

Performance Commentary

Equity markets eased slightly during the month as second wave concerns dominated the newsflow. SKAGEN Global underperformed its benchmark in October. The fund's top absolute performer was the technology giant Alphabet (Google) which posted a strong quarterly report in-line with our investment thesis. The worst performer in absolute terms was the payment company Mastercard which declined on signs that lucrative cross-border volumes continue to struggle in the wake of low international travel due to the pandemic. The fund initiated two new positions. First, we entered the French luxury goods company Hermès, a highly resilient family-controlled firm dating back over 180 years which is best known for its iconic Birkin and Kelly handbags. Second, we built a position in Estée Lauder, the world's largest pure-play prestige beauty company where we see an attractive multi-year direct-to-consumer pivot coupled with strong innovation. We exited the global publisher and information analytics provider RELX due to limited organic growth and lingering concerns about customer satisfaction in its journal publishing division. We also sold the US gas distribution utility Atmos Energy to fund other investments. The portfolio is attractively valued for long-term investors.

The fund selects undervalued companies from around the world, including emerging markets, with attractive risk-reward for long-term investors.

The objective is to provide the best possible risk adjusted return.

The fund is suitable for those with at least a five year investment horizon.

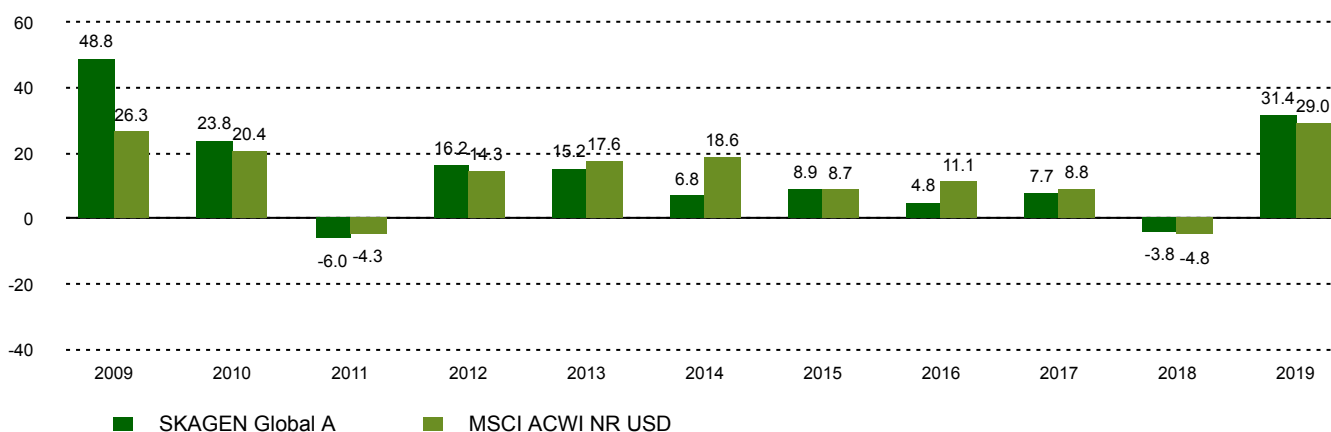
Historical performance (net of fees)

| Period | SKAGEN Global A | Benchmark index |
|---------------|-----------------|-----------------|
| Last month | -4.9% | -2.8% |
| Year to date | -6.0% | -5.4% |
| Last year | -1.9% | -0.3% |
| Last 3 years | 5.4% | 5.3% |
| Last 5 years | 6.1% | 6.8% |
| Last 10 years | 8.1% | 9.7% |
| Since start | 12.9% | 4.7% |

Fund Facts

| | |
|----------------------------|-------------------------------|
| Type | Equity |
| Domicile | Norway |
| Launch date | 07.08.1997 |
| Morningstar category | Global Large-Cap Blend Equity |
| ISIN | NO0008004009 |
| NAV | 204.33 EUR |
| Fixed management fee | 1.00% |
| Total expense ratio (2019) | 1.28% |
| Benchmark index | MSCI ACWI NR USD |
| AUM (mill.) | 2673.11 EUR |
| Number of holdings | 33 |
| Portfolio manager | Knut Gezelius |

Performance last ten years



The benchmark index prior to 1/1/2010 was the MSCI World Index.

Contributors in the month



Largest contributors

| Holding | Weight (%) | Contribution (%) |
|----------------------------------|------------|------------------|
| Alphabet Inc | 4.12 | 0.51 |
| Old Dominion Freight Line | 2.14 | 0.15 |
| DSV PANALPINA A/S | 4.39 | 0.05 |
| Estee Lauder Cos Inc | 1.64 | 0.05 |
| LVMH Moët Hennessy Louis Vuitton | 2.43 | 0.04 |



Largest detractors

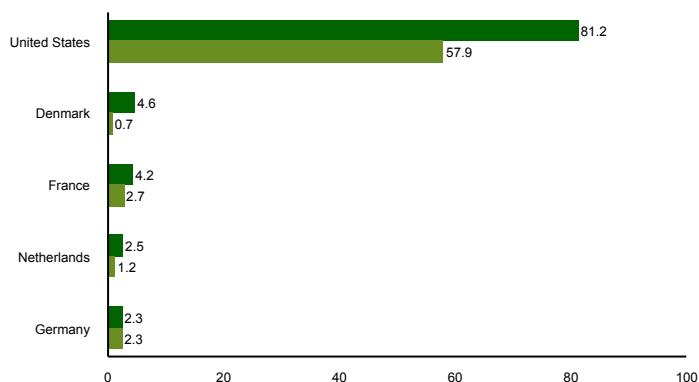
| Holding | Weight (%) | Contribution (%) |
|---------------------------|------------|------------------|
| Mastercard Inc | 4.36 | -0.58 |
| Adobe Inc | 4.82 | -0.34 |
| Marsh & McLennan Cos Inc | 4.21 | -0.33 |
| Visa Inc | 4.08 | -0.30 |
| Edwards Lifesciences Corp | 2.88 | -0.25 |

Absolute contribution based on NOK returns at fund level

Top ten investments

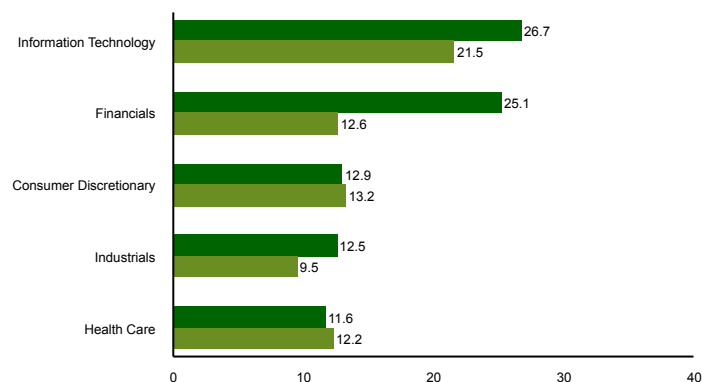
| Holding | Sector | Country | % |
|------------------------------------|------------------------|---------------|------|
| Microsoft Corp | Information Technology | United States | 6.7 |
| Intercontinental Exchange Inc | Financials | United States | 6.1 |
| Adobe Inc | Information Technology | United States | 4.7 |
| Alphabet Inc | Communication Services | United States | 4.7 |
| DSV PANALPINA A/S | Industrials | Denmark | 4.6 |
| Marsh & McLennan Cos Inc | Financials | United States | 4.1 |
| Mastercard Inc | Information Technology | United States | 4.0 |
| Visa Inc | Information Technology | United States | 4.0 |
| Accenture PLC | Information Technology | United States | 3.7 |
| Nasdaq Inc | Financials | United States | 3.6 |
| Combined weight of top 10 holdings | | | 46.3 |

Country exposure (top five)



■ SKAGEN Global A ■ MSCI ACWI NR USD

Sector exposure (top five)



■ SKAGEN Global A ■ MSCI ACWI NR USD

Contact



+46 8 555 979 00



kundservice@skagenfonder.se



SKAGEN AS, Box 11, 101 20
Stockholm

Important information

Unless otherwise stated, performance data relates to class A units and is net of fees. AUM data as of the end of the previous month. Except otherwise stated, the source of all information is SKAGEN AS. Historical returns are no guarantee for future returns. Future returns will depend, inter alia, on market developments, the fund manager's skills, the fund's risk profile and subscription and management fees. The return may become negative as a result of negative price developments. You can download more information including subscription/redemption forms, full prospectus, Key Investor Information Documents (KIID), General Commercial Terms, Annual Reports and Monthly Reports from our local websites or our local representatives. Statements reflect the portfolio managers' viewpoint at a given time, and this viewpoint may be changed without notice. This report should not be perceived as an offer or recommendation to buy or sell financial instruments. SKAGEN AS does not assume responsibility for direct or indirect loss or expenses incurred through use or understanding of this report. Employees of SKAGEN AS may be owners of securities issued by companies that are either referred to in this report or are part of a fund's portfolio.