

March 10, 2021



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INTRODUCTION

In accordance with Chapter 4, Section 15 of the Swedish Investment Funds Act (2004:46), a current full prospectus of the fund and its operation shall be maintained in respect of each investment fund. This document constitutes the full prospectus of Tundra Fonder AB's fund. It has been prepared in accordance with the Investment Funds Act and the regulations of the Swedish Financial Supervisory Authority (Finansinspektionen).

It is the duty of any party interested in investing in the above-named fund to ensure that the investment takes place in accordance with applicable legislation and other regulations. Foreign law may prevent investment by investors outside Sweden. The Fund Company, Tundra Fonder AB, has absolutely no responsibility to check whether an investment from abroad is made in accordance with the law of that country. Disputes or claims related to the fund shall be settled in accordance with Swedish law and exclusively by a Swedish court.

There is no guarantee that an investment in the fund will not lead to losses. This is the case even if the performance of the financial markets is otherwise positive. Historical returns are no guarantee of future returns. Money invested in a fund may both increase or decrease in value and there is no certainty that an investor in a fund will retrieve all capital invested. This is a translated copy from the Swedish original. If any conflict occurs in the translation the Swedish version will prevail. This full prospectus should not be regarded as a recommendation to buy units in fund. It is the responsibility of each individual wishing to acquire units to conduct their own assessment of an investment in the fund, and of the associated risks.

REMUNERATION POLICY

Tundra Fonder AB's Board of Directors has adopted a remuneration policy to discourage excessive risk-taking. The Company must consider when planning the strategy and business objectives that the issues are consistent with the company's values and interests. The Company's Auditor shall annually control that the Company's remuneration system complies with the remuneration policy. The results of the review shall be reported directly to the Board. The Company's remuneration policies are revaluated annually or more frequently if deemed necessary. Risk-takers are associated with risk-taking functions. 20% of the Company's pre-tax profit is set aside for a bonus pool. Individual employees are allocated portions of this pool depending on their individual performance. The Company has established a remuneration committee with the task of preparing decisions related to remuneration related issues for the board. Information on the Company's remuneration policy is available on the Company's website. The information can also be obtained on request free of charge.

INFORMATION ABOUT THE FUND COMPANY

The fund is managed by Tundra Fonder AB (the Fund Company). The Fund Company, a limited liability company, was formed in 2011 and has a share capital of SEK 2 968 790. The company has its registered office in Stockholm at:

Birger Jarlsgatan 33
111 45 Stockholm
Sweden

Telephone: +46 8 551 145 70
Fax: +46 8 551 145 71
Email: info@tundrafonder.se
Web site: www.tundrafonder.se
Corporate registration number: 556838-6303

The Fund Company is regulated by the Swedish Financial Supervisory Authority (Finansinspektionen). Authorisation to conduct fund operations in accordance with the Swedish Investment Funds Act was granted by Finansinspektionen on September 2, 2011. November 6 2015, the Swedish Financial Supervisory Authority granted the Fund Company the right to provide discretionary portfolio management services and June 29 2018 the regulator granted the right to manage alternative investment funds.

BOARD OF DIRECTORS

Göran Lindholm (Chairman): Chairman of Vindax AB and Leovind AB .Board member of Roderinnovation AB. Previously Chairman of Ålandsbanken and Ålands Ömsesidiga Försäkringsbolag.

Mattias Martinsson: Previously Head of Department H&Q Emerging Markets and founder of Väring Capital. Deputy CEO and CIO Tundra Fonder AB.

Erik Saers: Previously Deputy Director General Finansinspektionen and President Avanza Fondkommission and Aktieinvest Fondkommission AB. In addition, experience from board roles in several financial companies, foundations and municipality entities. Chairman of Skuldhjälp Sverige AB and Board member of Deponova AB, Aktieinvest FK AB, and Ackordscentralen.

Cecilia Seddigh: Founder and Chairwoman of Nouxtec AB and Board member in Styrelsekraft Alumni Stockholm. She has more than two decades of experience from international asset management and insurance groups including Skandia and Odin Fonder as well as Board member positions with Swesif and UpHigh AB.

SENIOR EXECUTIVES

Antonia Gibson, CEO



Mattias Martinsson, Deputy CEO/CIO
Simon Norenus, COO

AUDITORS

Registered accounting company PwC has been appointed as the auditor. Authorised public accountant Anders Carlson has been appointed as the lead auditor.

ENGAGEMENT OF THIRD PARTIES

The Fund Company has engaged a number of third-party companies regarding several important functions. These third parties are described in more detail at the Fund Company's webpage.

FUND ADMINISTRATION

The Fund Company has entered into an agreement with ISEC Outsourcing AB for its fund operational activities such as fund administration and fund accounting.

ACCOUNTING

The Fund Company has entered into an agreement with Fortner AB for the Fund Company's accounting and payroll administration.

RISK MANAGEMENT

The Fund Company has entered into an agreement with ISEC Outsourcing AB to act as the fund's independent risk function.

INTERNAL AUDIT

The Fund Company has entered into an agreement with Lüscher & Co Revision AB for the independent internal audit of the company's operations.

COMPLIANCE

The Fund Company has entered into an agreement with FCG Risk & Compliance AB to maintain the compliance function and to act as the company's Compliance Officer.

IT

The Fund Company has entered into an agreement with VMI AB for the company's IT maintenance and support.

CUSTODY

The Fund Company has entered into an agreement with Skandinaviska Enskilda Banken AB (publ) (SEB), a public limited liability bank company, to act as the custodian. SEB has its headquarters in Stockholm.

The custodian shall safekeep fund assets and execute the Fund Company's instructions in the respect of the fund. The

custodian shall ensure that the Fund Company's instructions, including subscriptions and redemptions of fund units and calculation of the NAV, comply with regulations and the fund rules. The custodian should act independently of the Fund Company and solely in the interest of the unitholders.

The custodian has subcontracted the safekeeping of securities in jurisdictions outside Sweden to local custodians according to the table below. The subcontracting has been done in accordance with Swedish Investment Funds Act (2004:46) Chapter 3 Section 13.

Jurisdiction	Local custodian
Argentina	Citibank
Bangladesh	Standard Chartered Bank
Botswana	Standard Chartered Bank
Egypt	Citibank
Ivory Coast	Brown Brothers Harriman & Co
Kenya	Standard Chartered Bank
Morocco	Citibank
Mauritius	Standard Chartered Bank
Namibia	Brown Brothers Harriman & Co
Nigeria	Brown Brothers Harriman & Co
Pakistan	Citibank
Romania	Unicredit Tiriatic Bank
South Africa	First Rand Bank
Sri Lanka	HSBC
USA	Brown Brothers Harriman & Co
Zambia	Standard Chartered Bank

In addition, Euroclear may be subcontracted for certain jurisdictions. Information about the custodian will be provided by the Fund Company upon request.

Conflicts of interests might arise in the relation between the Fund Company, its clients and the custodian as the custodian might disregard its responsibility as a safe keeper acting on behalf of the unitholders in order to maintain a good relation with the Fund Company. This conflict of interest is managed through the custodian having well-defined internal procedures and by separating the custodian function from other departments within the bank. The custodian has due to UCITS V a responsibility to



report to the Swedish FSA in case of a Fund Company abusing its position or erroneous acts are found.

UNITHOLDER REGISTER

The Fund Company maintains a register of the holdings of all unitholders in the fund. Unitholders' holding are specified on their annual statements.

FUNDS MANAGED BY THE FUND COMPANY (UCITS COMPLIANT)

- Tundra Sustainable Frontier Fund

TUNDRA SUSTAINABLE FRONTIER FUND

The fund is an equity fund with particular emphasis in emerging markets and frontier markets. The Fund Company's management of the fund is intended to generate financial exposure to the economic development in emerging and frontier markets. The investment focus is global and diversified and thus not limited to any particular industry. The aim of the fund is to provide the unitholders with a maximum long-term return on their invested capital.

At least 80% of the net asset value of the fund must be invested in equities and equity-related transferable securities issued by companies that have their registered office in emerging markets and/or frontier markets, or conduct their principal operating activities in emerging markets and/or frontier markets. Up to 20% of the net asset value of the fund may be invested in equities and equity-related transferable securities issued by companies classified by MSCI as developed markets. Emerging markets and frontier markets are defined as countries not classified by MSCI as developed markets. Notwithstanding the above restrictions the fund may always hold the cash and cash equivalent necessary to conduct management of the fund, but to a maximum of 20% of the net asset value of the fund. The fund's assets may be invested in transferable securities, money-market instruments, fund units, derivative instruments (including OTC derivatives) and accounts with credit institutions.

The fund follows the specific sustainability-related criteria in their investments. The criteria are based on international standards of human rights, labor, environment and corruption. This means that the fund invests in companies that conduct their business in accordance with these standards. Furthermore, the fund refrain from investing in companies with more than 5% of the company's turnover that comes from production and/or distribution of alcoholic beverages or distribution of weapons, tobacco, commercial gambling and pornography. The fund does not invest in companies producing or distributing controversial weapons or are involved in tobacco or pornography production. The fund may invest in derivative instruments, including those

OTC derivatives set out in the 5:12 second paragraph LVF, as part of its investment strategy and in such transferable securities and money market instruments referred to in 5:5 LVF.

Risk profile

Investing in equities always involves a market risk as share prices vary. This risk is reduced in a fund as a result of the fund owning several shares (diversification) whose prices do not demonstrate exactly the same variations. Since the fund invests a significant proportion of its assets in currencies other than the Swedish krona, the fund is also affected by exchange rate fluctuations. The fund may both increase and decrease in value and there is no certainty that a unitholder will retrieve the entire amount invested. The fund may, to a limited degree, use derivatives, principally to manage large short-term inflows and outflows.

Capital gains taxation in Pakistan

With current legislation, Pakistan is charging a capital gains tax on short-term trading. From July 1, 2017 the following capital gains taxation rules apply:

- For holdings acquired before July 1, 2016 capital gains tax is 15% on share gains for holdings held for a shorter period than 12 months, 12.5% for holdings held 12-24 months and 7.5% for holdings held 24-48 months. For holdings held for more than 48 months, the tax is 0% if acquired before July 1, 2012, otherwise 7.5%. The tax is calculated according to current legislation per holding according to FIFO (first-in first-out method).
- For holdings acquired after July 1, 2016 a 15% flat capital gains tax on all positions are applicable. The Fund Company has contracted KPMG in Pakistan as tax consultant and will calculate and reserve daily for deferred and realized tax in the fund jointly. This means that unitholders may not pay local Pakistani tax despite the fact that their unit value has risen, and unitholders may pay local Pakistani tax even though their unit value has decreased. It may also mean that previously reserved taxes are returned to the fund without change in underlying holdings. Since the introduction, as of July 1, 2010, the tax has been revised on several occasions and may change again in the future, which implies a further risk.

SUBSCRIPTION AND REDEMPTION OF FUND UNITS

Application to subscribe and redeem fund units can be made on any banking day through the Fund Company. Application for subscription and redemption should be made in writing not later than 14:30 CET (cut-off).



SUBSCRIPTION AND REDEMPTION DATE TUNDRA SUSTAINABLE FRONTIER FUND

The subscription date for Tundra Sustainable Frontier Fund is the day of the subscription request and on the day when cash settlement is received into the fund's bank account before cut-off. The redemption date for Tundra Sustainable Frontier Fund is the day on which the redemption request is received by the Fund Company before cut-off.

It is not possible to limit the subscription price for fund units when applying for subscription. Subscription takes place at a price unknown to the unitholder at the time of request.

It is not possible to limit the redemption price when applying for redemption. Redemption takes place at a price that is unknown at the time of request.

Fund units will be redeemed on the redemption date provided that cash is available in the fund. If this is not the case, funds will be made available through sale of the fund's assets, and redemption will be made as soon as possible. If such redemption would be materially detrimental to the interests of other unitholders, the Fund Company will notify the Swedish Financial Supervisory Authority. Information about the latest price for fund units can be obtained from the Fund Company. Prices are also published on the Fund Management Company's website: www.tundrafonder.se.

NAV

The Fund Company follows Swedish Investment Fund Association's recommendations in how to handle inaccuracies in fixed NAV. Exceeding the limits, NAV will be corrected and the unitholders will be compensated. Below chart shows the volatility limits for each KIID category and how large the error must be in order to be deemed material.

KIID category	Volatility ≥ (%)	Volatility < (%)	Limits error (% NAV)
1-2	0	2	≥0.1
3	2	5	≥0.2
4	5	10	≥0.3
5-7	10	-	≥0.5

FEES

Fees shall be paid from the fund's assets to the Fund Company for its management. Custody, supervision and audit are included in the fee. The fee is stated as a percent of the market value of the fund units. The fee is calculated

on each banking day and is payable in arrears per the last banking day of each month.

CURRENT FEES

The current fees in the Tundra Sustainable Frontier Fund are:

- Management fee:
 - 1.25%: Tundra Sustainable Frontier Fund share classes I, L O, P, Q, R and S.
 - 1.50%: Tundra Sustainable Frontier Fund share classes H, K and N.
 - 1.75%: Tundra Sustainable Frontier Fund share classes G, J and M.
- 2.5% for the other share classes.
- Subscription fee: 0%

MAXIMUM FEES

Below are the maximum fees (including expenses for custody, supervision and audit) in accordance with the statutes for the Tundra Sustainable Frontier Fund:

- Management fee:
 - G, J and M: 1.75%
 - H, K, N, P, Q, R and S: 1.50%
 - I, L and O: 1.25%
 - Other share classes: 3.0%
- Subscription fee: 5.0%

EXTRAORDINARY CIRCUMSTANCES

The fund may be closed for entry and exit in those cases where extreme circumstances have arisen whereby a valuation of a fund's assets cannot be conducted in a manner that assures the equal right of the unitholders.

TAX RULES FOR THE FUND

A Swedish investment fund is not tax liable for income from assets included in the fund but is subject to taxation on dividends from foreign equity holdings. Unitholders are however subject to taxation in Sweden through a notional income reported to the Swedish tax authorities as a statement of income and taxation, which is included in the self-assessment return. The basis for the notional income is the value of the unitholder's holding at the start of the calendar year. The notional income amounts to 0.4% of the basis amount. For natural persons the notional income is listed under the income tax schedule for capital. Capital gains and capital losses are taxed differently depending on which type of fund the gain or loss stems from. What is stated above applies to natural persons. For legal entities and non-Swedish unitholders other rules apply which is also the case for investments through ISK and endowment



insurances. The tax situation may be affected by the individual unitholder's circumstances.

CHANGES TO THE FUND RULES

Changes to fund rules of the fund managed by the Fund Company must be adopted by the Fund Company's board of directors. The changes must be submitted to the Swedish Financial Supervisory Authority for approval. Following approval by the Swedish Financial Supervisory Authority, the ruling shall be made available by the Fund Company and by the custodian. Unitholders shall also be made aware in the manner determined by the Swedish Financial Supervisory Authority. Changes may affect the investment strategies of the fund, risk profile and the structure of fees and charges.

LIABILITY FOR DAMAGES

The Fund Company shall compensate unitholders for loss arising as a consequence of violation by the Fund Company with reference to the Swedish Investment Funds Act (SFS 2004:46) or with reference to the fund rules of the fund. The liability for damages of the Fund Company is governed under Chapter 2, Section 21 of the Investment Funds Act. The liability of the fund management company and the custodian is also governed by the fund rules for the fund (see § 16 of the fund rules for the fund).

DISTRIBUTION

The Fund Company has entered into agreements with distributors to sell and market the Fund Company's fund.

MARKETING AND DISTRIBUTION IN OTHER COUNTRIES

The Fund Company has entered into distribution agreements in several EES countries with regards to distribution of the Company's fund. The Swedish Financial Supervisory Authority has been notified about these distribution agreements. The countries are stated below as well as the entities which represent the Company in these countries in order to ensure that payments can be done to unitholders, that redemptions can be done and that information documents are made available.

- Finland: Nordnet Bank AB
- Norway: Nordnet Bank AB; payments can also be done through SEB Norway

In addition to these EES countries, the Company's fund is offered in several other countries.

TRANSFER OR CESSATION OF THE FUNDS

If the Swedish Financial Supervisory Authority withdraws the Fund Company's license to conduct fund operations, or

if the Fund Company goes into compulsory or voluntary liquidation or wishes to stop managing a fund, the management of the fund will immediately be taken over by the custodian. The custodian must then transfer the management to another management company approved by the Swedish Financial Supervisory Authority. Otherwise, the fund must be dissolved through its assets being sold and the net proceeds being distributed to the unitholders. This has to be published in Post- och Inrikes Tidningar and be made available at the Fund Company and the custodian, unless the Swedish Financial Supervisory Authority grants an exemption in the individual case.

During the period that the fund is managed by the custodian institution sales and redemptions of fund units will not be possible.

TARGET GROUP

Tundra Fonder AB targets individuals, corporations and institutions. The fund may be unsuitable for investors with a shorter investment horizon than five years.

RISK MEASUREMENT METHOD

Risk exposure in the fund is measured by the commitment approach.

NOTE ON UNLISTED HOLDINGS

Since the Fund may invest in securities that are restricted, unlisted, traded infrequently, thinly traded, or relatively illiquid, there is the possibility of a differential between the last available market prices for one or more of those securities and the latest indications of market values for those securities. The Fund have procedures, approved by the Board of Directors of the Company, to determine the fair value of individual securities and other assets for which market prices are not readily available (such as certain restricted or unlisted securities and private placements) or which may not be reliably priced. Some methods for valuing these securities may include: fundamental analysis (discounted cash flow etc), sum-of-the-parts and market prices derived from similar transactions. The application of fair value pricing procedures represents a good faith determination based upon specifically applied procedures. There can be no assurance that the Fund could obtain the fair value assigned to a security if they were able to sell the security at approximately the time at which the Fund determine its NAV. There is also a probability that the fair value assigned to these securities significantly underestimates the actual value of these securities.

In accordance with the UCITS regulation, the Fund may invest up to 10% in unlisted securities if these are to be listed within 12 months. Historically, a limited number of such investments have been carried out on behalf of some



of the fund. Since 2018 however, no additional investments are made in unlisted securities. If unlisted securities are not listed within 12 months, the Fund should divest the securities in a way beneficial to the unitholders. Due to the nature of unlisted holdings, the process of selling those securities may be prolonged for a significant time.

Tundra Sustainable Frontier Fund held one position, **Daewoo Express**, as of December 31st 2019 whose listings/divestments has been delayed beyond the 12-month stipulated time period due to reasons outside the fund's control. The portfolio weight of this holding constituted 0.04 of the fund's net assets. Negotiations for divestment are ongoing but there are risks of significant further delays until the assets are either sold or listed. The Fund Company has gradually reduced the assigned valuation of the holding as repeated delays indicated the chances of a successful listing or divestment has gradually decreased.

It should in particular be highlighted that there are several layers of uncertainties. Even an agreed transaction between two parties could mean the realized value might not be possible to repatriate since Central bank approval of repatriation is needed and it is not certain that such approval is given. This risk has during 2018 increased significantly given significant strains on Pakistan's foreign currency reserves experienced during 2018. In addition, it is further not unusual to see a transaction being contested within the Pakistani court system, sometimes due to legitimate concerns by a third party whose rights might be affected, sometimes as a form of blackmail. The structure of the Pakistani court system is such that even a perfectly legitimate transaction, through stay orders, can be delayed for several years and ultimately fail as a result of third-party intervention. Such delays can meanwhile impact the financial viability of the company for example through non-availability of credits etc, which might eventually mean assumptions of financial forecasts are incorrect. These layers of uncertainty mean that absolute certainty of what value will be realized can only be achieved once funds are repatriated. Should the transaction be successful or should the company become listed it could however result in a positive one-time effect on the NAV of the fund. All factors taken into consideration, including best efforts of assuring an as correct valuation at all times, it is possible that the unit price of the fund at some point during the next 12 months may experience a one-time impacts where the downside could be maximal the assigned valuation and the upside could be potentially even higher.

We thus caution investors to take this into consideration before buying or selling fund units. As soon as the transaction is concluded we will update on our website and in the monthly comments. It should also be emphasized that the weight in the NAV and hence also the impact on the NAV as a result of any future transaction or listing

depends on the assets under management in the Fund and any future major redemption from the Fund may escalate the impact in a substantial manner.

Daewoo Express is the largest and one of the few organized transportation companies in Pakistan. The company offers intra city services as well as long distance transportation throughout Pakistan. More information about the company: www.daewoo.com.pk

There is a small holding of an unlisted real estate company, **An Phu**, in the Tundra Sustainable Frontier Fund which was obtained through a dividend in a previous holding. It is thus not an active purchase.



PERFORMANCE

Fund	2012	2013	2014	2015	2016	2017	2018	2019
Tundra Sustainable Frontier Fund		Inception	28.95%	-4.51%	14.55%	13.50%	-8.43%	6.42%
MSCI FM xGCC Net Total Return Index ¹			17.33%	-6.83%	10.61%	24.28%	-16.85%	12.95%

¹ MSCI INT FM EX GCC N up until 2017-11-05, MSCI FM xGCC IMI Net Total Return Index 2017-11-06 – 2019-04-30. MSCI FM xGCC Net Total Return Index after this.

ACTIVE MANAGEMENT

TUNDRA SUSTAINABLE FRONTIER FUND

The Fund Management Company applies an active approach in the management of the fund. The management performance is benchmarked against MSCI Frontier Markets x GCC Net Total Return Index. The Fund Management Company is of the view that this index in a relevant way reflects the market return of the fund's investment universe. The activity level of the fund measured as Tracking Error amounted to 11.72% in 2019. The active management approach manifests itself in the portfolio managers primarily investing in companies based on their estimated ability to contribute to a higher risk adjusted return than the benchmark rather than based on companies' benchmark weights. As a result, the fund has for instance had an overweight in small and midcap companies. Several of the biggest benchmark constituents are hence neither represented in the fund. Transactions in the fund are carried out to ensure the allocation determined by the management. The turnover rate will thus vary based on market fluctuations and decisions on adjustments in the portfolio.

The fund has historically also not invested in the Middle East, a majority of the Central and Eastern European markets or companies active within the alcohol, commercial gambling, pornography, tobacco, GMO and weapons industries or companies involved in extraction or production where fossil fuels constitute the main part. Tracking error¹ for the past ten years:

	2011	2012	2013	2014	2015	2016	2017	2018	2019
Tundra Sustainable Frontier A (SEK) Inception date: 2013-04-02	-	-	Not applicable, the share class was incepted within 24 months.	Not applicable, the share class was incepted within 24 months.	8,21	8,67	8,28	8,28	11,72
Tundra Sustainable Frontier C (EUR) Inception date: 2013-06-12	-	-	Not applicable, the share class was incepted within 24 months.	Not applicable, the share class was incepted within 24 months.	8,24	8,67	8,17	8,87	11,86
Tundra Sustainable Frontier D (USD) Inception date: 2015-04-10	-	-	-	-	Not applicable, the share class was incepted within 24 months.	Not applicable, the share class was incepted within 24 months.	9,29	8,27	11,78
Tundra Sustainable Frontier E (NOK) Inception date: 2017-01-05	-	-	-	-	-	-	Not applicable, the share class was incepted within 24 months.	Not applicable, the share class was incepted within 24 months.	11,63
Tundra Sustainable Frontier F (EUR) Inception date: 2015-10-16	-	-	-	-	Not applicable, the share class was incepted within 24 months.	Not applicable, the share class was incepted within 24 months.	8,17	7,85	12,37



FUND RULES TUNDRA SUSTAINABLE FRONTIER FUND

§ 1. THE NAME OF THE FUND AND ITS LEGAL POSITION

The name of the fund is the Tundra Sustainable Frontier Fund, hereinafter referred to as the "Fund". Business is conducted pursuant to the Swedish Act on Investment Funds (2004:46), hereinafter referred to as the "LVF", these Fund Rules, the Articles of Association of the Fund Management Company and those regulations otherwise issued in accordance with laws and statutes.

The Fund is a securities fund pursuant to the LVF and is intended for the general public. The Fund is not a legal entity and may therefore not be brought before a court. The assets of the Fund are owned jointly by the fund unitholders. The Fund may neither acquire rights nor assume obligations. Assets included in the fund may not be subject to distraint and the fund unitholders are not responsible for the fund's obligations. The units in a share class confer equal right to the property that makes up the Fund.

The Fund has the following share classes:

- A. None dividend paying share class in SEK
- B. Dividend paying share class in SEK
- C. None dividend paying share class in EUR
- D. None dividend paying share class in USD
- E. Non-distributing share class denominated in NOK
- F. Non-distributing share class denominated in EUR
- G. Non-distributing share class denominated in SEK
- H. Non-distributing share class denominated in SEK
- I. Non-distributing share class denominated in SEK
- J. Non-distributing share class denominated in USD
- K. Non-distributing share class denominated in USD
- L. Non-distributing share class denominated in USD
- M. Non-distributing share class denominated in EUR
- N. Non-distributing share class denominated in EUR
- O. Non-distributing share class denominated in EUR
- P. Non-distributing share class denominated in SEK
- Q. Non-distributing share class denominated in NOK
- R. Non-distributing share class denominated in USD
- S. Non-distributing share class denominated in EUR

For share class B, an initial minimum investment of SEK 500,000 per investor is required.

Share class F requires an initial minimum investment of EUR 100,000 per unitholder.

Share class G requires a minimum investment of SEK 10,000,000 per unitholder.

Share class H requires a minimum investment of SEK 25,000,000 per unitholder.

Share class I requires a minimum investment of SEK 50,000,000 per unitholder.

Share class J requires a minimum investment of USD 1,000,000 per unitholder.

Share class K requires a minimum investment of USD 3,000,000 per unitholder.

Share class L requires a minimum investment of USD 5,000,000 per unitholder.

Share class M requires a minimum investment of EUR 1,000,000 per unitholder.

Share class N requires a minimum investment of EUR 3,000,000 per unitholder.

Share class O requires a minimum investment of EUR 5,000,000 per unitholder.

Share classes G, H, I, J, K, L, M, N and O are available only to

- Investors that, within the framework of an agreement on investment services in accordance with chapter 2, section 1 of the Swedish Securities Market Act (2007:528) or equivalent Swedish or foreign regulation, invest in the Fund and where the Fund Management Company does not pay inducements to the entity that provides the investment service,
- Insurance firms that, within the framework of agreements with policyholders, invest in the Fund and where the Fund Management Company does not pay inducements to the insurance firm or insurance distributor for distribution of the share class, or
- Investors who do not receive any repayment of parts of the management charge from the Fund Management Company.

Share classes P, Q, R and S are available only to

- Investors that, within the framework of an agreement on investment services in accordance with chapter 2, section 1 of the Swedish Securities Market Act (2007:528) or equivalent Swedish or foreign regulation, invest in the Fund and where the Fund Management Company does not pay inducements to the entity that provides the investment service and where the investor does not receive any repayment of parts of the management charge from the Fund Management Company,

and

- Insurance firms that, within the framework of agreements with policyholders, invest in the Fund and where the Fund Management Company does not pay inducements to the insurance firm or insurance distributor for distribution of the share class and where the policyholder does not receive any repayment of parts of the management charge from the Fund Management Company.

In case a Unitholder no longer fulfills the terms and conditions for being invested in a certain share class, the Fund Management Company will – after having informed the party stated in the Unitholder registry – transfer the Unitholder to another share class where the Unitholder fulfills the terms and conditions. In case more than one share class is applicable for a Unitholder, the Fund Management Company shall transfer the Unitholder to the share class with an equal dividend policy but with the lowest fixed ongoing charge.

§ 2. THE FUND MANAGER

The fund is managed by Tundra Fonder AB, corporate registration number 556838-6303, hereinafter referred to as the “Fund Management Company”. The Fund Management Company represents the Fund and the holders of units in the Fund, hereinafter referred to as the “Unitholders”, in all matters regarding the Fund.

§ 3. CUSTODIAN INSTITUTION AND ITS FUNCTION

The Fund Company has appointed Skandinaviska Enskilda Banken AB, corporate registration number 502032-9081, hereinafter referred to as the “Custodian Institution”, as the custodian institution for the Fund. The Custodian Institution implements the Fund Management Company’s decisions with regard to the Fund and receives and retains the Fund’s assets. In addition, the Custodian Institution ensures that decisions taken by the Fund Management Company with regard to the Fund are not in contravention of the provisions of the LVF, the regulations of the Swedish Financial Supervisory Authority (Finansinspektionen) or the Fund Rules. The Custodian Institution shall act independently of the Fund Management Company and exclusively in the interests of the Unitholders.

§ 4. CHARACTERISTICS OF THE FUND

The Fund is a global equity fund with a particular emphasis on investments in emerging markets and so-called frontier markets. The Fund Management Company’s management of the Fund is intended to generate financial exposure to economic development in emerging markets and frontier markets and to generate a higher return than MSCI FM xGCC Net Total Return at an equal or lower risk level.

§ 5. THE FUND’S INVESTMENT STRATEGY

The Fund’s assets may be invested in transferable securities, money-market instruments, fund units, derivative instruments and accounts with credit institutions.

At least 80% of the net asset value of the Fund must be invested in equities and equity-related transferable securities issued by companies that have their registered office in emerging markets and/or frontier markets, or that conduct their principal operating activities in emerging markets and/or frontier markets. Up to 20% of the net asset value of the Fund may be invested in equities and equity-related transferable securities issued by companies that are classified by MSCI as Developed Markets. Emerging markets and frontier markets are defined as those countries that are not classified as Developed Markets by MSCI. Notwithstanding the above restrictions, the Fund may always hold the cash and cash equivalents necessary to conduct management of the Fund, but to a maximum of 20% of the net asset value of the Fund.

The Fund’s assets may be invested in derivative instruments with such underlying assets as those specified in 5:12, first paragraph, of the LVF.

The fund may invest up to 10% of the net asset value in other funds.

Investments in the Fund have a special investment strategy in emerging markets and frontier markets. The investment strategy is global and diversified and thus not limited to any particular sector.

The Fund adheres to specific sustainability-related criteria for its investments. These criteria are based on international conventions on human rights, labour rights, the environment and anti-corruption. This means that the Fund invests only in companies that operate their businesses in compliance with these conventions. Furthermore, the Fund does not invest in companies that generate more than five percent of sales from production and/or distribution of alcoholic beverages, or distribution of weapons, tobacco products, commercial gambling operations or pornography. Nor does the Fund invest in companies that produce or distribute controversial weapons, are involved in the production of tobacco products or pornography or the extraction of fossil fuels or manufacturing where the raw material consists largely of fossil fuels.

§ 6. SPECIAL PROVISIONS REGARDING THE MARKETS IN WHICH THE FUND’S ASSETS MAY BE INVESTED

The Fund’s assets may be invested in a regulated marketplace or equivalent market outside the EEA. In

addition, trade may take place on a market within or outside the EEA that is regulated and open to the general public.

§ 7. SPECIAL INVESTMENT STRATEGY

The Fund invests in derivative instruments, including such OTC derivatives as stated in 5:12 second paragraph LVF, as part of its investment strategy. The Fund may invest in such transferable securities and money-market instruments as referred to in 5:5 LVF.

§ 8. VALUATION

The net asset value of the Fund is calculated by deducting from the assets those liabilities related to the Fund. The Fund's assets comprise:

- Financial instruments
- Cash and equivalents
- Accrued interest
- Accrued dividends
- Sales not settled
- Other assets and receivables related to the Fund.

The financial instruments included in the Fund are valued based on current market value, meaning the last price paid, or, if this is not available or is less than the last bid price or higher than the last ask price, the latest mid-price (the average of the bid and ask prices). If such prices are not considered current, or are misleading in the assessment of the Fund Management Company, the Fund Management Company may determine the value on an objective basis. Such basis may, for example, be indicative bid prices from market makers, if these are appointed for the issuer, valuations provided by independent parties, IPO prices at another value, or knowledge that a transaction in the asset has been conducted at a particular price with an independent party. For those transferable securities and money market instruments referred to in 5:5 LVF, a market value is determined according to the following:

- market price from an active market, if such market price is not available the market value should be determined according to one of the methods below:
 - on the basis of recently conducted transactions between informed parties which are independent of each other and has an interest in the transaction taking place, if such are available, or
 - using the market price from an active market for another financial instrument which in all relevant aspects is similar, in case a market price cannot be determined according to any of the alternatives above, or

- if this is obvious to be misleading, a market value should be determined through the use of a valuation method established on the market, e.g. cash flow analysis.

Market valuation of units and shares in funds shall be based on reported values from each fund manager at the reporting point closest in time to the date when the value of the Fund is established as below. If the Fund Management Company regards this value to be misleading, the Fund Management Company shall estimate the value on an objective basis. One example of such an objective basis is to use the latest available estimate of results from the fund manager with regard to the current valuation period and apply this to the latest available reported price.

The market value of OTC derivatives shall be based on commonly used valuation models such as Black & Scholes and Black 76. The value may not be based on reported values from a counter party.

Financial instruments and other assets quoted in foreign currency are translated into Swedish kronor based on the current market listing for that currency. The Fund's liabilities comprise:

- Payments to the Fund Management Company
- Payments to the Custodian Institution
- Acquisitions not settled
- Tax liabilities
- Other liabilities related to the Fund.

The value of one fund unit is the net asset value of the Fund as above divided by the total number of outstanding fund units having regarded the currencies of each share class and the conditions attaching to each share class.

§ 9. SUBSCRIPTIONS AND REDEMPTIONS OF FUND UNITS

Sales and redemptions of fund units may take place on any banking day through the Fund Management Company. Subscriptions and redemptions must be made in writing. Subscription and redemption charges are presented under §11. As stated under §10 below, the Fund may, for one or more banking days, be temporarily closed for sales and redemptions. Subscription takes place at the price established on the banking day the request for subscription and cash settlement are received into the Fund's bank account, the "Subscription Date." Requests for subscription and cash settlement must be received by the Fund Management Company no later than 2.30 pm on the Subscription Date for subscription to take place on the Subscription Date. Otherwise subscription will take place on the subsequent Subscription Date. It is not possible to limit the subscription price when making a subscription request.

Subscription takes place at a price unknown to the Unitholder at the time of request.

Redemption takes place at the price established on the banking day on which the redemption request is received by the Fund Management Company, the "Redemption Date." Redemption takes place at a price unknown at the time of request. It is not possible to limit the redemption price when making a redemption request. Fund units will be redeemed on the Redemption Date provided that cash is available in the Fund. If this is not the case, funds will be made available through sale of the Fund's assets, and redemption will be made as soon as possible. If such redemption would be materially detrimental to the interests of other Unitholders, the Fund Management Company may delay the redemption after notifying the Swedish Financial Supervisory Authority. Information about the latest estimated price for fund units is available from the Fund Management Company. This is also published daily on the Fund Management Company's website: www.tundrafonder.se.

The Fund consists of the following share classes:

- A. Non-distributing share class denominated in SEK. This share class has no required minimum initial investment.
- B. Distributing share class denominated in SEK. This share class requires a minimum investment of SEK 500,000 per Unitholder. Subsequent investments must be at least SEK 100,000 per Unitholder.
- C. Non-distributing share class denominated in EUR. This share class has no required minimum initial investment.
- D. Non-distributing share class denominated in USD. This share class has no required minimum initial investment.
- E. Non-distributing share class denominated in NOK. This share class has no required minimum initial investment.
- F. Non-distributing share class denominated in EUR. This share class requires a minimum investment of EUR 100,000 per Unitholder.
- G. Non-distributing share class denominated in SEK. This share class requires a minimum investment of SEK 10,000,000 per Unitholder.
- H. Non-distributing share class denominated in SEK. This share class requires a minimum investment of SEK 25,000,000 per Unitholder.
- I. Non-distributing share class denominated in SEK. This share class requires a minimum investment of SEK 50,000,000 per Unitholder.
- J. Non-distributing share class denominated in USD. This share class requires a minimum investment of USD 1,000,000 per Unitholder.
- K. Non-distributing share class denominated in USD. This share class requires a minimum investment of USD 3,000,000 per Unitholder.

- L. Non-distributing share class denominated in USD. This share class requires a minimum investment of USD 5,000,000 per Unitholder.
- M. Non-distributing share class denominated in EUR. This share class requires a minimum investment of EUR 1,000,000 per Unitholder.
- N. Non-distributing share class denominated in EUR. This share class requires a minimum investment of EUR 3,000,000 per Unitholder.
- O. Non-distributing share class denominated in EUR. This share class requires a minimum investment of EUR 5,000,000 per Unitholder.
- P. Non-distributing share class denominated in SEK. This share class has no required minimum initial investment.
- Q. Non-distributing share class denominated in NOK. This share class has no required minimum initial investment.
- R. Non-distributing share class denominated in USD. This share class has no required minimum initial investment.
- S. Non-distributing share class denominated in EUR. This share class has no required minimum initial investment.

Share classes G, H, I, J, K, L, M, N and O are available only to

- Investors that, within the framework of an agreement on investment services in accordance with chapter 2, section 1 of the Swedish Securities Market Act (2007:528) or equivalent Swedish or foreign regulation, invest in the Fund and where the Fund Management Company does not pay inducements to the entity that provides the investment service,
 - Insurance firms that, within the framework of agreements with policyholders, invest in the Fund and where the Fund Management Company does not pay inducements to the insurance firm or insurance distributor for distribution of the share class,
- or
- Investors who do not receive any repayment of parts of the management charge from the Fund Management Company.

Share classes P, Q, R and S are available only to

- Investors that, within the framework of an agreement on investment services in accordance with chapter 2, section 1 of the Swedish Securities Market Act (2007:528) or equivalent Swedish or foreign regulation, invest in the Fund and where the Fund Management Company does not pay inducements to the entity that provides the investment service and where the investor does not receive any repayment of parts of the

management charge from the Fund Management Company,

and

- Insurance firms that, within the framework of agreements with policyholders, invest in the Fund and where the Fund Management Company does not pay inducements to the insurance firm or insurance distributor for distribution of the share class and where the policyholder does not receive any repayment of parts of the management charge from the Fund Management Company.

§ 10. EXTRAORDINARY CIRCUMSTANCES

The Fund may be closed for sales and redemptions in those cases where extraordinary circumstances have arisen whereby a valuation of the Fund's assets cannot be conducted in a manner that assures the equal right of the Fund's Unitholders.

§ 11. CHARGES AND FEES

11.1 Subscriptions and redemptions

For subscriptions of fund units, the Fund Management Company has the right to levy a maximum charge of 5% of the total sale price. This charge is payable to the Fund Management Company.

11.2 Fixed ongoing charges

A charge shall be paid from the Fund's assets to the Fund Management Company for the management of the Fund. This charge includes expenses for the Custodian's safekeeping of the assets held by the Fund, supervision and auditors. The charge is calculated daily and is paid on the last banking day of each month. The charge is rounded down to the nearest whole krona (SEK).

For share classes A, B, C, D, E and F, a charge shall be paid at an amount corresponding to a maximum of 3.0 percent per year of the share class's share of the net asset value of the Fund.

For share classes G, J and M, a charge shall be paid at an amount corresponding to a maximum of 1.75 percent per year of the share class's share of the net asset value of the Fund.

For share classes H, K, N, P, Q, R and S, a charge shall be paid at an amount corresponding to a maximum of 1.50 percent per year of the share class's share of the net asset value of the Fund.

For share classes I, L and O, a charge shall be paid at an amount corresponding to a maximum of 1.25 percent per

year of the share class's share of the net asset value of the Fund.

11.3 Other charges etc.

Brokerage fees and other transaction expenses, such as local taxes, and subscription and redemption charges for the Fund's purchases and sales of financial instruments, are paid by the Fund.

§ 12. DIVIDENDS

Share classes A, C, D, E, F, G, H, I, J, K, L, M, N, O, P, Q, R and S do not pay any dividend. Share class B is distributing. The board of directors of the Fund Management Company decides annually on the dividend payable to the Unitholders of the distributing share class. The distributable amount shall, where applicable, be calculated from the fund's positive earnings according to the income statement for the financial year and any remaining balance of the distributable amount from previous financial years.

The dividend is paid during the month of April in the year following the end of the financial year. The dividend is payable to Unitholders that on a distribution date set by the Fund Management Company are registered for distributing fund units. The distribution is paid into the bank account previously indicated by the Unitholder.

The dividend will not affect the value of the non-distributing units in the fund. However, the dividend does change the ratio between the value of the distributing fund units and the non-distributing fund units. The ratio changes yearly in conjunction with each dividend payment.

§ 13. FINANCIAL YEAR OF THE FUND

The financial year of the Fund is the calendar year.

§ 14. ANNUAL AND HALF-YEARLY REPORTS, CHANGES TO THE FUND RULES

The Fund Management Company shall present annual and half-yearly reports for the Fund. These shall be made available at the Fund Management Company within four and two months respectively of the end of the reporting period and be made available at the Custodian Institution. The Key Investor Information Document, annual and semi-annual reports shall be made available at the Fund Management Company's webpage. The documents shall be sent free of charge to those that have requested to receive them.

The Fund Management Company shall take decisions with regard to changes to the Fund Rules. Upon approval of the

changes by the Financial Supervisory Authority, the revised Fund Rules shall be made available at the Fund Management Company and Custodian Institution and shall be published as applicable in the manner determined by the Financial Supervisory Authority.

§ 15. PLEDGING AND TRANSFER

The Fund Management Company must be notified in writing of the transfer of Fund Units. It is the responsibility of the Unitholder to ensure that the notification carries authorised signatures. The notification of transfer must include details of the transferring party and the acquiring party. The transfer of Fund Units requires the authorisation of the Fund Management Company. Authorisation can be provided on condition that the new Unitholder has undergone customary checks in accordance with the regulations relating to measures to prevent money laundering and the financing of terrorism, and is not regarded as inappropriate as a client.

The Fund Management Company must be notified in writing of the pledging of Fund Units. This notification must disclose:

- the identity of the Unitholder (pledging party),
- the identity of the pledge holder,
- the fund units covered by the pledge, and
- any limitation on the scope of the pledge.

The notification must be signed by the Unitholder. The Fund Management Company shall note this information in the Unitholder register and inform the Unitholder (pledging party) in writing of this registration. Information regarding the pledge shall be removed from the Unitholder register upon written request from the pledge holder.

§ 16. LIMITATION OF LIABILITY

In the event the Custodian Institution or a custodian bank has lost Financial Instruments held in custody at the Custodian Institution or a custodian bank, the Custodian Institution shall without undue delay return financial instruments of identical type or pay an amount equal to their value to the Fund Management Company on the Fund's behalf. The Custodian Institution shall, however, not be held liable if the loss of the financial instruments was caused by an external event beyond the reasonable control of the Custodian Institution and whose consequences were impossible to avoid, even though all reasonable efforts were made to do so, such as loss arising from Swedish or foreign legal enactment, acts of the Swedish government or a foreign government, acts of Swedish or foreign

governmental authorities, acts of war, strikes, blockades, boycotts, lockouts or other comparable circumstances. The reservation with respect to strikes, blockades, boycotts, and lockouts shall apply notwithstanding that the Custodian Institution is the object of or institutes such labour action.

The Custodian Institution shall not be held liable for loss other than such loss referred to in the first paragraph unless the Custodian Institution has caused such other loss intentionally or by negligence. Nor shall the Custodian Institution be held liable for such other loss under such circumstances set forth in the first paragraph.

The Custodian Institution shall not be held liable for loss caused by a - Swedish or foreign - stock exchange or other marketplace, registrar, clearing organisation or other entities that provide equivalent services - as regards losses other than those set forth in the first paragraph - nor for losses caused by a custodian bank or other delegate retained and regularly monitored by the Custodian Institution with due care and prudence, or as instructed by the Fund Management Company. The Custodian Institution shall not be held liable for loss caused by the insolvency of the aforementioned organisations or delegates. A contract for services regarding the safekeeping of assets and ownership verification does not, however, relieve the Custodian Institution of its liability for losses and other injury in accordance with the Swedish Investment Funds Act.

The Custodian Institution shall not be held liable for any loss or damage incurred by the Fund Management Company, a Fund Unitholder, a fund or any other party due to restriction of rights of disposal that may be applied against the Custodian Institution in respect of financial instruments.

The Custodian Institution shall under no circumstances be held liable for indirect loss.

If the Custodian Institution is prevented, entirely or in part, from taking measures in accordance with this agreement as a consequence of a circumstance set forth in the first paragraph, these measures may be delayed until the impediment has ceased to exist. If payment is delayed, the Custodian Institution shall not pay penalty interest. If interest has been previously agreed, the Custodian Institution shall pay interest at the rate in effect on the due date.

If the Custodian Institution is prevented from accepting payment for the funds by reason of a circumstance set forth in the first paragraph, the Custodian Institution shall have the right to interest for the period during which the impediment existed only in accordance with the terms in effect on the due date.



The tort liability of the Custodian Institution is regulated under chapter 3, sections 14-16, LVF.

The Fund Management Company shall not be liable for damage arising as a consequence of Swedish or foreign legislation, acts of Swedish or foreign governmental authorities, acts of war, terrorism, strikes, blockades, boycotts, lockouts, electricity shortages, IT-related failure not due to negligence by the Fund Management Company or the Custodian Institution, failure of general communications or other similar circumstances. The reservation with respect to strikes, blockades, boycotts, and lockouts shall apply notwithstanding that the Fund Management Company and/or the Custodian Institution is the subject of, or executes, such measure. Should the Fund Management Company be prevented from making payments or taking other measures on account of circumstances stated in the paragraph above, the said measures may be postponed until the obstacle has been removed. In the event of the Fund Management Company, as a result of such circumstance, being prevented from effecting or receiving payment, the Fund Management Company shall not be liable to pay interest. The Fund Management Company shall not be held liable for loss or damage caused by Unitholders or others breaking the law, rules, regulations or these Fund Rules. The Unitholder is hereby made aware that the Unitholder is responsible for ensuring that documentation sent to the Fund Management Company is correct and has Authorised signatures and that the Fund Management Company is informed of changes that take place in any information submitted. The Fund Management Company shall not be liable under any circumstance for indirect damage or other consequential damage. The Fund Management Company shall not be liable for damage caused by custodian banks, or other contractors engaged with normal care by the Fund Management Company and/or the Custodian Institution. Nor shall the Fund Management Company and/or the Custodian Institution be held liable for damage that arises to the Fund or Unitholders or others as a consequence of restrictions on disposition that may be applied to the Fund Management Company and/or the Custodian Institution with regard to financial instruments and other assets.

The Fund Management Company and/or the Custodian Institution shall not be liable for damage under other circumstances where normal care has been exercised.

The tort liability of the Fund Management Company and the Custodian is regulated under chapter 2 section 21, LVF.

§ 17. RESTRICTIONS ON THE RIGHT TO SELL ETC.

The Fund is not registered under the United States Securities Act of 1933, the United States Investment Company Act of 1940, or any other applicable law of the

United States. Therefore, fund units may not be offered, sold or in any other way distributed to persons in the United States of America. Nor may units in the fund be offered, sold or in any other way distributed to physical or legal persons if this would, in the opinion of the Fund Management Company, confer a risk of breach of Swedish or foreign law or regulation, the Fund Management Company being required to implement special registration or other measures, or being exposed to significant disadvantage of a tax or financial nature, and this cannot reasonably be demanded of the Fund Management Company, or the Fund incurring damage or expense that is not in the interests of the Unitholders.

Persons wishing to acquire units in the Fund must disclose to the Fund Management Company their national domicile and, at the request of the Fund Management Company, confirm that this is not affected by the restrictions described above. Unitholders are also required, when necessary, to inform the Fund Management Company of any changes to their national domicile.

If the Fund Management Company believes that it does not have the right to offer, sell or otherwise distribute fund units in accordance with the first paragraph, the Fund Management Company retains the right to refuse to proceed with requests to buy units in the Fund, and, where necessary, and without agreement in advance, to redeem the fund units of the Unitholder on his behalf and to pay the amount due.

SUSTAINABILITY CONSIDERATIONS

According to chapter 4 paragraph 24 of the Swedish UCITS Act, Fund managers must provide information on how a fund takes sustainability aspects into consideration. Which sustainability aspects are considered and which methods are applied should be included in the Prospectus and in the Annual Report of the fund or in a separate report. A review of the sustainability efforts should be provided in the Annual Report of the fund or in a separate report. Tundra Fonder follows the standard for providing this information set by the Swedish Investment Fund Association and the fund manager's sustainability efforts are presented below:

Transparency regarding the integration of sustainability risks, of the promotion of environmental or social characteristic, and of sustainable investments

- The fund has sustainable investments as its objective
- The fund promotes, among other characteristics, environmental or social characteristics
- Sustainability risks are integrated into investment decisions, without the fund promoting environmental or social characteristics or having sustainable investments as its objective
- Sustainability risks are not deemed to be relevant (explanation below)

Sustainability-related characteristics promoted in the management of the fund, or that are included in the fund's objective

- Environmental characteristics (e.g. the companies' environmental and climate impact).
- Social characteristics (e.g. human rights, employee rights and equal opportunity).
- Good governance practices (e.g. shareholders' rights, issues relating to remuneration for senior executives and anti-corruption).
- Other sustainability-related characteristics.

Fund management company's comments: In the dialogue with the holding companies, an assessment is made of the company's existing routines as regards environmental and social aspects. Information is gathered and feedback sent to the company for further development. We encourage all companies to report their carbon dioxide emissions according to internationally established guidelines (GHG protocol, CDP) and all companies get a link for further reporting and support, when needed. We ask further questions about use of resources regarding electricity, paper and water. The questionnaires also include questions regarding purchases in the supply chain and controls thereof. We ask detailed questions regarding measures taken to minimize work-related injuries, parental leave, policies regarding sexual harassment and discrimination, control of the supply chains etc. The answers from these questionnaires are then used in the financial analyzes and may have a significant effect on our investments.

For more information on how the fund's promotion of environmental or social aspects will be reached, please see "Methods used to integrate sustainability risks, promote environmental or social characteristics or to attain a sustainability-related objective".

Reference benchmarks

- The fund has the following index as its benchmark: *MSCI Frontier Markets x GCC Net Total Return Index*
- No index has been designated as a reference benchmark

Fund management company's comments: the index is not compatible with the environmental or social aspects that the fund promotes. The methodology for calculating the index can be found here: <https://www.msci.com/documents/10199/a0bcc145-1096-46f9-8abc-a29c02c96fb1>.



Methods used to integrate sustainability risks, promote environmental or social characteristics or to attain a sustainability-related objective:

Positive screening

The fund management company's comments: the fund has several specific criteria on company holdings as regards to environmental, social and ethic aspects. An analysis of the companies work on sustainability is crucial in selecting holding companies.

Negative screening

The fund does not invest in companies that are involved in the following products and services. A maximum of 5% of the turnover in the company in which the investment is made may be derived from the specified product or service.

Products and services

The following check options can also be used by funds that do not promote environmental or social characteristics or have sustainability objectives but where certain products and services are not included in the fund as a result of its investment policy.

- Cluster bombs, anti-personnel mines
- Chemical and biological weapons
- Nuclear weapons
- Weapons and/or munitions
- Alcohol
- Tobacco
- Commercial gambling operations
- Pornography
- Fossil fuels (oil, gas, coal)
- Coal
- Uranium
- Genetically modified organisms (GMO)
- Other

International norms

International norms refer to international conventions, laws and agreements such as the UN Global Compact and OECD guidelines for multinational companies that relate to issues concerning the environment, human rights, labour practices, and business ethics.

The fund does not invest in companies that violate international norms. The assessment is carried out either by the fund management company or a third party.

The fund does not invest in companies which do not address identified problems or where the fund makes the assessment that the company will not address the problems within a time frame deemed reasonable in that specific case.

Fund management company's comments: if a breach against international conventions, laws or agreements is identified, an immediate dialog is initiated with the company. Depending on the response from the company, decisions are made if the fund should allow the company to correct the error (up to 12 months). If it becomes apparent that the company will not correct the breach, the fund will sell the holding.

Countries

For sustainability reasons, the fund does not invest in companies involved in certain countries/interest-bearing securities issued by certain states.

Fund management company's comments: the Company does not have any country restrictions from a sustainability perspective.



Other

Other

Fund management company's comments: the Company does not have any other restrictions from a sustainability perspective.

The fund management company influences

The fund management company exercises its investor influence to influence companies on sustainability-related issues. The fund management company engages with companies with a view to influencing them to adopt a more sustainable approach.

- In-house investor influence
- Investor influence in cooperation with other investors
- Investor influence through external suppliers/consultants
- Voting at General Meetings
- Participation in nomination procedures in order to influence the composition of the Board
- Other forms of investor influence

Fund management company's comments: the Company has recurring dialogs with local stock markets and has also arranged seminars on sustainable investments in cooperation with local stock markets.