

**Danske Invest Allocation**  
Société d'investissement à capital variable  
13, rue Edward Steichen, L-2540 Luxembourg  
RCS Luxembourg B. 82717

**NOTICE TO SHAREHOLDERS**

Luxembourg, 6 October 2023

Dear Shareholders,

We hereby would like to provide you with some information related to your investment in Danske Invest Allocation (the “**SICAV**”). The board of directors of the SICAV (the “**Board**”) has decided to approve certain changes to the SICAV prospectus.

To strengthen our proposition of responsible investments, we have taken the decision to recategorize Basic 20 and Basic 35 funds from Article 6 to Article 8 fund according to the Regulation (EU) 2019/2088 on sustainability – related disclosures in the financial services sector (“**SFDR**”).

➤ **Reclassification of Basic 20 fund**

Following the recategorization, the SFDR section of the fund description will be amended and read as follows:

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**SFDR Classification**

*“The fund is categorised as article 8 under SFDR and promotes environmental and/or social characteristics, as well as good governance practices, through screening, exclusions, investment analysis and decision-making as well as active ownership.*

*The fund follows Danske Invest’s responsible investment policy.*

*For more information related to:*

- *Danske Invest’s responsible investment policy, including the sustainability risk integration, see page 56;*
  - *the fund’s environmental and/or social characteristics, see page 86”.*
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➤ **Reclassification of Basic 35 fund**

Following the recategorization, the SFDR section of the fund description will be amended and read as follows:

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**SFDR Classification**

*“The fund is categorised as article 8 under SFDR and promotes environmental and/or social characteristics, as well as good governance practices, through screening, exclusions, investment analysis and decision-making as well as active ownership.*

*The fund follows Danske Invest’s responsible investment policy.*

*For more information related to:*

- *Danske Invest’s responsible investment policy, including the sustainability risk integration, see page 56;*
  - *the fund’s environmental and/or social characteristics, see page 91”.*
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Following the recategorization, both Basic 20 and Basic 35 funds will promote the following E/S characteristics:

- the fund promotes the UN Sustainable Development Goals (UN SDGs) by partially investing in sustainable investments contributing to such goals (as measured by the percentage of

investments in the fund contributing to the UN SDGs and deemed to be sustainable investments);

- the fund promotes sound sustainability practices through inclusion of issuers aligned with the sustainability-profile of the fund (as measured by the weighted ESG score of the portfolio as based on an internally developed model);
- the fund promotes sound environmental stewardship through inclusion of issuers aligned with the carbon risk profile of the fund (as measured by the weighted carbon risk rating score of the portfolio as based on an external rating);
- the fund promotes adherence to UN Global Compact, principles, OECD Guidelines for Multinational Enterprises, UN Guiding Principles on Business and Human Rights and ILO conventions and other relevant social safeguards through the exclusion of certain activities and conducts deemed harmful to society (as determined through an enhanced internal screening and the number of investments excluded on basis of this screening).
- the fund promotes environmental safeguards through the exclusion of certain activities deemed to have significant negative climate impact (as determined through exclusions for thermal coal (5% revenue, unless the company has a documented and credible transitional plan), tar sands (5% revenue), peat fired power generation (5% revenue) and the number of investments excluded as a result of these exclusions).
- the fund promotes certain ethical and social safeguards through the exclusion of certain activities deemed to be non-ethical or controversial (as determined through exclusions for controversial weapons (0% revenue) and tobacco (5% revenue) and pornography (1 % revenue) and the number of investments excluded as a result of these exclusions).
- the fund considers, addresses and reports on principal adverse impacts (as determined through the performance of the fund against the principal adverse impact indicators relevant to the asset classes of the fund as outlined in the Principal Adverse Impact Statement of Danske Invest Management A/S);
- the fund seeks to influence issuers' impact on sustainability matters through engagement and voting on material sustainability topics, including at the level of underlying funds (as measured by the number of engagement and voting activities applied for the investments in the fund);

The fund promotes environmental and/or social characteristics through the pass or fail criteria for its exclusions, inclusions and sustainable investments and through its active ownership activities. The expected minimum proportion of investments meeting the pass or fail criteria of the fund's environmental and/or social characteristics is 80%.

The funds have a minimum allocation to sustainable investments of 5% allocated to investments with an environmental objective.

All above characteristics are not exhaustive and will further be described in SFDR Appendices to the prospectus.

### ➤ *Changes to the General Part of the Prospectus*

#### **1. Clarifications to the Section "Risk Descriptions", sub-section "Sustainability Risk"**

The additional wording has been added to the Section "Risk Descriptions", sub-section "Sustainability Risk" to enhance the existing disclosures (as highlighted in *italics*):

*"For a sustainability factor to be considered material it needs to translate into investment performance, meaning it should have a positive or negative impact on either the revenue or expenses of an investment, the value of its assets or liabilities or its cost of capital.*

*Sustainability risks that could negatively affect the value of a particular investment might include the following:*

- *Environmental: energy consumption and efficiency, extreme weather events such as flooding and high winds; pollution incidents; damage to biodiversity or marine habitats. New regulations, taxes or industry standards to protect or encourage sustainable businesses and practices may be introduced.*
- *Social: Inclusiveness/inequality, labour strikes; health and safety incidents such as injuries or fatalities; product safety issues.*
- *Governance: tax fraud; discrimination within a workforce; inappropriate remuneration practices; failure to protect personal data.*

Furthermore, although duly mapped, identified and managed in the investment processes, the following elements can affect the degree to which sustainability risks are likely to impact the returns of the funds:

- *sustainability risk profile is dynamic and can be impacted by dimensions such as asset class, investment universe, investment strategy, specific investments, geographical exposure, responsible investment processes and investment horizon. This means that the sustainability risk exposure will evolve over time.*

*The financial position of investments in the fund may deteriorate due to sustainability risks materialising. The exact impact of a sustainability risk materialising is difficult to model due to the aspects mentioned above. Therefore, may the impact of sustainability risk on returns be both larger and smaller than expected based on the exact nature of the situation and context.*

*Sustainability risk exposure is monitored on a continuous basis using the “Sustainability Risk Alert Framework”. The framework, leveraging the same indicators, measures the relative risk exposures versus a relevant benchmark to ensure that sustainability risks are continuously managed by the funds. Sustainability risk exposures must be well managed and, as needed, lead to and/or influence a decision to either buy/increase weighting, hold/maintain weighting, decrease weighting, or sell/divest or to engage through Active Ownership activities.*

*The table below shows the expected impact that sustainability risks can have on a fund’s return, stated as “Low”, “Medium” or “High”. This assessment is based on data from providers that specialize in sustainability risks.*

<i>Fund</i>	<i>Sustainability risks impact on return</i>
<i>Basic 20</i>	<i>Medium</i>
<i>Basic 35</i>	<i>Medium</i>
<i>Basic 50</i>	<i>Medium</i>
<i>Basic 80</i>	<i>Medium</i>
<i>Basic 100</i>	<i>Medium</i>
<i>Global Portfolio Solution DKK-Balanced</i>	<i>Medium</i>
<i>Global Portfolio Solution DKK-Defensive</i>	<i>Medium</i>
<i>Global Portfolio Solution DKK -Growth</i>	<i>Medium</i>
<i>Global Portfolio Solution DKK-Opportunity</i>	<i>Medium</i>
<i>Global Portfolio Solution DKK-Stable</i>	<i>Medium</i>
<i>Global Portfolio Solution EUR-Balanced</i>	<i>Medium</i>
<i>Global Portfolio Solution EUR-Defensive</i>	<i>Medium</i>
<i>Global Portfolio Solution EUR -Growth</i>	<i>Medium</i>
<i>Global Portfolio Solution EUR-Opportunity</i>	<i>Medium</i>
<i>Global Portfolio Solution EUR-Stable</i>	<i>Medium</i>
<i>Global Portfolio Solution NOK-Balanced</i>	<i>Medium</i>
<i>Global Portfolio Solution NOK-Defensive</i>	<i>Medium</i>
<i>Global Portfolio Solution NOK -Growth</i>	<i>Medium</i>
<i>Global Portfolio Solution NOK-Opportunity</i>	<i>Medium</i>
<i>Global Portfolio Solution NOK-Stable</i>	<i>Medium</i>
<i>Global Portfolio Solution SEK-Balanced</i>	<i>Medium</i>
<i>Global Portfolio Solution SEK-Defensive</i>	<i>Medium</i>
<i>Global Portfolio Solution SEK -Growth</i>	<i>Medium</i>
<i>Global Portfolio Solution SEK-Opportunity</i>	<i>Medium</i>
<i>Global Portfolio Solution SEK-Stable</i>	<i>Medium</i>
<i>Horisont Aktie</i>	<i>Medium</i>
<i>Horisont Balanserad</i>	<i>Low</i>
<i>Horisont Försiktig</i>	<i>Low</i>
<i>Horisont Offensiv</i>	<i>Low</i>
<i>Horisont Ränta</i>	<i>Low</i>

The following description is removed from the sustainability risk descriptions:

~~Funds that have environmental and/or social characteristics (article 8 funds under SFDR) would usually be considered to have lower exposure to sustainability risks as a result of their investment strategy and processes.~~

~~Notwithstanding a limited exposure to sustainability risk, those funds could underperform funds without such sustainability features due to a potential limited investment universe.~~

## ***2. Update of SFDR Annexes***

The SFDR annexes forming part of the prospectus have been further revised to strengthen the existing disclosures and, among others, to implement the disclosure requirements of the new Commission Delegated Regulation (EU) 2023/363 of 31 October 2022 related to the disclosure of financial products' exposure to investments in nuclear energy and fossil gas activities.

## ***3. Additional ESG restrictions***

To fulfil investors' demands it has been suggested to add the pornography to the list of investment restrictions applying to all the Basic and Global Portfolio Solution funds. In addition, all Global Portfolio Solution funds will adopt the list of exclusions defined by Norges Bank (called "Statens Pensjons Utland" – "SPU" restrictions). Companies and issuers in scope of the above exclusions category will be restricted from the investment universe of the funds.

## ***4. Basic funds J share class***

The J share classes available in Basic funds family have been renamed into A share classes. This will not result in any change to the existing investors invested into those share classes of the funds.

## ***5. Investor profile***

5.1. The references in the investor profile sections of the fund descriptions of Basic 80, Basic 100, Horisont Aktie, Horisont Offensiv, Horisont Försiktig, Horisont Ränta, Global Portfolio Solution Balanced, Global Portfolio Solution Defensive and Global Portfolio Solution Stable feeder funds have been further revisited to align among the fund descriptions.

5.2. Investor profile description has been further amended for Global Portfolio Solution Stable feeder funds to state that the funds may appeal to investors who "*have a low medium risk profile and can bear moderate temporary losses*".

## ***6. Securities lending***

The funds of the SICAV do not anymore intend to engage in securities lending operations. As a result of this, specific references to securities lending in the prospectus have been removed and it has been clarified that the funds of the SICAV do not engage in securities lending.

## ***7. Board of directors***

There have been changes to the board of directors of the management company, which are further displayed under the Section "Directors of the Management Company" of the prospectus.

## ***8. Depositary and Principal Paying Agent***

Following the acquisition of RBC Investor Services Bank A.S. by CACEIS and subsequent rebranding that has taken effect on 3 July 2023, the section Depositary and Paying Agent has been restated accordingly. The same Depositary and Paying agent agreement dated 14 July 2016 as entered into with RBC Investor Services Bank A.S. will continue governing the relationship between the SICAV and CACEIS Investor Services Bank A.S and little to no impact on services to the SICAV is foreseen.

### ***➤ Practical considerations***

The above changes, except for the reclassification of Basic 20 and Basic 35 funds and the changes under the section 3, take effect once the prospectus has been visa-stamped by the CSSF or any later date as may be decided by the Board.

The changes related to the reclassification of Basic 20 and Basic 35 funds as well the changes under section 3 take effect on 6 November 2023.

The shareholders who disagree with the proposed changes may request, until this date subject to terms set out in the prospectus, the full redemption or conversion of their holdings into any other fund within the SICAV free of redemption or conversion charges. This right is vested in with the investors of the following funds:

- *Basic 20*
- *Basic 35*
- *Basic 50*
- *Basic 80*
- *Basic 100*
- *Global Portfolio Solution Balanced DKK*
- *Global Portfolio Solution Defensive DKK*
- *Global Portfolio Solution Growth DKK*
- *Global Portfolio Solution Opportunity DKK*
- *Global Portfolio Solution Stable DKK*
- *Global Portfolio Solution Balanced SEK*
- *Global Portfolio Solution Defensive SEK*
- *Global Portfolio Solution Growth SEK*
- *Global Portfolio Solution Opportunity SEK*
- *Global Portfolio Solution Stable SEK*
- *Global Portfolio Solution Balanced NOK*
- *Global Portfolio Solution Defensive NOK*
- *Global Portfolio Solution Growth NOK*
- *Global Portfolio Solution Opportunity NOK*
- *Global Portfolio Solution Stable NOK*
- *Global Portfolio Solution Balanced EUR*
- *Global Portfolio Solution Defensive EUR*
- *Global Portfolio Solution Growth EUR*
- *Global Portfolio Solution Opportunity EUR*
- *Global Portfolio Solution Stable EUR*

Both the prospectus as well as the relevant PRIIPs KIDs will be made available online at [danskeinvest.com](https://danskeinvest.com) and free of charge at the registered office of the SICAV.

Yours faithfully,

The Board of Directors of  
**Danske Invest Allocation**  
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L-2540 Luxembourg