

Performance Commentary

A few large news items dominated the month of November. Although it took some time, there was finally certainty about who the next US president would be, and more importantly, there were several positive announcements regarding the development of Covid-19 vaccines. In addition, the second wave of Covid-19 that has hit large parts of Europe and the US lately appears to be in decline and lockdown measures are starting to be eased slowly. All this contributed to a general risk-on mood in the financial markets, pushing down long-term interest rates in emerging markets and driving up long-term interest rates in developed markets. The former is positive for Tellus from an absolute perspective and the latter is positive from a relative perspective. SKAGEN Tellus outperformed the benchmark index in November. The largest positive contributors were Mexico and Norway, thanks to falling Mexican interest rates and strong Mexican and Norwegian currencies. The main laggard was the US, driven mainly by a weak USD in the period.

SKAGEN Tellus invests primarily in bonds and certificates issued or guaranteed by governments from around the world.

The fund is suitable for those with at least a three year investment horizon. Investors must be able to tolerate currency fluctuations.

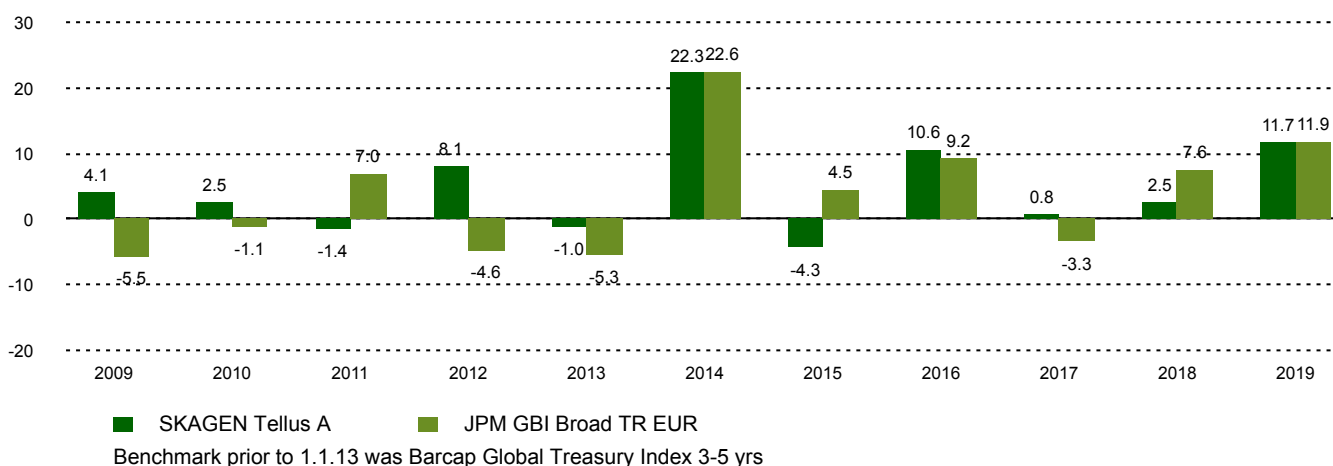
Historical performance (net of fees)

| Period | SKAGEN Tellus A | Benchmark index |
|---------------|-----------------|-----------------|
| Last month | -1.1% | -3.1% |
| Year to date | -6.8% | -1.5% |
| Last year | -5.7% | -2.9% |
| Last 3 years | 2.1% | 5.3% |
| Last 5 years | 2.9% | 4.1% |
| Last 10 years | 3.6% | 4.1% |
| Since start | 4.6% | 4.8% |

Fund Facts

| | |
|----------------------|--------------------------|
| Type | Fixed income |
| Domicile | Norway |
| Launch date | 29.09.2006 |
| Morningstar category | Global Bond - EUR Biased |
| ISIN | NO0010327786 |
| NAV | 113.67 SEK |
| Fixed management fee | 0.80% |
| Benchmark index | JPM GBI Broad TR EUR |
| AUM (mill.) | 413.51 SEK |
| Duration | 4.50 |
| WAL | 5.51 |
| Yield | 2.82% |
| Number of holdings | 15 |
| Portfolio manager | Sondre Solvoll Bakketun |

Performance last ten years



Contributors in the month



Largest contributors

| Holding | Weight (%) | Contribution (%) |
|--------------------------|------------|------------------|
| Mexican Bonos | 7.59 | 0.13 |
| Norway Government Bond | 6.04 | 0.00 |
| European Investment Bank | 0.40 | -0.05 |
| Serbia International | 4.81 | -0.06 |
| Chile Government | 3.85 | -0.12 |



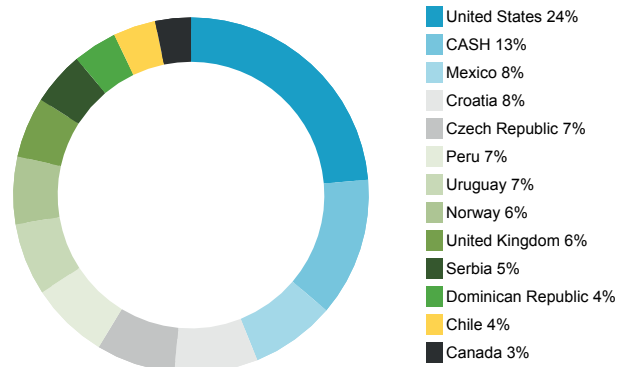
Largest detractors

| Holding | Weight (%) | Contribution (%) |
|------------------------|------------|------------------|
| United States Treasury | 24.12 | -1.82 |
| United Kingdom Gilt | 7.29 | -0.39 |
| Uruguay Government | 6.64 | -0.37 |
| Peruvian Government | 7.10 | -0.34 |
| Czech Republic | 7.20 | -0.25 |

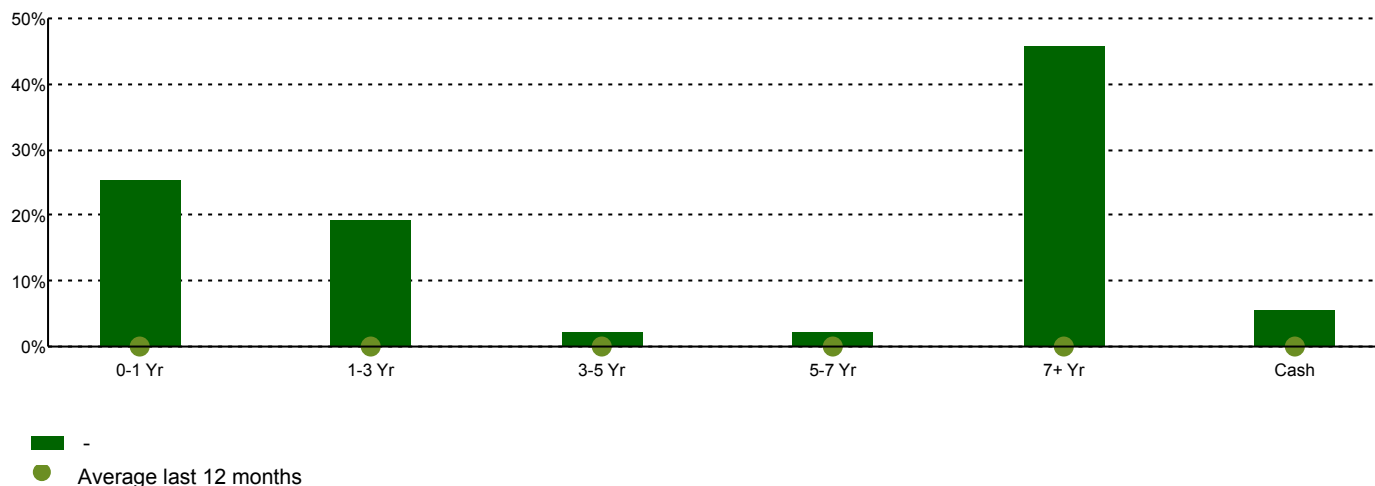
Top 10 investments

| Holding | Percentage of Fund |
|--|--------------------|
| US Government | 23.6 |
| Mexico | 7.7 |
| Republic of Croatia | 7.6 |
| Czech Republic Government | 7.2 |
| Republic of Peru | 7.1 |
| Oriental Republic of Uruguay | 6.6 |
| Kongeriket Norge | 6.1 |
| UK Government | 5.5 |
| JP Morgan Chase Bank NA, Luxembourg | 5.4 |
| European Bank for Reconstruction & Development | 5.4 |
| Total | 82.2 |

Country exposure



Maturity structure



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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.