

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

NOTICE TO SHAREHOLDERS

Luxembourg, 9 October 2020

Dear Shareholders,

We hereby would like to provide you with some information related to your investment in Danske Invest SICAV (the “SICAV”). The board of directors of the SICAV has decided to approve certain changes to the prospectus of the SICAV. The updated prospectus enters into force in October 2020.

Main changes to the general part of the prospectus

In this prospectus update, the following changes have been made to the prospectus’ general sections applying to all funds within the SICAV:

- **Clarifications of the ESG approach**
- We believe that it is our obligation to serve your interests by creating both competitive and sustainable returns. To do so we integrate environmental, social and corporate governance (ESG) matters in all our investment practices similar to the way we look at financials or market momentum. We have now decided to strengthen our communication towards investors relating to the sustainable solutions Danske Invest SICAV can offer. In this regard, we have introduced the following thorough descriptions of the ESG approach we adopt at Danske Invest SICAV.
- Our sustainable investment approach contains four building blocks: Environmental, Social, Governance (ESG) Integration, Active Ownership, Screening and Reporting & Disclosure.
- The funds can apply the following processes:
 - **ESG Integration:** integrate ESG as a factor alongside financial factors, treated holistically and managed from a risk-return perspective in the investment process.
 - **Active Ownership:** exercise active ownership through dialogue, voting and collaboration to create long-term value and build trust as a universal owner. In accordance with article 48(1) of the 2010 Law, the SICAV and all its funds, will not exercise a significant influence over the management of companies in fund portfolios.
 - **Screening:** screen to identify ESG risk, to apply customer specific criteria and thresholds, and to apply restrictions on specific funds or across the entire fund range.
 - **Reporting & Disclosure:** promote transparency, share information about our approach, report on progress, and make it available to investors and stakeholders.
- All Danske Invest SICAV funds restrict investments in controversial weapons, thermal coal, tar sands, tobacco and as per Nordic norms unless otherwise stated in fund descriptions. The other funds may restrict investments into alcohol, gambling and pornography. Additional information on the funds’ restrictions can be found in the newly introduced “Values-based investment restrictions” table.
- Each fund may be differently positioned depending on the ESG approach. The four different Danske Invest SICAV fund positioning’s have been introduced for clarification purposes:
 - **ESG Inside: Integrated:** the fund integrates ESG factors as a basis for making better-informed investment decisions.
 - **ESG Inside: Restricted:** the fund restricts investments based on ethical/values-based criteria.
 - **ESG Inside: Thematic:** the fund targets specific sustainability themes to contribute to positive impact.
 - **ESG Inside:** these funds only adhere to the Sustainable Investment Policy of Danske Bank.
- The funds of the SICAV have been positioned as follow:

- **ESG Inside: Integrated:** China, Denmark Focus, Eastern Europe, Eastern Europe Ex. Russia, Emerging Markets Debt Hard Currency, Euro Investment Grade Corporate Bond, Europe, Europe High Dividend, Europe Small Cap, Global Emerging Markets, Global Emerging Markets Small Cap, Global High Dividend, Global StockPicking, India, Japan, Nordic Corporate Bond, Russia, Sverige and US High Yield Bond.
 - **ESG Inside: Thematic:** Euro Sustainable High Yield Bond European Corporate Sustainable Bond and Global Sustainable Future.
 - **ESG Inside:** Danish Bond, Danish Mortgage Bond, Emerging and Frontier Markets, European Bond, Global Inflation Linked Bond, Global Inflation Linked Bond Short Duration.
- The description of the ESG risk has been introduced to the prospectus for clarification purposes in the following manner: *“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”*.
- **Clarification to the Risk Descriptions**
 - The Risk Descriptions section of the prospectus has been further detailed, notably in relation with ‘Country Risk – China’ and ‘Credit Risk’:
 - The description of general risks associated with investments into China has been supplemented to state that *“securities trading and currency conversion and repatriation can be limited and all types of investments are likely to have comparatively high volatility and greater liquidity and counterparty risks”*.
 - The description of “Country Risk – China” has been complemented with the reference to the China Interbank Bond Market and Bond Connect, due to uncertainty whether a court would protect the fund’s right to securities purchased via these markets.
 - The following description of risks associated with investments via China Interbank Bond Market (“CIBM”) has been added: *“The CIBM is an over-the-counter market that provides a way for outside investors (such as a fund) to buy Chinese corporate and government bonds. The CIBM may have low trading volumes and high bid and offer spreads, making the bonds comparatively less liquid and more expensive”*.
 - The description of the liquidity risks associated with internal renminbi (“CNY”) and external renminbi (“CNH”) has been extended to state that liquidity risk might arise *‘not only from potential CNY/CNH exchange limits but also potential limits on the removal of CNH currency from China or Hong Kong’*.
 - The Credit Risk section has been slightly restructured and the language ameliorated.
 - The Inflation Risk section has been renamed and slightly clarified to state that *“if inflation falls or remains low, the yields on short-term inflation-linked securities will fall or remain low”*.
 - Section in regards with “Credit Rating” has been renamed into “Credit Rating Policy” for clarity purposes.
 - The description of investor eligibility for RA and RI share classes present in the base share class characteristics table has been simplified. Henceforth, the RA and RI share classes are eligible for retail and/or institutional investors, in particular those residing in the UK, investing under an agreement with Danske Bank group entity.
- **Further clarifications to the Swing pricing section**
 - The swing pricing section has been amended to comply with the recent Frequently Asked Questions (FAQ) document issued by the Luxembourg regulator on swing pricing mechanism.
 - The swing pricing section has been further detailed and clarified to explain that *“to protect the interests of shareholders, a fund’s NAV may be adjusted to compensate for dilutions that can arise in connection with large flows of cash into or out of a fund These adjustments are normally applied on any day when the total volume of trading in a fund’s shares (meaning both purchases and redemptions) exceeds a certain percentage of the fund’s net assets (as set by the management company and approved by the SICAV)”*. Furthermore, *“Swing pricing adjustments are automatic and are applied systematically to all subscriptions, redemptions and switches in or out of the funds by adjusting their NAV prices by the swing factor. To the extent that markets have different charging structures on the buy and sell side, the swing factor may not be equal for net subscriptions or net redemptions”*. Please, note that *“in unusual situations (such as higher market volatility), the board may raise this limit to 3% at the maximum to protect the interests of shareholders. All funds are in scope of the swing pricing mechanism”*.
- **Alignment with the articles of associations of the SICAV**

- Assets valuation section has been supplemented with the statement that “*in unusual situations (such as distressed markets), the board may adjust the net asset value to reflect higher price volatility or a liquidity stress in the relevant markets*”.
- The sub-section Temporarily suspend the calculation of NAV or transactions in a fund’s shares has been further updated pursuant to the restated articles of association of the SICAV to include some reasons where a fund’s NAV might be suspended taking due account of the investors’ interests:
 - when a fund is receiving a subscription in kind or paying a redemption in kind and a suspension is deemed to be in the interest of the fund and/or its shareholders;
 - the suspension is required by law or the Luxembourg regulator;
 - any other reason exists that any portfolio investments cannot be properly or accurately valued;
 - any other exceptional circumstances exist in which the board of directors of the SICAV considers the suspension of NAV calculation necessary to avoid irreversible negative effects on the SICAV, its funds or classes.
- Shareholder Meetings and Voting section has been updated pursuant to the restatement of the articles of associations of the SICAV in regards with the annual general meeting of shareholders which, henceforth, is held within six months from the end of the financial year. General meetings of shareholders, including the annual general meeting, are held at the registered office of the SICAV, or at another location in Luxembourg, as specified in the notice of the meeting at the date and time specified in such notice. Such meetings can be held abroad only if so required by unforeseen circumstances or force majeure events, as determined by the board.
- **Miscellaneous**
 - The composition of the board of directors of the SICAV has been amended, whereas Klaus Ebert has been co-opted as a board member in lieu of Robert Mikkelsen.
 - The reference in the “Conflict of Interest” section to Danske Bank A/S acting as a sub-custodian for assets held in Denmark, has been removed as it is not the case anymore.

Funds changes

Other general clarifications have been introduced to the fund descriptions in relation with the following, having no impact on the funds’ distribution policy, benchmark use, investment policy, risk profile, or the subscription, switch and redemption order process. Some clarifications have been provided on the funds’ approach to the ESG matters without changing it as such. Those clarifications entail:

- The regulatory-driven clarification on the benchmark use (e.g. for performance comparison, for performance comparison and duration management, for performance comparison, risk management and portfolio construction or for tracking) and the correlation between the relevant fund’s and benchmark’s holdings and performances;
- A systematic reference to the “Emerging and frontier markets” risk instead of the “Emerging markets” risk for consistency purposes;
- The simplification of the footnote under the share class fee table in the funds descriptions;
- Restructuring and recapitulating of the ESG – related information appearing in the funds descriptions and an introduction of the dedicated wording about the funds’ ESG positioning as described above (e.g. Integrated, Restricted, Thematic and Unlabelled);
- Adding into the funds descriptions “ESG” as a risk typically associated with ordinary market conditions;
- Updating the investor profile section based on the ESG positioning of each fund (e.g. Integrated, Restricted, Thematic and Unlabelled);
- Clarifying in the Subscriptions, switches and redemptions section the information in regards with the days when the orders are processed.

Funds specific changes

There are also changes and clarifications that apply to particular funds. They are detailed in the appendix to this letter. These changes take effect on the same day as the prospectus, unless another date is indicated in the appendix.

Further information and the right to redeem

If you are a shareholder of the funds listed below, you may if you wish, until the cut-off time for each fund (stated in the fund descriptions in the prospectus) on 9 November 2020, request the full redemption or conversion into any other fund within the SICAV free of redemption/conversion charges. This right is vested in with the investors of the following funds:

- ***Japan***
- ***Global StockPicking***

Both the prospectus as well as the relevant Key Investor Information Documents (KIIDs) will be made available online at danskeinvest.com and free of charge at the registered office of the SICAV.

Yours faithfully,

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

Please note that the legal valid version of this document in Switzerland is only provided in German.

The prospectus, the KIIDs, the articles of incorporation, the annual and semi-annual report, in German, and further information can be obtained free of charge from the representative in Switzerland: Carnegie Fund Services S.A., 11, rue du Général-Dufour, CH-1204 Geneva, tel. 022 705 11 77. The Swiss paying agent in Switzerland is: Banque Cantonale de Genève, 17, quai de l'Île, CH-1204 Geneva.

Appendix – Fund Specific Changes

Emerging Markets Debt Hard Currency

A clarification is made in the investment policy of this fund that it may invest in, or be exposed to, the following investments up to the percentage of net assets indicated: [...] "*Debt instruments with a rating of Caa/CCC (or similar) or lower or unrated bonds: 15%, including debt instruments that are unrated or are considered to be in default because they have failed to make one or more required payments on schedule: 10%*".

This replaces the current prospectus wording:

- "*bonds with a rating of Caa/CCC (or similar) or lower or unrated bonds: 15%*"; and
- "*debt instruments that are unrated or are considered to be in default because they have failed to make one or more required payments on schedule: 10%*"

European Bond

The duration of this fund will be amended as from 20 October 2020 in relation with the evolvement of its benchmark duration from "*The total modified duration, including cash and the adjustment for estimated premature redemption risk, is 3 to 7 years*" to "*The total duration, including cash, is the benchmark duration plus or minus 2 years*". The fund's investment policy and the risk profile remain unchanged.

Global StockPicking

The following investment policy will be applicable to this fund as from 10 November 2020: "*The fund invests mainly in equities from anywhere in the world that are expected to contribute to, or benefit from, the transition to a sustainable future and circular economy. Specifically, the fund invests at least two-thirds of net assets in equities and equity-related securities that are traded on a regulated market globally. The fund may be exposed to the People's Republic of China equity markets through investments in A-Shares traded via Shanghai- or Shenzhen-Hong Kong Stock Connect*".

Furthermore, following the change of the investment policy, the fund's name and the benchmark (used for performance comparison) will be changed respectively to "*Global Sustainable Future*" and to "*MSCI World Index*". The main risks section of the fund description has been supplemented with the concentration risk as the fund's portfolio is expected to have a lesser amount of investments.

Subscription, switches and redemption orders sent to the registrar agent before the cut-off time will be processed the following business day in Luxembourg that is also a trading day on the main stock exchanges in the USA.

Global Inflation Linked Bond, Global Inflation Linked Bond Short Duration

The reference to the fact that the benchmark is hedged into EUR has been substituted with the reference that the benchmark is "hedged into the respective class currency" for clarity purposes, where the fund might have share classes in different currencies.

Japan

Sumitomo Mitsui DS Asset Management Company, Limited has been appointed by Sumitomo Mitsui DS Asset Management (UK) Limited to act as the sub sub-investment manager for this fund. This intra-group delegation does not impact the fund's investment strategy or the risk profile.

Sverige

The reference to the target distribution rates have been removed from the fund descriptions and substituted with the following statement: "*the fund intends (but does not guarantee) to distribute dividends based on previous year returns.*"

European Bond

The description of the bonds ratings have been introduced into the fund description for clarification purposes. European Bond is expected that “*over the long term, the majority of the fund’s credit exposure is expected to be investment grade*”.

Danish Bond, Danish Mortgage Bond, Japan

The concentration risk has been removed from the risk descriptions of the funds having sufficiently diversified portfolios.