude or occur at an unanticipated pace, which may not be reflected to a full extent when investment decisions are made
- a lack of ESG comprehensive or standardized data can make it difficult to uncover all sustainability risks or to base investment decisions on faulty grounds
- sustainability risk assessments can be inaccurate, which may cause the fund to buy investments that are exposed to greater sustainability risks than anticipated, or to miss investment opportunities, or to buy or sell investments at a sub-optimal time
- impact of sustainability risks can increase in magnitude in combination with other risks, especially in relation with market, credit, liquidity, emerging and frontier markets, active management, concentration and tax risks

*Funds that have environmental and/or social characteristics (article 8 funds under SFDR) or have a sustainable investment objective (article 9 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."*

## **B. Fund changes**

- For all funds classified as article 6 funds under SFDR, the following updates shall be made in the Appendix relating to the funds:

***“SFDR classification*** *The fund is categorised as article 6 under SFDR. The fund follows Danske Invest’s responsible investment policy.*

*For more information about Danske Invest’s responsible investment policy, including the sustainability risk integration, see section 2.7. “Responsible Investment Policy”.*

*The fund’s investments do not take into account the EU criteria for environmentally sustainable economic activities.”*

- For all funds classified as article 8 funds under SFDR, the following updates shall be made in the Appendix relating to the funds:

***“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, restrictions, 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 section 2.7. “Responsible Investment Policy”.*
  - *the fund’s environmental and/or social characteristics, see page XX.”*
- For all funds classified as article 8 under SFDR, the SICAV prospectus shall be updated to incorporate fund specific annexes including information related to the draft Regulatory Technical Standards on ESG Disclosures.
- For all funds an “Investor profile” sub-section is introduced in the fund specific annexes to confirm that “the fund is designed for well-informed investors, who understand the risks of the fund and plan to invest for at least for X years.”

### ***C. Other Funds specific changes***

The funds specific changes that are detailed below take effect on 10 December 2021 or any later date as may be decided by the Board. Shareholders in the funds listed below that are not in agreement with the contemplated changes may request, until the cut-off time for each fund (stated in the fund descriptions in the prospectus) on 9 December 2021, the full redemption or conversion of their holdings into any other fund within the SICAV free of redemption/conversion charges. This right is vested in with the investors of the following funds, which corresponding ISIN codes are listed under Annex II:

- All the funds below, which performance fee methodology is amended, as described above under *A. Main changes to the general part of the prospectus*:
  - **Emerging and Frontier Markets SMID;**
  - **Fixed Income Global Value;**
  - **Global Cross Asset Volatility.**
  
- All the funds below shall be reclassified from article 6 funds to SFDR article 8 funds under SFDR:
  - **Alternatives – Defensive;**
  - **Alternatives – Offensive;**
  - **Emerging and Frontier Markets SMID;**
  - **Fixed Income Global Value.**

These funds have formalised the way environmental and social characteristics are promoted and/or sustainable investment objectives are achieved. These funds also consider the Principal Adverse Impact in their investment process.

Both the prospectus as well as the relevant Key Investor Information Documents (KIIDs) 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-SIF**  
13, rue Edward Steichen  
L-2540 Luxembourg

## Annex I

### *Responsible Investment Policy*

When investors entrust us with their assets and savings, it is our duty to serve their interests by providing investment solutions that deliver competitive and long-term performance. Our commitment to responsible investment is an integral part of this duty. Responsible investing entails making better-informed investment decisions, addressing sustainability issues, dilemmas, and risks, and influencing investee companies through active dialogue to contribute to a positive outcome.

All funds follow Danske Invest's responsible investment policy

### *Sustainability risk integration*

In accordance with the responsible investment policy, the funds incorporate sustainability risks alongside other risks when making investment decisions.

Incorporating sustainability risk into the investment process is part of our fiduciary duty to investors to identify the sustainability criteria, which may pose a risk and thereby affect financial performance of an investment. Based on ESG research and ESG data, sustainability risk factors are systematically identified and assessed by our investment teams alongside other risks.

For each fund, the investment universe is screened to identify sustainability risks associated with potential portfolio investments with reference to current regulations, industry's best practices, international norms and voluntary frameworks for corporate responsibility. Based on our assessment and company dialogue, we may from time to time decide to divest or restrict investments in a company, in a specific investment strategy or across multiple strategies.

### *Funds promoting environmental and/or social characteristics or meeting sustainable investment objectives*

In addition to the general principles of the responsible investment policy and to the integration of sustainability risks, some funds promote environmental and/or social characteristics (article 8 funds under SFDR), and/or may have a sustainable investment objective (article 9 funds under SFDR).

Sustainability-related aspects may then influence a decision to either buy or increase weighting, hold or maintain weighting, sell or decrease weighting, in order to promote the characteristics or attain the sustainable investment objective of the funds.

Environmental, social and sustainability performance of companies or issuers and good governance practices are promoted through engagement with companies, collaboration with other investors and voting at general meetings. This enable the funds to address higher standards of corporate governance and sustainability within areas such as emissions, energy, biodiversity, water, waste, social and employee matters, human rights as well as anti-corruption.

In addition, screening is used as a tool to identify companies that exhibit harmful environmental practices, by contributing, for example, to climate change, biodiversity loss or pollution, or companies that display inadequate social practices on human rights issues or labour standards.

The extent to which the environmental and social characteristics of the funds are promoted and/or the sustainable investment objective is attained is monitored on a regular basis and is reported in the fund periodic reports. Furthermore, active ownership activities and restrictions are disclosed on the website.

See the below table outlining how the responsible investment processes are applied to each fund.

For further information about the data sources and methodologies used, go to [danskeinvest.com](https://danskeinvest.com).

		Alternatives - Defensive	Alternatives - Offensive	Emerging and Frontier Markets SMID	Fixed Income Global Value
Sound sustainability practices				•	
Sound environmental stewardship				•	
Enhanced sustainability standards		•	•	•	•
Non-ethical / controversial activity reduction		•	•	•	•
Climate impact reduction		•	•	•	
Engagement	Investee companies' impact on sustainability matters	•	•	•	•
Voting				•	
Finance the sustainability transition					•

*Investment restrictions*

The table below outlines the investment restrictions in place for the funds based on the responsible investment policy as well as on investor's ethical and sustainability needs.

If a restriction is mentioned for a fund, companies and/or issuers involved in the restriction category are excluded from the investment universe of the fund. If not, companies and/or issuers in scope of this restriction category may be included depending on the defined investment universe and the portfolio manager's discretion.

For further information on the investment restriction definitions, activities, criteria and threshold employed by Danske Bank, go to [danskeinvest.com](https://www.danskeinvest.com).

		Alternatives - Defensive	Alternatives - Offensive	Emerging and Frontier Markets SMID	Fixed Income Global Value
Enhanced Sustainability Standards	Non-ethical/controversial activity reduction	•	•	•	•
Alcohol					
Controversial weapons		•	•	•	•
Gambling					
Military equipment					
Pornography					

		Alternatives - Defensive	Alternatives - Offensive	Emerging and Frontier Markets SMID	Fixed Income Global Value
Tobacco		•	•	•	•
Fossil fuels	Climate impact reduction				
Peat-fired power generation		•	•	•	•
Tar sands		•	•	•	•
Thermal coal		•	•	•	•

## Annex II

Fund name	Share class name	ISIN code
Alternatives - Defensive	Alternatives - Defensive Class C d	LU1295245374
Alternatives - Defensive	Alternatives - Defensive Class W d	LU1611440295
Alternatives - Offensive	Alternatives - Offensive Class C d	LU1295245614
Alternatives - Offensive	Alternatives - Offensive Class W d	LU1611440378
Emerging And Frontier Markets SMID	Emerging and Frontier Markets SMID Class D	LU0861987385
Emerging And Frontier Markets SMID	Emerging and Frontier Markets SMID Class D p	LU0861989597
Emerging And Frontier Markets SMID	Emerging and Frontier Markets SMID Class D d	LU0861988607
Emerging And Frontier Markets SMID	Emerging and Frontier Markets SMID Class W	LU1611439875
Emerging And Frontier Markets SMID	Emerging and Frontier Markets SMID Class B	LU0861986908
Emerging And Frontier Markets SMID	Emerging and Frontier Markets SMID Class A p	LU0861986734
Fixed Income Global Value	Fixed Income Global Value Class C p	LU1807294290
Fixed Income Global Value	Fixed Income Global Value Class C-sek hp	LU1807294613
Fixed Income Global Value	Fixed Income Global Value Class W p	LU1807295008
Global Cross Asset Volatility	Global Cross Asset Volatility Class C p	LU1807292328
Global Cross Asset Volatility	Global Cross Asset Volatility Class C-sek hp	LU1807292831
Global Cross Asset Volatility	Global Cross Asset Volatility Class W p	LU1807293219