

Prospectus SKAGEN m² Verdipapirfond, org.nr. 998 738 873 (established 31 October 2012)

1. SKAGEN AS

1.1 Legal matters

SKAGEN AS (SKAGEN) was founded on 15.09.1993 and is registered in the Register of Business Enterprises with org. no. 867 462 732. On 19.11.1993 the company was authorised by the Financial Supervisory Authority of Norway to manage securities funds. The company manages the following different fund categories; equity funds, fixed income funds and balanced funds. The funds are managed according to different mandates within their respective categories. For more information about which funds are managed by the company, please refer to our homepage www.skagenfunds.com or contact the company directly. The company's share capital is NOK 6.329.200. The company's registered address is P.O. Box 160, 4001 Stavanger. The company is authorised to market SKAGEN m² in Norway, Sweden, Denmark, Finland, the Netherlands, Luxembourg, Iceland, the UK, Ireland, the Faroe Islands, Germany, France and Belgium.

Changes in the marketing of the Fund or the termination of the marketing of the Fund in the above mentioned markets may not be carried out until SKAGEN has provided written notification to the financial authorities in the relevant host countries. Unit holders will be informed via our web pages.

1.2 Ownership

The company is 100 percent owned by Storebrand Asset Management AS.

1.3 Board of Directors

Elected by the shareholders:
Jan Erik Saugestad, Chairperson
Viveka Ekberg
Kristian Falnes
Tove Selnes

Elected by the unit holders:
Per Gustav Blom
Karen Elisabeth Ohm Heskja

Deputy members elected by the shareholders:
Camilla Brustad-Nilsen
Kristina Ensgård

Deputy member elected by the unit holders:
Hilde Hukkelberg

Observer elected by the employees:
Anne Line Kristensen Larsen

Deputy observer elected by the employees:
Stein Thomas Haben

The total fee paid to directors was NOK 1.650.000 in 2022.

1.4 Managing director

Timothy C Warrington

The Managing director receives a fixed salary of NOK 2.612.000 and in addition, a performance based bonus.

1.5 Remuneration scheme

The company has a remuneration scheme which is established in accordance with the management company's and the funds' strategies, overall objectives, risk tolerance and long-term interests. Central to the company's remuneration scheme is a profit sharing with employees. More information about the remuneration scheme can be found on the company's web site. The information can be sent free of charge on request.

2. Articles of Association for the fund SKAGEN m²

§ 1 The name of the securities fund and of management company

The securities fund SKAGEN m² is managed by the management company SKAGEN AS. The Fund is authorised in Norway and is regulated by the Financial Supervisory Authority of Norway. The Fund is regulated in accordance with the Norwegian Securities Fund Act no 44 of 25 November 2011 ("the Norwegian Securities Funds Act").

§ 2 UCITS fund

The Fund is a UCITS fund which complies with the investment regulations in chapter 6 of the Norwegian Securities Fund Act, and the regulations on subscription and redemption in § 4-9 (1) and § 4-12 (1).

§ 3 Rules for the investment of the securities fund's assets

3.1 The fund's investment universe and risk profile

The Fund is an equity fund according to the definitions issued by the Norwegian Fund and Asset Management Association. The Fund mainly invests in shares issued by companies worldwide which engage in activities associated with real estate.

The Fund is normally characterised by a relatively high risk of fluctuations (volatility). The risk profile is described in greater detail in the Fund's Key Investor Information Document.

The Fund's investment mandate is described in greater detail in this prospectus.

3.2 General information about the investment universe

The Fund's assets may be invested in the following financial instruments and/or deposits in banks and financial institutions:

Negotiable securities	<input checked="" type="checkbox"/> yes	<input type="checkbox"/> no
Securities fund units	<input checked="" type="checkbox"/> yes	<input type="checkbox"/> no
Money market instruments	<input checked="" type="checkbox"/> yes	<input type="checkbox"/> no
Derivatives	<input checked="" type="checkbox"/> yes	<input type="checkbox"/> no
Deposits in banks and financial institutions	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> no

Investment in other securities funds may not exceed 10 percent of the fund's assets: yes no

Irrespective of the investment alternatives stated in the present article the fund may hold liquid assets.

Securities funds invested in may themselves invest a maximum of 10 percent of the fund's assets in securities fund units:

yes no

Investment in securities funds which are not UCITS shall comply with the requirements in the Securities Funds Act § 6-2 (2) and in total not exceed 10 percent of the fund's assets:

yes no

The Fund's assets can be invested in money market instruments that are normally traded in the money market, are liquid and can be valued at any time: yes no

The Fund may use the following derivatives: options, forward contracts and swaps. The underlying financial instrument to the derivative shall be financial instruments as mentioned above in point 3.2 first paragraph, indices with financial instruments specified in point 3.2 first paragraph as or interest, currency or exchange rates as.

The expected risk and expected performance of the Fund's underlying security portfolio is reduced as a result of the derivative investments.

The Fund's investments in securities fund units together with other investments shall conform to the current articles of association.

3.3 Liquidity requirements

The fund's assets may be invested in financial instruments which:

- are officially listed or traded on a regular market in an EEA country, including a Norwegian regulated market as defined in directive 2004/39/EC art 4 (1) no 14 and § 3(1) of the Norwegian Stock Exchange Act. yes no
- traded on another regularly functioning regulated market, which is open to the public in a country which is party to the EEA agreement. yes no

3. is officially listed on the stock exchange in a country outside the EEA or which is traded in such countries on another regularly functioning regulated market open to the general public.
 yes no

All stock exchanges and regulated markets in the world are eligible. Investments are made in developed markets and emerging markets.

4. are newly issued where a condition of issue is that application is made for trading on stock exchanges or markets crossed off in points 1 to 3 above. Admission for trading may be performed at the latest one year after the expiry of the subscription deadline
 yes no

The Fund's assets may be invested in money market instruments which are traded on a different market to those specified in points 1 to 3 above, where the issue or issuer of the instruments is regulated in order to protect investors and savings and the instrument is subject to the Norwegian Securities Fund Act § 6-5 (2).

Up to 10 percent of the Fund's assets may be invested in different financial instruments to those described in the present article.

3.4 Investment restrictions – on the Fund's assets

The Fund's holdings of financial instruments must be of a composition which allows an appropriate spread of the risk of losses.

The Fund's investments must at all times conform to the investment limitations in the Norwegian Securities Fund Act § 6-6 and § 6-7 (1) and (2).

3.5 Investment restrictions – ownership interest with issuer

The Fund's investments shall at all times comply with the investment restrictions in the Norwegian Securities Fund Act § 6-9.

3.6 Lending

The Fund may lend financial instruments in accordance with the Norwegian Securities Fund Act § 6-11.

All income from securities lending shall accrue to the Fund.

§ 4 Capital gains and dividends

Capital gains shall be reinvested in the Fund.

Dividends are not distributed to unit holders.

The board of directors of the management company may determine that capital gains on the Fund's bonds shall be paid to the unit holders.

The board of directors of the management company may determine that share dividends and/or interest income shall be paid out to the unit holders.

§ 5 Costs

Management fees are the management company's remuneration for the management of the Fund.

The basis for calculating management fees is the day-to-day value of the Fund. When calculating the Fund's net asset value (total net assets), the basis shall be the market value of the portfolio of financial instruments and deposits in banks and credit institutions, the value of the Fund's liquid assets and other receivables, the value of earned non-due revenues and the value of any loss carry forwards deducted for debt and accrued non-due costs including latent tax liabilities.

In addition to the management fee, the following costs may also be covered by the Fund:

1. Transaction costs related to Fund investments;
2. Payment of taxes imposed on the Fund;
3. Interest on borrowings as specified in Section 6-10 of the Norwegian Securities Funds Act; and
4. Any extraordinary costs necessary to protect the interests of unit holders, cf. Section 4-6, second paragraph, of the Norwegian Securities Funds Act.

The management fee shall be divided equally on all units within each fund's unit class. The amount of the management fee is set out in Art. 7 of the Articles of Association.

All fees received from sub-funds shall accrue to SKAGEN m² in its entirety.

§ 6 Subscription and redemption of fund units

The Fund is normally open for subscriptions five times a week. The Fund is normally open for redemptions five times a week.

A subscription charge of up to three percent of the subscribed amount may be charged upon subscription.

The Board of SKAGEN may determine the cost shall increase up to 10 percent of the subscribed amount. The difference between three percent and the adopted increased subscription cost of up to 10 percent shall accrue to the Fund. The Board can adopt the increased subscription charge for a specific period with options for prolonging or shortening by Board resolution.

A redemption fee of up to one percent of the redeemed amount shall be paid upon redemption.

SKAGEN may use swing pricing. Please refer to the prospectus for further details.

§ 7 Unit classes

The fund's asset pool shall be divided into the following unit classes:

Unit Class	Management Fee
m ² A	Fixed management fee of 1.5 % adjusted for performance-based management fee
m ² B	Fixed management fee not to exceed 1.2 % adjusted for performance-based management fee
m ² C	Fixed management fee of 1.5 %. In addition there shall be a performance-based management fee

Unit Class m² A

The management company may charge the unit class a fixed management fee. The management fee shall constitute 1.5 per cent per annum.

The fixed management fee shall be calculated daily and charged quarterly.

The total fixed management fee in the Fund and any sub-funds may not exceed 6.5 per cent per annum in unit class A.

The management company may additionally charge the unit class a performance-based management fee.

The fixed management fee shall be subtracted from the unit value before calculating the performance-based management fee.

The performance-based management fee shall be calculated daily and charged annually.

In the event of a percentage-related more favourable improvement in the value of the unit than in the MSCI ACWI Real Estate IMI Net total return index USD, measured in Norwegian kroner (NOK) from the preceding day, the management company will calculate a 10 per cent fee of this difference in its favour.

A performance-based management fee may be charged even if the units of the unit class have declined in value.

The total management fee may not exceed 3 per cent of the daily calculated average annual assets under management.

In the event of a percentage-related less favourable development than in the MSCI ACWI Real Estate IMI Net total return index USD, measured in Norwegian kroner (NOK), the management company will subtract a 10 per cent fee of this difference from the management fee.

The total management fee may not fall below 0.75 per cent of the daily calculated average of the annual assets under management. If the calculated management fee is lower than 0.75 per cent, the difference will not be included in the unit value but be carried over to the following day. This means that the management company will have to recover the loss in value from the preceding day before any performance-based management fee can be included in the calculation of the unit value.

The calculation period will run from the start of the year even if the unit was purchased during the calendar year.

The daily calculation of the performance-based management fee per unit is affected by unit subscriptions and redemptions. Performance-based management fees may therefore be charged even if the development in the value of the unit class has been negative in relation to the benchmark and will similarly not be charged if the value of the unit class has been positive in relation to the benchmark.

Unit Class m² B

Unit Class B is characterised by having a lower fixed management fee than Unit Class A. The unit class is open to any investor who subscribes for units

through distributors which are not contractually eligible to receive remuneration from the management company.

The management company may charge the unit class a fixed management fee. The management fee shall not exceed 1.2 per cent per annum.

The fixed management fee shall be calculated daily and charged quarterly.

The total fixed management fee in the Fund and any sub-funds may not exceed 6.5 per cent per annum in unit class B.

The management company may additionally charge the unit class a performance-based management fee.

The fixed management fee shall be subtracted from the unit value before calculating the performance-based management fee.

The performance-based management fee shall be calculated daily and charged annually.

In the event of a percentage-related more favourable improvement in the value of the unit than in the MSCI ACWI Real Estate IMI Net total return index USD, measured in Norwegian kroner (NOK) from the preceding day, the management company will compute a 10-per cent fee of this difference in its favour.

A performance-based management fee may be charged even if units in the unit class have declined in value.

The total management fee may not exceed 2.7 per cent of the daily calculated average annual assets under management.

In the event of a percentage-related less favourable development than in the MSCI ACWI Real Estate IMI Net total return index USD, measured in Norwegian kroner (NOK), the management company will subtract a 10 per cent fee of this difference from the management fee.

The total management fee may not fall below 0.45 per cent of the daily calculated average annual assets under management. If the calculated management fee is lower than 0.45 per cent, the difference will not be included in the unit value but be carried over to the following day. This means that the management company will have to recover the loss in value from the preceding day before any performance-based management fee can be included in the calculation of the unit value.

The calculation period will run from the start of the year even if the unit was purchased during the calendar year.

The daily calculation of the performance-based management fee per unit is affected by unit subscriptions and redemptions. Performance-based management fees may therefore be charged even if the development in the value of the unit class has been negative in relation to the benchmark and will similarly not be charged if the value of the unit class has been positive in relation to the benchmark.

In the event, a unit holder does not meet the criteria for investing in Unit Class B, the management company may transfer the unit holder's unit value to Unit Class A.

Unit Class m² C

The management company may charge the unit class a fixed management fee.

The management fee shall constitute 1.5 per cent per annum.

The fixed management fee shall be calculated daily and charged quarterly.

The total fixed management fee in the Fund and any sub-funds may not exceed 6.5 per cent per annum in unit class C.

The management company may additionally charge the unit class a performance-based management fee.

The fixed management fee shall be subtracted from the unit value before calculating the performance-based management fee.

The performance-based management fee shall be calculated daily and charged annually.

In the event of a percentage-related more favourable improvement in the value of the unit than in the MSCI ACWI Real Estate IMI Net total return index USD, measured in Norwegian kroner (NOK) from the preceding day, the management company will calculate a 10 per cent fee of this difference in its favour.

The total management fee may not exceed 3 per cent of the average annual assets under management.

The performance management fee is charged/settled annually on 31 December. The performance management fee is only charged/settled if the accumulated relative value development between the unit class and MSCI ACWI Real Estate IMI Net total return index USD, as measured in Norwegian kroner, from the time of the previous charge/settlement up to 31 December is greater than zero (relative high-water mark). The calculation period for the performance management fee is from the previous charge/settlement to the end of the year if the criteria for charging/settling the fee are fulfilled. This means that a unit holder who subscribes units during a period when the accumulated relative value development is less than zero, may avoid being charged a performance management fee even though his units have had a better value development than the MSCI ACWI Real Estate IMI Net total return index USD, as measured in Norwegian kroner.

A performance-based management fee may be charged even if the units of the unit class have declined in value.

The daily calculation of the performance-based management fee per unit is affected by unit subscriptions and redemptions. Performance-based management fees may therefore be charged even if the development in the value of the unit class has been negative in relation to the benchmark and will similarly not be charged if the value of the unit class has been positive in relation to the benchmark.

3. Tax issues

The information given below is not intended as tax advice, but merely provides information on the basic tax rules for the Fund. Please contact your local tax consultant for further information.

The Fund:

The Fund is exempt from tax on profits and is not entitled to deduct losses from the disposal of units. Dividends from, and profits on, investments that fall under the exemption method are also tax-free. However, three per cent of the tax-free dividends must be considered as taxable for the Fund. The Fund may be liable to pay tax on gains and dividends from foreign companies. The Fund is exempt from wealth tax. Net capital gains, foreign exchange gains and gains on interest-bearing securities are taxed at 22%.

The Fund does not distribute dividends.

Investors liable to taxation in Belgium:

Individual investors

Belgian individual investors are not taxed on undistributed income and gains. Capital gains realized upon sale, redemption or liquidation are not taxable, provided they are realized within the scope of the normal management of one's own private estate. Capital losses are not tax deductible.

However, insofar the fund would be investing for more than 10% (or 25% for units acquired before 1 January 2018) in debt securities (including cash deposits), Belgian individual investors will be taxed at a rate of 30% on a part of their income out of the redemption of their units, proportionate to the ratio in which the fund has invested in debt securities.

Corporate investors

Belgian corporate investors are not taxed on undistributed income and gains. Capital gains realized upon sale, redemption of the shares or upon liquidation will be taxed in the hands of the Belgian corporate investors at the normal corporate income tax rate of 25%. Capital losses on units are tax deductible.

Stamp duties

On the purchase and sale of units in Belgium via a Belgian financial intermediary institution, a stock exchange duty is due.

A stock exchange duty is also due in case units are purchased or sold via a non-Belgian financial intermediary institution, provided that the order for the transaction was given by a Belgian investor. In such cases, the Belgian investor is the debtor of the stock exchange duty, unless he can prove that the stock exchange duty has been paid.

No stock exchange duty is due on the issue of new units, nor on the redemption of units.

Prior to the investment, the investor should however seek approval of his local tax adviser.

4. Derivatives

According to § 3 3 2 of the Articles of Association, the Fund may use derivatives, where the purpose is reduction of risk. The Fund does not currently use derivatives.

5. Benchmark index

The Fund's benchmark is the MSCI ACWI Real Estate IMI Net total return index USD measured in NOK. The benchmark is adjusted for dividends.

The Fund's benchmark is provided by MSCI Limited, an administrator approved by and registered with ESMA in accordance with the Benchmark Regulation.

SKAGEN has developed a plan in case the benchmark ceases to exist or is materially changed, and has identified one or more relevant back-up benchmarks which can re-place the current index. A change of benchmark requires amendment of the Fund's Articles of Association and will follow the procedures laid out in the Securities Funds Act and Regulation, including approval from the unit holders and the Financial Supervisory Authority of Norway.

6. Objective and investment strategy

The Fund's objective is to provide unit holders with the best possible long-term risk adjusted return, through an actively managed concentrated portfolio of financial instruments issued by companies or issuers with business related to real estate.

SKAGEN m² is an actively managed fund with a global investment mandate. The Fund's strategy is to invest in financial instruments, which take advantage of the underlying real estate risk and return in the relevant markets. In order to reduce risk, the Fund shall seek to maintain a reasonable balance between geographical regions and sub sectors within real estate. SKAGEN has normally a long investment horizon, and attach greater value to fundamentals than to short-term trends in the market.

7. Sustainability information

For relevant information regarding the sustainability considerations the Fund takes into account, please refer to the Annex in this document.

8. Nature and character of the unit

General

All units represent one ownership share in the fund SKAGEN m².

A unit holder is not entitled to demand that the Fund be split up or dissolved. All unit holders or their appointed proxies have the right to vote at the election meeting for the securities funds managed by SKAGEN. Beyond their unit investment, unit holders are not liable for the Fund's obligations. If the Financial Supervisory Authority of Norway decides that the Fund should liquidated or transferred to another management company, unit holders will be informed pursuant to the Norwegian Securities Funds Act § 5-7.

The end of the fund's financial year is 31.12.

Unit classes

- The fund is divided into different unit classes.
- The condition for accessing unit class B: The investor subscribes through a distributor which, according to its agreement with the management company, does not receive payment from the management company.
- If the investor no longer fulfils the conditions and preconditions for a given unit class, SKAGEN will – after prior notification to the account holder – transfer the units to another unit class for which the conditions are met. SKAGEN is not responsible for any costs or inconvenience incurred by the investor or others as a result of the move to another unit class, including, but not limited to, tax consequences.

9. Auditor

The external/financial auditor is PricewaterhouseCoopers DA, P.O. Box 8017, 4068 Stavanger, Norway (org. no. 987 009 713).

The internal auditor is Ernst & Young AS, Dronning Eufemias Gate 6, 0191 Oslo, Norway (org.no. 976 389 387).

10. Custodian

The Fund's Custodian is J.P. Morgan SE - Oslo Branch (org.no. 921 560 427), Tordenskiolds gate 6, 0160 Oslo, Norway. The bank is a foreign enterprise registered in Norway.

11. Historical returns and risk

Please refer to the Key Investor Information Document for up-to-date bar graphs showing historical returns for the fund's unit classes and position on the SKAGEN risk scale. Key Investor Information Document may be ordered free of charge from SKAGEN, or downloaded from www.skagenfunds.com.

The Fund's risk arises from market fluctuations, development in currency exchange rates, interest rates, economic conditions and company specific factors. SKAGEN has established internal control procedures to reduce the risk of errors that may affect the fund. The distribution of the equity portfolio's investments is a result of SKAGEN's investment philosophy, with requirements to company valuation, product/market matrix, debt ratio and the liquidity of the financial instrument. In addition to mandatory limits, SKAGEN has established internal requirements regarding the balance between different types of

underlying real estate investments and the liquidity of the financial instruments in which the fund invests. Investments in money market instruments are based on an evaluation of the issuer's credit worthiness and general financial situation in the issuer's country.

Historical returns are no guarantee for future returns. Future returns will depend, inter alia, on market developments, the fund manager's skill, the fund's risk profile and subscription and management fees. The return may become negative as a result of negative price developments. The Fund's performance may vary considerably over the course of a year. Gains or losses for individual unit holders will therefore depend on the exact timing of the subscription and redemption of units.

12. Calculation of Net Asset Value per unit

When calculating the net asset value (NAV) per unit class, the basis shall be the market value of the portfolio of financial instruments and deposits in credit institutions, the value of the Fund's liquid assets and other receivables, the value of accrued non-overdue income and the value of any carryforward losses, less liabilities and accrued expenses not yet due, including deferred tax liabilities.

The net asset value per unit is calculated on all trading days. These are published through Oslo Børs ASA. The Fund is closed for price setting, subscription and redemption on Norwegian public holidays and when markets in which a significant part of the Fund's portfolio is invested in are closed. A trading calendar is available on www.skagenfunds.com

Discretionary valuation is used if events occur that may have a bearing on the value of a relevant security, if a non-significant part of the market in which the security is traded is closed, or if the security is illiquid. SKAGEN's practice for discretionary valuation is in accordance with the Norwegian Mutual Fund association's industry recommendation on the valuation of illiquid equity instruments, available at www.vff.no.

Furthermore, SKAGEN has established procedures for swing pricing in order to prevent losses for existing unit holders due to subscriptions and redemptions made by other unit holders of the Fund. The NAV is adjusted by a swing factor on days when the Fund has had net subscriptions or redemptions in excess of a predetermined proportion of the Fund's total assets. The threshold for adjustment of the NAV is set at the level at which net subscriptions or redemptions are expected to result in the Fund having to make adjustments to the portfolio leading to transaction cost, spread cost (the difference between the purchase and sales price of the underlying securities) and currency exchange cost. If the Fund has had net subscriptions above this threshold, NAV is adjusted up, and vice versa if the Fund has had net redemptions above this threshold. The swing factor is based on average historical costs, and is evaluated every quarter.

The procedures are set up according to the industry standard set by The Norwegian Mutual Fund Association for subscription and redemption; www.vff.no.

13. Unit holder register

The unit holder register for SKAGEN m² is maintained by Storebrand Asset Management AS. Unit holders will receive notifications of changes to holdings, annual statements and realisation statements through SKAGEN's web portal. Upon request, unit holders/nominees may arrange to receive annual statements and realisation statements by post.

14. Costs

Unit class m² A

Fixed management fee: 1.5% per annum, calculated daily and charged quarterly. Performance fee: Better/worse value development than the benchmark index, calculated daily, is divided 90/10 between the unit holder and SKAGEN. Performance fee is charged annually. The total management fee charged represents a maximum of 3% per annum and minimum 0.75% per annum.

Unit class m² B

Fixed management fee: not to exceed 1.2% per annum, calculated daily and charged quarterly. Performance fee: Better/worse value development than the benchmark index, calculated daily, is divided 90/10 between the unit holder and SKAGEN. Performance fee is charged annually. The total management fee charged represents a maximum of 2.7% per annum and minimum 0.45% per annum.

Unit class m² C

Fixed management fee: 1,5% per annum, calculated daily and charged quarterly. Performance fee: Better value development than the benchmark index, calculated daily, is divided 90/10 between the unit holder and SKAGEN. The unit class has a relative high-water mark. Performance fee is charged annually. The total management fee charged represents a maximum of 3% per annum.

Performance fee can be charged despite a negative development in the fund's net asset value per unit if the performance is better than the benchmark.

If deemed to be in the interest of the unit holders, the management company will, on behalf of the fund, claim refund of withholding tax and pursue legal claims (including class actions). In this regard, the fund can be charged costs directly, or indirectly by reducing the payment (gain) for the fund.

More information about management fees to be found in the Articles of Association § 5 and § 7.

There are currently no costs for subscription and redemption.

15. Information

SKAGEN will publish the Fund's annual report and half year report on the management company's web site. The annual report will be published no later than four months after the end of the financial year. The half year report will be published no later than two months after the end of the reporting period. Unit holders who have provided an e-mail address will receive the report electronically. Unit holders may request to receive a copy of the reports by post free of charge.

Unit holders will receive first half and second half year reports informing them of the number of units they hold in the Fund, the value of their holding and the return for the period and the year. This information will be distributed via SKAGEN's web portal.

16. Subscriptions and redemptions

Subscription and redemption of units takes place in accordance with the industry standard set by the Norwegian Mutual Fund Association referred to above.

Minimum subscription amount is specified in the fund's Key Investor Information Document.

For subscriptions and redemptions in other currencies than NOK, the subscription/redemption price is calculated on the basis of the Fund's net asset value in NOK and the currency exchange rate applicable to the relevant fund on the valuation day. For information regarding which currencies that may be used for subscriptions/redemptions, please refer to www.skagenfunds.com.

Requests for subscription and redemption must be in writing and duly signed, unless otherwise agreed in writing between SKAGEN and the unit holder. The subscription of new units shall take place at a price corresponding to the net asset value per unit according to the first valuation after the time of subscription (which is when the subscription is received by the Management Company, the subscription amount is received and any identity control has been completed). Redemption shall take place at the net asset value per unit first calculated after the redemption request has been received by the Management Company. Requests for redemption must be received by the Management Company before 3:00 p.m. CET, adjusted for daylight savings time or other time determined in relation to public holidays (the time limit) in order for the first price calculation to apply as the redemption price.

In the event of stock exchange closure, or other extraordinary circumstances, including in special instances the protection of unit holders' interests, the management company may, with the consent of the Financial Supervisory Authority, either wholly or partially suspend the value assessment and payment of redemption claims.

In Sweden, subscription and redemption may be effected through:

- SKAGEN Fonder, Vasagatan 10, 105 39 Stockholm (org. no. 516403-4984)
- Svenska Handelsbanken, Kungsträdgårdsgatan 2, 10670 Stockholm (org. no. 502007-7862)

In Denmark (incl. the Faroe Islands), subscription and redemption may be effected through:

- SKAGEN Fondene, Bredgade 25A, 1260 Copenhagen K (CVR no. 29 93 48 51)
- Handelsbanken, Filial af Svenska Handelsbanken AB (Publ), Amaliegade 3 P.O. Box 1032, 1007 Copenhagen K. (CVR no. 242 46 361)

In Luxembourg, subscription and redemption may be effected through:

- Svenska Handelsbanken AB (publ), Luxembourg Branch, 15, Rue Bender, L-1229 Luxembourg (org.no. B0039099)

In Finland, subscription and redemption may be effected through:

- Svenska Handelsbanken AB publ, Branch operation in Finland, Aleksanterinkatu 11, 00100 Helsinki (org. no. 0861597-4)

In the UK, SKAGEN AS has appointed Storebrand Asset Management UK Ltd as facility agent. Subscription and redemption may be effected through:

- Storebrand Asset Management UK Ltd, Green Park House, 15 Stratton Street, London W1J 8LQ, United Kingdom. UK Company No: 14734422. Storebrand Asset Management UK Ltd is an Appointed Representative of Robert Quinn Advisory LLP, which is authorised and regulated by the Financial Conduct Authority.

In Ireland, subscription and redemption may be effected through:

- CACEIS Ireland Limited, One Custom House Plaza, International Financial Services Centre, Dublin I, Ireland

In Germany, subscription and redemption may be effected through:

- SKAGEN Funds, Barckhausstrasse 1, 60325 Frankfurt, Germany (Gewerbeanmeldung Nr: 06412000)

In France, CACEIS is acting as Representative Agent:

- CACEIS Bank, 1-3 place Valhubert, 75206 Paris Cedex 13, France

In Belgium, CACEIS is acting as Representative Agent:

- CACEIS Belgium SA/NV, Avenue du Port 86C b320, 1000 Bruxelles, Belgium

The Fund's prospectus, Key Investor Information Document, the most recent monthly report, annual report and the net asset value are available upon request from the afore mentioned institutions.

More information adapted to unit holders in Sweden, Denmark, UK, Germany and the countries in which SKAGEN is authorised to market its funds, is available on our Swedish, Danish, UK, German and international websites: www.skagenfonder.se, www.skagenfondene.dk, www.skagenfunds.co.uk, www.skagenfunds.de and www.skagenfunds.com.

17. Trading via a regulated market

The unit class SKAGEN m² A will be traded on the NASDAQ Copenhagen.

18. Dispute settlement body

The management company shall be affiliated with the Norwegian Financial Services Complaints Board.

19. Other matters

This prospectus is only directed to investors in jurisdictions where the relevant funds are authorised for distribution. Units in the fund shall not be distributed or sold in the U.S. to any natural or legal person who falls under the definition of "U.S. Person" in Regulation S of the U.S. Securities Act of 1933. This includes, amongst others, any natural person resident in the U.S. and any partnership or corporation organised or incorporated under the laws of the U.S.

SKAGEN is part of the Storebrand Group and has outsourced tasks to Storebrand Asset Management AS. The outsourcing covers management of SKAGEN Høyrente and SKAGEN Avkastning, securities settlement, fund accounting, calculation of net asset value, unit holder settlement and unit holder register for SKAGEN's funds, controls and reporting, IT operations and IT security as well as service towards institutional clients in Norway, Sweden and Denmark.

20. The Board

The unit holders of the funds managed by the Management Company shall elect at least one third of the members of the Management Company's Board of Directors, and at least half of this number as deputy members. The deputy members shall be entitled to attend but not to vote at Board meetings.

The Management Company shall appoint a nomination committee. The nomination committee shall nominate board member candidates to the election meeting.

The members and deputy members elected by the unit holders are elected at the election meeting. The election meeting will be convened by public announcement or by written notification to the unit holders at least 2 weeks in advance. The election meeting is convened each year by the end of June.

21. Board of Directors' responsibility

The Board of Directors of the Management Company is responsible for ensuring that the prospectus meets the requirements of the regulations laid down by the Norwegian Ministry of Finance on 21 December 2011 no 1467 in pursuance of the Norwegian Securities Funds Act of 25 November no 44 on mutual funds.

The Board of Directors of SKAGEN hereby declares that, to the best of its knowledge, the prospectus reflects the actual facts and does not contain omissions of a nature liable to alter the meaning of the prospectus.

22. Amendment of the Articles of Association

The Fund's Articles of Association may only be amended if the majority of the unit holder-elected directors of the management company have voted for the amendments. A decision concerning any amendments shall be obtained from the unit holder meeting and the Financial Supervisory Authority of Norway (FSA). The FSA shall approve the amendments if legal requirements concerning the contents of the Articles of Association and procedures for their amendment are met.

ANNEX

Pre-contractual disclosure for financial products referred to in Article 8 (1) of Regulation (EU) 2019/2088

Product name/legal identifier: 549300LFF0YU22VPO026

Environmental and/or social characteristics

This product:

- Promotes environmental or social characteristics, but does not have as its objective a sustainable investment
 - It does not invest in sustainable investments
 - It invests partially in sustainable investments
 - In activities aligned with the EU Taxonomy
 - In activities not aligned with the EU Taxonomy
- Has sustainable investment as its objective. Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.
 - In activities aligned with the EU Taxonomy
 - In activities not aligned with the EU Taxonomy

1. What environmental and/or social characteristics are promoted by this financial product?

The product promotes environmental and/or social characteristics because it deploys an ESG integration strategy. The ESG integration strategy consists of four pillars to execute the investment selection process and exercise of ownership rights. The first pillar of the strategy is negative screening and control of potential investments, the second is an enhanced due diligence of companies in high emitting industries*, the third is ESG integration through dedicated factsheets, whilst the fourth and final pillar is active ownership.

*High emitting industries: Energy equipment & services, oil, gas & consumable fuels, chemicals, construction materials, containers & packaging, metals & mining, paper & forest products, transportation, automobiles, food Products, utilities, real estate segments focusing on data centers and industrial real estate.

- What sustainability indicators are used to measure the attainment of the environmental or social characteristics promoted by this financial product?

Subject to data availability, the following sustainability indicators are used to measure the attainment of the environmental or social characteristics promoted by this financial product:

- GHG emissions
- Carbon footprint
- GHG intensity of investee companies
- Exposure to companies active in the fossil fuel sector
- Share of non-renewable energy consumption and production
- Energy consumption intensity per high impact climate sector
- Activities negatively affecting biodiversity sensitive areas
- Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises

2. What investment strategy does this financial product follow?

The product is an actively managed fund with a global investment mandate. The strategy is to invest in financial instruments, which take advantage of the underlying real estate risk and return in the relevant markets. The sole objective of the fund is to generate the best possible risk-adjusted returns, with

the ESG integration strategy being a key component in meeting this objective. Due to the active and broad investment mandate, the fund does not make an ex-ante commitment to invest in a specific sector, geography or theme - including sustainable or taxonomy aligned investments as an end or objective in and of itself.

- What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The product manages environmental and social factors by applying binding elements throughout the investment process. Exclusions and negative screening are the first steps deployed to assess environmental and social characteristics of an investment. Second, when constructing an investment thesis, environmental, social and governance characteristics are collected, measured, and assessed - coupled with enhanced due diligence of climate risk of companies in high-emitting sectors. Assessment of these factors are tied to the investment thesis of each investment - driven by a traffic light model to indicate estimated degree of ESG risks and opportunities. The product assesses the double materiality of environmental and social characteristics that are of relevance at investment level. Lastly, active ownership with holdings is a lever that is deployed by the product to work for factor improvement over time. Double materiality considerations are continuously assessed. If salient sustainability risks (harm to investment) or principle adverse impacts (potential harm by investing) are not improving, the investment into an investee company will ultimately have to be divested should the investee company fail to mitigate them. Quarterly checks and controls are conducted of the holdings in the product to monitor developments of events and general exposure, to ensure alignment with the sustainable investment policy of the entity and broader group.

How is that strategy implemented in the investment process on a continuous basis?

The portfolio manager is required to forward potential investment cases to the ESG team who will conduct a screening and approval of the potential investment at hand. This screening process controls whether the investment case aligns with the entity level investment policy or is in violation of it. If it is in violation with the norms-based and product-based exclusion criteria, the company cannot be invested in and will be rejected in the screening phase. Moreover, the product is subject to quarterly screening controls to ensure continued compliance with global norms and our exclusion criteria. Secondly, the portfolio manager is required to articulate a dedicated ESG factsheet for the investment case, identifying material ESG information and present an engagement plan on how to manage ESG associated risks - or undervalued opportunities - through active ownership. Here, contextual and relevant ESG factors are tied to the investment thesis. The degree of ESG risk of each investment is assessed using a traffic light model, where short-term results and extent of engagement increases in step change with level of risk. To avoid conflict of interest, it is the task of the ESG team to determine the traffic light assessment of an investment case; to which the portfolio manager, in collaboration with the ESG team, must articulate a clear plan on environmental and social risk mitigation. The portfolio manager must also articulate financial considerations that have been made on the back of the ESG profile of the investment at hand. ESG risks that fail to be mitigated following escalation strategies, will be excluded as it will be deemed a thesis violation.

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

There is no fixed committed minimum rate to reduce to scope of investments considered prior to the application of the investment strategy. The committed minimum rate to reduce the scope of investments considered is therefore a product of the exclusion criteria in our Sustainable Investment Policy and the number of companies on that list as a result. More covert factors pertain to financial propositions that do not align with the investment philosophy of the product.

- What is the policy to assess good governance practices of the investee companies?
The product manufacturer is a signatory to the UN PRI and commits to invest according to its principles. Reference to the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights are also explicitly stated in the Sustainable Investment Policy. For further information, please consult the entity level Sustainable Investment Policy: <https://www.skagenfunds.com/about-us/sustainable-investing/skagen-sustainable-investment-policy/>
- Where can I find further details on the investment strategy?
<https://www.skagenfunds.com>

Has a reference benchmark been designated for the purpose of attaining the environmental or social characteristics promoted by the financial product?

Yes

No

The product is actively managed and uses a benchmark for performance comparison purposes. However, the fund does not specifically use a benchmark index in order to attain its environmental or social characteristics.

3. What is the asset allocation planned for this financial product?

The fund is actively managed and does not have a planned asset allocation for its investments. In theory, all of the assets under management should be aligned with E/S characteristics, but can be de-facto slightly lower and categorized as 'other' due to cash position of the product, potential derivatives and other money market instruments.

- What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards? Investments that might fall under "#2 Other" are cash positions, money market instruments, and derivatives that might be required for portfolio management purposes.
- How does the use of derivatives attain the environmental or social characteristics promoted by the financial product? The fund does not use derivatives to attain environmental or social characteristics.
- To which objectives do the sustainable investments contribute to and how do they not cause significant harm? Not Applicable

4. What is the minimum share of investments aligned with the EU Taxonomy?

Not Applicable

- What methodology is used for the calculation of the alignment with the EU Taxonomy and why? Not Applicable
- What is the minimum share of transitional and enabling activities? Not Applicable

5. What is the minimum share of sustainable investments that are not aligned with the EU Taxonomy?

- Why does the financial product invest in economic activities that are not environmentally sustainable? There is a considerable shortage of availability for investments that are not fully environmentally sustainable. There is also significant shortage of data – coupled with spurious reliability of that data. Due to these factors, the fund seeks instead to improve sustainability practices and profiles towards investee companies over time and to manage potential risks.

- How are indicators for adverse impacts on sustainability factors taken into account?

As explained above, the product integrates adverse impacts at constituent level throughout the various pillars of the ESG integration strategy and investment process. The product is also monitored on adverse impact at product level through quarterly controls and oversight.

- Are sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

The product manufacturer is a signatory to the UN PRI and commits to invest according to its principles. Reference to the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights are also explicitly stated in the Sustainable Investment Policy.

6. Does this financial product take into account principal adverse impacts on sustainability factors?

Yes

No

7. Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental or social characteristics that it promotes?

The product is actively managed and uses a benchmark for performance comparison purposes. However, the fund does not specifically use a benchmark index in order to attain its environmental or social characteristics.

- How does the designated index differ from a relevant broad market index? The product is actively managed and uses a benchmark for performance comparison purposes. However, the fund does not specifically use a benchmark index in order to attain its environmental or social characteristics.
- How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product and with the investment strategy? The product is actively managed and uses a benchmark for performance comparison purposes. However, the fund does not specifically use a benchmark index in order to attain its environmental or social characteristics.

8. Can I find more product specific information online?

More product-specific information can be found on the website:

<https://www.skagenfunds.com>

Approved by the Board of SKAGEN AS 25 April 2023

Updated 7 July 2023

The original Articles of Association and prospectuses were prepared in Norwegian. This is a translated version, which is published with reservations regarding possible errors and omissions as well as erroneous translation. The original prospectus is available in Norwegian at www.skagenfondene.no or by contacting the Customer Service department on +47 51 80 39 00.