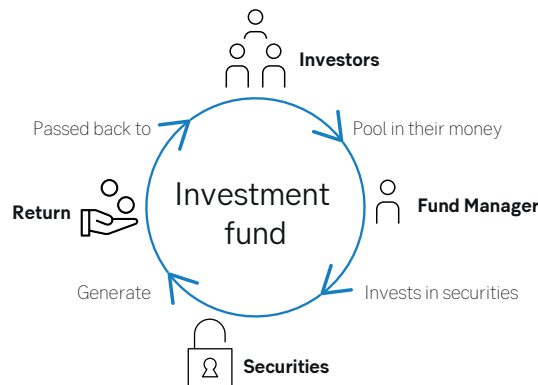


UCITS

General information

An investment fund is a pool of assets established for collective investment and generally with **no maturity**. An investment fund usually has **numerous investors** and the fund is managed by a **management company**. UCITS funds are subject to strict requirements, which are related to the fund's **investment strategy and diversification of risks** (requirements have been established in the UCITS Directive of the European Union). Information regarding the fund is disclosed in the **fund prospectus, conditions and Key Investor Information Document**.

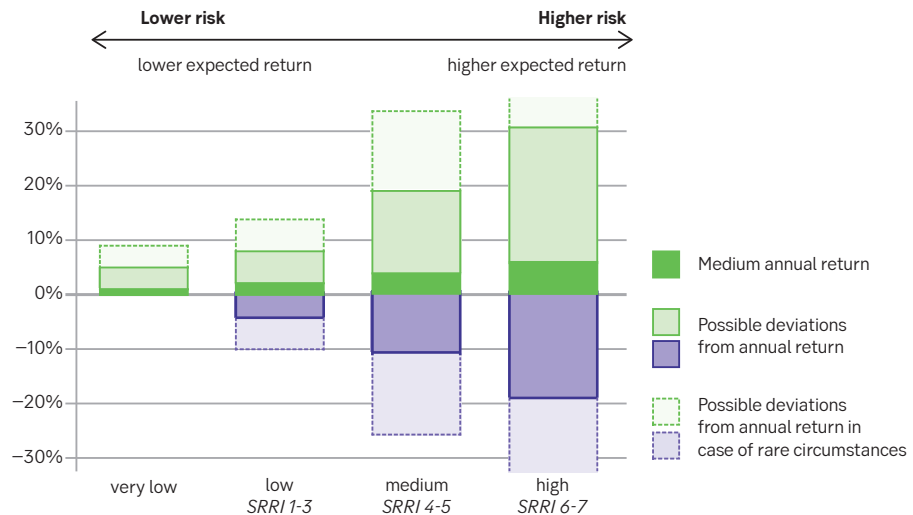
Upon investing, it is essential to diversify risks. When investing in a fund, **your assets are placed into many different asset classes**, such as equities, bonds or alternative asset classes. It reduces the effect of a single investment in the asset pool.



Outcome of the fund depends on:

- fund manager and/or the management company;
- fund's management strategy;
- invested regions and sectors;
- overall financial market situation.

Classification



Synthetic Risk and Reward Indicator (SRR1) is an agreed methodology to measure the overall risk and reward connection of a fund. Funds are classified on a scale from 1 to 7, with 1 being lowest risk and 7 being highest risk. Typically, the SRR1 is derived from the volatility of past returns over a period of last 5 years or, if the fund has operated for a shorter period, then during the respective period of operation.

All UCITS funds, the units of which are not denominated in the main currency,¹ always have a high risk level.

Complexity: UCITS units are treated as less complex instruments. An exception is the unit of structured UCITS², which is treated as a complex instrument.

1 Main currencies are deemed to be EUR, USD, GBP, CHF, CAD, AUD, JPY, SEK, DKK, NOK.

2 Within the meaning of the Commission Regulation (EU) No 583/2010, Article 36, Section 1, structured UCITS shall be understood as UCITS which provide investors, at certain predetermined dates, with algorithm-based payoffs that are linked to the performance, or to the realisation of price changes or other conditions, of financial assets, indices or reference portfolios or UCITS with similar features.



Value

Value of the investment fund depends on the financial instruments in which the fund has invested. The value of the investment fund's assets can change **during the investment period** and can be **higher or lower** compared to the total amount initially invested depending on the prevailing market conditions.

The **funds units' net asset value (NAV)** is calculated by the management company (generally on a daily basis). The funds units' net asset value is based on the price developments of the financial instruments included in the fund's assets and this **determines the issue and redemption price of the fund units**. The client does not know the **exact price** of a fund unit upon placing a purchase or sale order.

Investment fund's past performance is not a reliable indicator of future performance (if the return on investments is positive at one time, there is no guarantee that it will remain such in the future), but it can help to assess the volatility of the fund units over time.

The figures are illustrative. The presented information should in no case be construed as an investment consultation, investment recommendation or a service offer. The rate of return achieved in previous periods or the previous history do not constitute a promise or indication with regard to the rate of return or the achievement of its objectives in future periods.

Figure 1. Long term performance

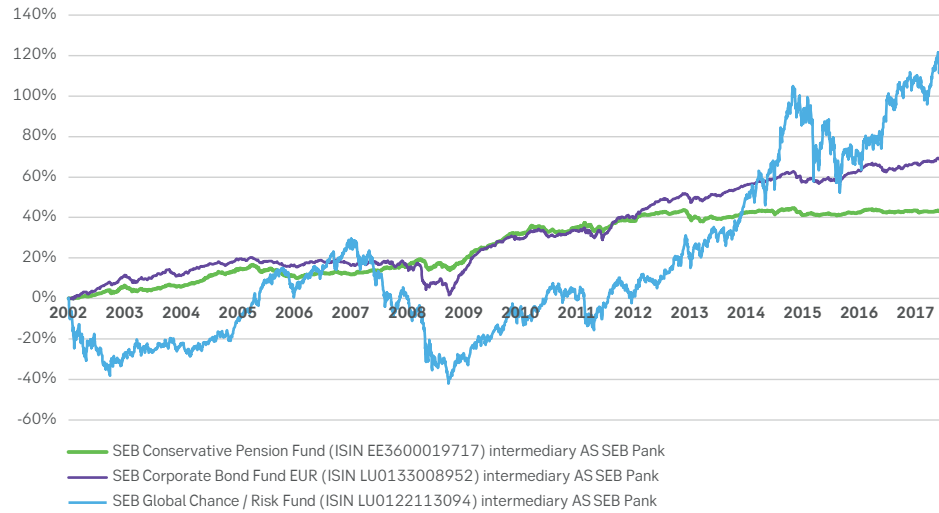


Figure 2. Positive scenario

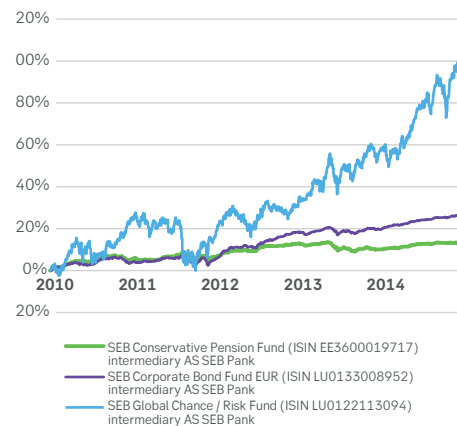
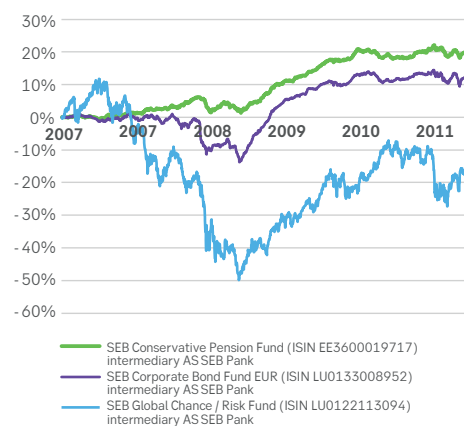
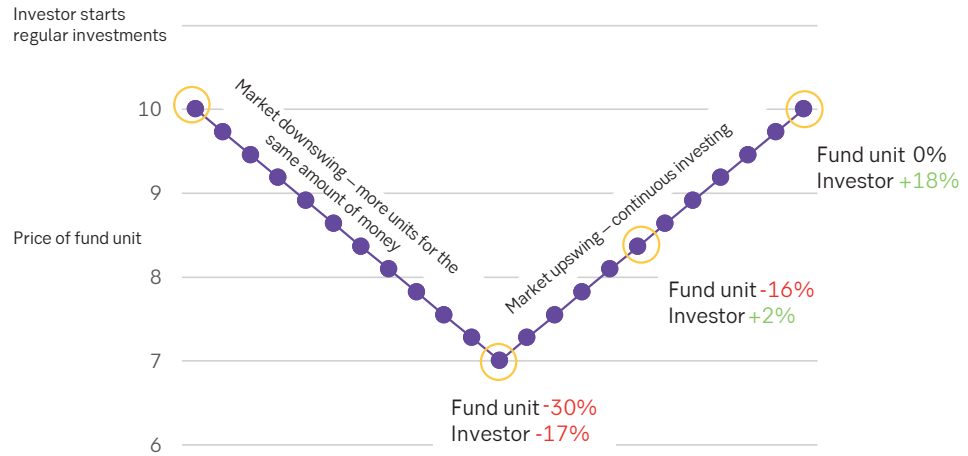


Figure 3. Negative scenario



Source of Figures 1, 2 and 3: SEB Conservative Pension Fund, SEB Corporate Bond Fund, SEB Global Chance/Risk Fund. Subdivisions: unit's net asset value. www.seb.ee/fondikursid (data as at: 23 November 2017).

Regular investments give a better opportunity even under declining market conditions to return to profit than making a single investment. By making regular investments into the fund, it is possible to capture both market



Applicable fees:

- management fee
- issue and redemption fee
- safekeeping fee (not applicable to SEB funds)

More detailed information about the fees is provided in SEB's price list, on the Investor Protection website or in documents concerning the specific security.



Risks

Investment funds do not guarantee a rate of return. The return and risk are closely tied. **The higher is the possible return, the higher is the risk of losing substantial part of initial investment.** Financial markets are interlinked and the performance of such fund which invests in one country may be affected by the situation of a stock or bond market in the other country.

Currency risk. In the case of investments denominated in a foreign currency there is a risk that the client suffers losses on such investments due to unfavourable changes in the exchange rates of various currencies.

Issuer risk refers to the possibility that the value of the instrument may significantly fall due to deficiencies in the activity of the management company.

Liquidity risk. Generally, the holders of the investment fund units have a right to demand from the fund redemption of their units on any working day. However, in some cases, the redemption of the fund units may be temporarily suspended. For example, if the fund has invested in illiquid financial instruments, it is difficult to realise these and accordingly, the fund is unable to redeem them from the investors. Redemption of fund units is suspended also in case of liquidation proceedings of the fund and the unit holders will receive their money from the fund upon division of the remaining assets after liquidation of the fund between the unit holders.



Taxation

Income from investments is taxed. Using an investment account enables the taxable persons in Estonia to postpone taxation of income earned on investments. Taxation depends on the investor's tax residency and legal form, but also on the type of income and several other circumstances. For more detailed instructions, consult your tax authority or contact a tax adviser.