

Detailed merger information: SEB Fund 3 - SEB Sustainability Global Index Fund merges into SEB Fund 3 – SEB Ethical Global Index Fund

Information regarding the merger between SEB Fund 3 - SEB Sustainability Global Index Fund (The “Merging Sub-Fund”) and SEB Fund 3 – SEB Ethical Global Index Fund (which will be renamed to SEB Fund 3 - SEB Sustainable Global Exposure Fund) (The “Receiving Sub-Fund”) which will take place on 21 August 2020.

As a unitholder in The Merging Sub-Fund or the Receiving Sub-Fund, it is important for you to understand how the merger affects you. Please read this notice carefully as well as the key investor information documentation of The Receiving Sub-Fund provided with this notice.

If you are invested in the Merging Sub-Fund your investment will be automatically converted to the Receiving Sub-Fund unless you redeem your units before the merger. The deadline for redeeming your holdings in the fund without charge is 14 August 2020.

Background and Rationale

The reason of the merger of SEB Fund 3 - SEB Sustainability Global Index into SEB Fund 3 - SEB Ethical Global Index is because the funds will be identical after our planned redesign of the investment objective and policy of both Sub-Funds.

Since the Receiving Sub-Fund will be redesigned at the time for the merger while the Merging Sub-Fund will not, they will differ.

The Receiving Sub-Fund differs from the Merging Sub-Fund in the “index-replicating” element of its investment objective and policy and risk profile. In fact, unlike the Merging Sub-Fund, which is an index fund replicating the underlying index, the Receiving Sub-Fund aims to create return as close as possible to its benchmark by tracking, without replicating, the performance of its benchmark. However, the Receiving Sub-Fund’s return will deviate from the benchmark since it excludes companies that do not comply with the Management Company’s highest level of exclusion criteria based on its sustainability policy (the “Sustainability Policy”). Both sub funds are passively managed and key features of the Merging Sub-Fund and the Receiving Sub-Fund are substantially equivalent, including but not limited to, base currency and applicable charges, as outlined in more detail in the end of this notice.

The merger will enable the fund management team to offer a streamlined product within the equity space thus providing unitholders in the Merging and Receiving Sub-Funds with the opportunity to invest in an attractive strategy in the same product category. Additionally, we believe it will be possible to manage the fund with greater efficiency after the merger.

As a unitholder of either the Merging or Receiving Sub-Fund you should know that the merger will not affect the value of your investment or have any material impact on the portfolio. Expenses related to the merger will be borne by SEB Investment Management.

The Merger will have the following effects:

- a) All the assets and liabilities of the Merging Sub-Fund will be transferred to the Receiving Sub-Fund;
- b) The unitholders of the Merging Sub-Fund will become unitholders of the Receiving Sub-Fund;
- c) The Merging Sub-Fund and all its units will cease to exist on the Effective Date (as defined below).

With specific regard to the Merging and Receiving Sub-Fund’s unitholders’ rights, each unitholder will be entitled to, among other things:

- a) Request the repurchase, redemption or the conversion of his/her/its units without charge other than those retained by the Fund to meet disinvestment costs;
- b) Obtain additional information on the Merger as well as a copy of the key investor information documentation, copy of the report of the statutory auditor and the depositary.

In relation to, in particular, their redemption rights, unitholders of the Merging and Receiving Sub-Fund are offered the possibility to redeem their units free of charge based on the latest Net Asset Value of the units, for a period of at least 30 days from the date the unitholders are informed on the Merger up to the Cut-Off Time (as defined below).

Suspension of redemption and subscriptions

The Merger will have an effective date of 21 August 2020 (the “Effective date”) but in order to optimise the operational implementation of the Merger, subscriptions, conversions and/or redemption orders will only be accepted up to 15:30 pm CET on 14 August 2020 (the “Cut-off time”). Orders received after the Cut-Off time will be rejected. For more information, see the “Summarised timeline for the merger” below.

As a consequence thereof and with specific regard to the unitholders of the Merging Sub-Fund, the Merger will be binding for all the unitholders of the Merging Sub-Fund who have not exercised their right or requested the redemption of their units, free of charge by the Cut-Off Time. On the Effective Date, unitholders of the Merging Sub-Fund will, therefore, become unitholders of the Receiving Sub-Fund.

If you are an investor in the Merging Sub-Fund

The investments of customers in the Merging Sub-Fund who chose to remain in the fund when it merges with Receiving Sub-Fund will be automatically converted to units of the same class in the Receiving Sub-Fund as shown in the table below. Each unitholder’s total value of units in the Merging Sub-Fund will correspond to the total value of the units in Receiving Sub-Fund. Consequently, unitholders may receive a different number of units in Receiving Sub-Fund as the number of units they held in the Merging Sub-Fund. Units of the Merging Sub-Fund will give their holders the same rights as those issued for the Receiving Sub-Fund.

Merging Sub-Fund	Receiving Sub-Fund
C (USD) →	C (USD)
D (USD) →	D (USD)
ICP (SEK) →	ICP (SEK)
IC (EUR) →	IC (EUR)
IC (SEK) →	IC (SEK)
C (SEK) →	C (SEK) (new unit class)
	ZC (USD)
	ZD (USD)

Both the Merging Sub-Fund and the Receiving Sub-Fund have obtained risk level 5 on a scale from 1 to 7 of the risk and reward indicator (“SRRI”). The “SRRI” of the newly created unit class of the Receiving Sub-Fund will be a risk level 5.

Calculation of exchange ratio

The calculation of the exchange ratio shall be based on the close of business prices as of 20 August 2020. As part of the merger implementation process, we use an exchange ratio when converting The Merging Sub-Funds units to the Receiving Sub-Funds units. To calculate the exchange ratio, the total net asset value of the merging sub fund is divided by the net asset value, per unit, of the receiving fund. The total value of the new units will correspond to the total value of the Merging Sub-Fund's units.

Summarised timeline for the merger

- **19 August 2020:** Unitholders who do not wish to invest in the Receiving Sub-Fund have until this date to redeem their units.
- **14 August 2020:** The Merging Sub-Fund closes for subscriptions, conversions and redemptions.
- **21 August 2020:** The final net asset value for units of the Merging Sub-Fund will be calculated.
- **21 August 2020:** The merger takes effect. All of the Merging Sub-Fund’s assets and liabilities are transferred to the Receiving Sub-Fund.

Documentation surrounding the merger

Updated product documentation for the Receiving Sub-Fund, will be available on www.sebgroup.lu. The terms of the merger, depositary statement and the auditor report will also be available, free of charge, upon request from our registered office

For more information about the Receiving Sub-Fund, please read carefully the corresponding key investor information document as made available together with this notice. Also see the table, below, for a summarised comparison of the Merging and Receiving Sub-Funds, respectively.

List of principal differences between SEB Fund 3 – SEB Sustainability Global Index Fund and SEB Fund 3 – SEB Sustainable Global Exposure Fund

PRODUCT FEATURES	SEB Fund 3 – SEB Sustainability Global Index Fund (Merging Sub-Fund)	SEB Fund 3 – SEB Sustainable Global Exposure Fund (Receiving Sub-Fund)
Regulatory Status	Authorised as UCITS by the CSSF	Authorised as UCITS by the CSSF
Legal Status	Established as a FCP – “ <i>Fonds commun de placement</i> ”	Established as a FCP – “ <i>Fonds commun de placement</i> ”
Business Day	Any day on which banks are open for business in Luxembourg, except 24 December and 31 December. Please refer to the definition of “Valuation Day” in the “Glossary of terms” in the Prospectus.	Any day on which banks are open for business in Luxembourg, except 24 December and 31 December. Please refer to the definition of “Valuation Day” in the “Glossary of terms” in the Prospectus.
Valuation Day	The day on which the NAV per Unit is calculated, which is also any Business Day, as defined above. Please refer to the definition of “Valuation Day” in the “Glossary of terms” in the Prospectus.	The day on which the NAV per Unit is calculated, which is also any Business Day, as defined above. Please refer to the definition of “Valuation Day” in the “Glossary of terms” in the Prospectus.
Reference Currency	USD	USD
Investment Policy	<ul style="list-style-type: none">• Global focus• Equities and equities-related transferable securities• Passively managed	<ul style="list-style-type: none">• Global focus• Equities and equities-related transferable securities• Passively managed,

PRODUCT FEATURES	SEB Fund 3 – SEB Sustainability Global Index Fund (Merging Sub-Fund)	SEB Fund 3 – SEB Sustainable Global Exposure Fund (Receiving Sub-Fund)
	<ul style="list-style-type: none"> • Index-tracking <ul style="list-style-type: none"> • Index tracked is derived from the MSCI All Country World Index, calculated by MSCI and based on MSCI ESG Research <p>The ESG component of the index means, for example, that the index excludes companies that do not comply with Managements Company’s Sustainability Policy. For instance, companies that extract coal, gas or oil are</p>	<ul style="list-style-type: none"> • The Sub-Fund aims to create return as close as possible to its benchmark. The Sub-Fund seeks to track, without replicating, the performance of its benchmark. However, the Sub-Fund’s return will deviate from the benchmark since it excludes companies that do not comply with the Management Company’s highest level of exclusion criteria based on its sustainability policy (the “Sustainability Policy”). • The Sub-Fund’s benchmark is the [MSCI All Country World Index, calculated and published by MSCI. • When selecting investments to be held directly by the Sub-Fund, the Sub-Fund will apply exclusionary screens based on certain criteria as provided for in managements company’s Sustainability Policy. The exclusionary screens mean, for example, that the Sub-Fund aims to completely avoid investing directly in, companies that extract coal, gas or oil. In addition, the Sub-fund excludes energy companies that generate energy from fossil fuels and applies certain exclusion criteria to companies with distribution or services linked

PRODUCT FEATURES	SEB Fund 3 – SEB Sustainability Global Index Fund (Merging Sub-Fund)	SEB Fund 3 – SEB Sustainable Global Exposure Fund (Receiving Sub-Fund)
	<p>excluded from the index. In addition, the index excludes energy companies that generate energy from fossil fuels and applies certain exclusion criteria to companies with distribution or services linked to fossil fuels.</p>	<p>to fossil fuels. However, the Sub-Fund may gain indirect exposure (through, including but not limited to, derivatives and units / shares of other UCITS or UCIs) to issuers with exposures that are inconsistent with the Sustainability Policy. Circumstances in which such indirect exposure may arise include, but are not limited to, where a counterparty to a derivative transaction in which the Sub-Fund invests posts collateral which is inconsistent with the Sustainability Policy or where a UCITS or UCIs in which the Sub-Fund invests does not apply any or the same exclusion criteria as the Sub-Fund and so provides exposure to securities which are inconsistent with the Sustainability Policy. The Sub-Fund may take corrective action in such circumstances.</p>
<p>Unit Classes</p>	<p>C (USD) D (USD) ICP (SEK) IC (EUR) IC (SEK) C (SEK)</p>	<p>C (USD) D (USD) ICP (SEK) IC (EUR) IC (SEK) C (SEK) (new share class) ZC (USD) ZD (USD)</p>

PRODUCT FEATURES	SEB Fund 3 – SEB Sustainability Global Index Fund (Merging Sub-Fund)	SEB Fund 3 – SEB Sustainable Global Exposure Fund (Receiving Sub-Fund)
Management Fee	Max 0.40% p.a. of Sub-Fund's net assets	Max 0.40% p.a. of Sub-Fund's net assets
Subscription fees	None	None
Redemption fees	None	None