

Notice to shareholders

August 2018

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Notice to shareholders: SEB SICAV 3 – SEB Asset Selection Defensive

We wish to inform shareholders that we plan to implement several changes in SEB SICAV 3 – SEB Asset Selection Defensive (the “Sub-Fund”) on 1 October 2018. The changes include adjustments in the investment strategy and a change of name to SEB SICAV 3 – SEB Diversified V8, which reflects the investment strategy.

You as a shareholder are not required to take any action. However, if you do not wish to remain invested in the Sub-Fund due to the changes described here, you may redeem your shares in the sub fund free of charge but you must do this by 15:30 (CET) 28 September 2018.

The table below shows the adjustments in the sub fund’s investment policy, risk profile and risk management process and typical investor. The text in the table below is from the prospectus.

SEB SICAV 3 – SEB Asset Selection Defensive (prior to implementation of changes)	SEB SICAV 3 – SEB Diversified V8 (as of implementation 1 October 2018)
<p>SEB Asset Selection Defensive (the “Sub-Fund”) may invest in transferable securities from any part of the world without being restricted to a specific geographical area or industrial sector. The portfolio may be invested in equities and equity related transferable securities, as well as in fixed interest securities, floating-rate notes, convertible bonds and bonds with warrants to subscribe for transferable securities, zero-coupon bonds and profit-participation certificates, units / shares of other UCIs or UCITS. The Sub-Fund may furthermore seek to have exposure to commodity indices as well as currencies.</p>	<p>SEB Diversified V8 (the “Sub-Fund”) is actively managed, targeting absolute returns. Consequently the Sub-Fund has no benchmark. The Sub-Fund may invest in transferable securities from any part of the world without being restricted to a specific geographical area or industrial sector.</p>
<p>[...]</p>	<p>The portfolio may be invested in equities and equity related transferable securities, fixed income instruments (including, but not limited to floating-rate notes, convertible bonds and bonds with warrants to subscribe for transferable securities, zero-coupon bonds and profit-participation certificates), and units / shares of other UCIs or UCITS, including ETFs. The Sub-Fund may furthermore seek to have exposure to commodities as well as currencies.</p>
<p>A commodity index may regroup different financial sub-indices representing one specific sector.</p>	<p>The Sub-Fund targets an average volatility of eight (8%) percent. However, the Sub-Fund will have a more varying volatility level over time, meaning the volatility may be higher during the investment period.</p>
<p>The exposure to a financial sub-index representing one specific commodity sector may not exceed 15% of the net asset value of the Sub-Fund.</p>	<p>[...]</p> <p>The Sub-Fund may not invest more than one (1%) percent of its NAV in contingent convertible bond (“CoCos”) and no more than ten (10%) percent in distressed debt securities. Investment in ABS and MBS might not exceed twenty (20%) percent of the total net assets of the Sub-Fund’s portfolio.</p>
<p>[...]</p>	<p>The Sub-Fund may seek to have a maximum net exposure of twenty (20%) percent of its NAV to commodities through:</p> <ul style="list-style-type: none"> a) commodity index derivatives; b) commodity funds; c) transferrable securities with embedded commodity index exposures; and d) other commodity related instruments and derivatives on a global basis; <p>provided that the instrument is compliant with the Law. Commodities include, but are not restricted to, different kinds of energy commodities, precious metals, industrial metals, live-stock and agriculture commodities.</p>
<p>[...]</p>	<p>The exposure to a financial sub-index representing one specific commodity sector may not exceed fifteen (15%) percent of the net asset value of the Sub-Fund.</p>
<p>[...]</p>	<p>[...]</p> <p>The weighting of each financial index and sub-index is adjusted at least on an annual basis in order to guarantee the clarity and balance of such index. No specific fees will be charged to the Sub-Fund as a result of the rebalancing. Any index rebalancing costs are already priced into the applicable (transaction costs and fees). The composition of the financial index is reviewed at least on an annual basis.</p>
<p>[...]</p>	<p>Further information on the financial indices and sub-indices, including the list of financial indices and sub-indices, index methodology and composition, as well as the performance of indices can be found at https://sebgroupl.lu/private/our-funds</p>

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<p>Risk profile</p> <ul style="list-style-type: none"> • Counterparty risk • Credit risk • Currency risk • Derivatives • Interest risk • Liquidity risk • Market risk • Operational risk 	<p>Risk profile</p> <ul style="list-style-type: none"> • Counterparty risk; • Credit risk; • Currency risk; • Risk related to investments in financial derivative instruments; • Interest rate risk; • Liquidity risk; • Market risk; • Operational risk; • Leverage risk; and • Commodity risk. <p>• Additional risks:</p> <p>This Sub-Fund may have risks that may differ from the risks of traditional funds. The Sub-Fund may not only have exposures to one asset class, but to several asset classes. The Sub-Fund may have exposures, for example, to fixed income, equities, currencies, commodities, volatility indices and/or other financial indices.</p> <p>The Sub-Fund may have long exposures (directly or via derivatives) as well as short exposures (directly or via derivatives) to any of the assets mentioned in the investment policy above, and/or in the general part of the Prospectus section 3.1 "Eligible Assets".</p> <p>Since the Sub-Fund may be risk exposed to one, several or all of the above asset classes, the risk may vary from high to low.</p> <p>As the Sub-Fund may be risk exposed to one, several or all of the above asset classes over time; as the direction of the positions in the Sub-Fund may be short and/or long in the different asset classes and over time and as the position sizes may be varying from small to large in the different asset classes and over time, the performance behaviour of the Sub-Fund may be hard to forecast and/or understand for investors in the Sub-Fund.</p> <p>Investors in an absolute return fund, such as this Sub-Fund, are handing over all investment decisions to the Investment Manager. This includes asset allocation decisions and, when relevant, the security selection decisions. Prior to investing in the Sub-Fund, it is therefore important to establish a view whether the fund manager and his/her investment team is likely to deliver appropriate returns or not in the Sub-Fund.</p> <p>The Sub-Fund's return depends on the fund manager's ability to forecast future events and to take appropriate long and/or short positions. This differs from traditional funds, whose return is predominantly determined by the development of the relevant benchmark market.</p>
<p>2.2. Risk management process</p> <p>Leverage Based on the sum of the notional approach (which defines the leverage as the sum of the absolute value of the notional of all financial derivative instruments in the Sub-Fund's portfolio), the Sub-Fund's expected level of leverage over time amounts to 600% of the Sub-Fund's Net Asset Value. The Sub-Fund's expected maximum level of leverage is 850% of the Sub-Fund's Net Asset Value. The Sub-Fund is managed using the VaR approach. In environments with low market volatility, the Sub-Fund's level of leverage may be higher than the expected maximum leverage.</p> <p>Typical investor The Sub-Fund is intended for investors who seek capital growth over the long-term. This Sub-Fund is suitable to investors who can afford to set aside the capital invested for at least two years.</p>	<p>2.2. Risk management process</p> <p>Leverage Based on the sum of the notional approach (which defines the leverage as the sum of the absolute value of the notional of all financial derivative instruments in the Sub-Fund's portfolio), the Sub-Fund's expected level of leverage over time amounts to 800% of the Sub-Fund's Net Asset Value. The Sub-Fund's expected maximum level of leverage is 1600% of the Sub-Fund's Net Asset Value. The Sub-Fund is managed using the VaR approach. In environments with low market volatility, the Sub-Fund's level of leverage may be higher than the expected maximum leverage.</p> <p>Typical investor The Sub-Fund is intended for investors who seek capital growth over the long-term and who understand the nature of absolute return funds, as described above. Investors must be able to accept substantial year-to-year volatility and significant decreases in the value of the Sub-Fund from time to time. These factors make the Sub-Fund suitable for investors who can afford to set aside the capital they invest for at least three (3) to five (5) years.</p>

Product documentation for the Sub-Fund, including the changes described here, is available on 30 August 2018 at www.sebgroup.lu and, on request, at the registered office of the Company.

Sincerely,
The Board of Directors