

Fund rules for Lannebo Sverige Hållbar

§ 1 The fund's legal status

Lannebo Sverige Hållbar, hereinafter referred to as the fund is a UCITS fund as defined in the Swedish Securities Fund Act (SFS 2004:46). Its business is conducted in accordance with the Swedish Securities Fund Act (SFS 2004:46), these fund rules, the management company's articles of association, and any other rules issued pursuant to laws or ordinances.

The fund's assets are owned by its unitholders jointly. Each unit of each share class holds equal right to the assets included in the fund. The management company as stated in § 2 manages the fund and represents the unitholders in all matters relating to the fund, decides on the assets included in the fund, and exercises any rights arising from the fund. The fund cannot acquire rights or assume any obligations.

The fund has the following share classes¹:

- A. Share class A SEK – accumulating, i.e. not distributing (see § 12.1 below) traded in Swedish krona and has a maximum management and custody fee of 1.8 per cent per year (see § 11.1 below).
- B. Share class B SEK – distributing traded in Swedish krona (see § 12.2 below) and has a maximum management and custody fee of 1.8 per cent per year (see § 11.1 below) and a possible redemption fee for short-term holdings (see § 11.4 below).
- C. Share class A EUR – accumulating, i.e. not distributing (see § 12.1 below) traded in Euro and has a maximum management and custody fee of 1.8 per cent per year (see § 11.1 below) and a possible redemption fee for short-term holdings (see § 11.4 below).
- D. Share class B EUR – distributing (see § 12.2 below) traded in Euro and has a maximum management and custody fee of 1.8 per cent per year (see § 11.1 below).
- E. Share class A SEK C – accumulating, i.e. not distributing (see § 12.1 below) traded in Swedish krona and has a maximum management and custody fee of 0.95 per cent per year (see § 11.1 below) and is subject to distribution terms (see § 9.3 below).
- F. Share class B SEK C – distributing (see § 12.2 below) traded in Swedish krona and has a maximum management and custody fee of 0.95 per cent per year (see § 11.1 below) and a possible redemption fee for short-term holdings (see § 11.4 below) and is subject to distribution terms (see § 9.3 below).
- G. Share class A EUR C – accumulating, i.e. not distributing (see § 12.1 below) traded in Euro and has a maximum management and custody fee of 0.95 per cent per year (see § 11.1 below) and is subject to distribution terms (see § 9.3 below).
- H. Share class B EUR C – distributing (see § 12.2 below) traded in Swedish krona and has a maximum management and custody fee of 0.95 per cent per year (see § 11.1 below) and a possible redemption fee for short-term holdings (see § 11.4 below) and is subject to distribution terms (see § 9.3 below).

¹ Unitholders in share class SEK, in accordance with the fund rules of 18 August 2015 will, unless the unitholder requests a transfer of the units, after the amendments to the fund rules which enter into force on 1 December 2018 hold units in share class B SEK.

§ 2 Management company

The fund is managed by Lannebo Fonder AB, registered in Sweden no. 556584-7042, hereinafter referred to as the management company. The management company keeps a register of all unitholders and pledgees.

§ 3 Depositary and its role

The depositary for the fund is Skandinaviska Enskilda Banken AB (publ), corporate registration number 502032-9081.

The depositary shall maintain the fund's assets and manage deposits and payments in respect of the fund.

The depositary shall execute the management company's instructions relating to the fund as long as it is not in conflict with the provisions of the Swedish Investment Funds Act or any other regulation or the fund rules and ensure that:

1. the subscription, redemption and cancellation of units in the fund are carried out according to the Swedish Investment Funds Act and the fund rules,
2. the value of the units in the fund are calculated according to the Swedish Investment Funds Act and the fund rules,
3. payments for transactions involving the fund assets are paid to the fund without delay, and
4. the fund's revenue is applied in accordance with the regulations and the fund rules.

The depositary's duties are governed by the Swedish Investment Funds Act and the EU Commission's delegated regulation (EU) 2016/438 of December 17, 2015 supplementing the European Parliament and of the European Council Directive 2009/65/EC in regards of requirements for depositaries.

§ 4 Nature of the fund

Lannebo Sverige Hållbar is an actively managed equity fund with focus on Sweden. The management of the fund's assets is characterized by the fact that the fund has a sustainability focus. The fund is diversified and does not focus on a particular sector.

The fund's overall financial objective is, while exercising due caution, to generate the greatest possible capital growth and achieve a good spread of risk.

§ 5 The fund's investment policy

The fund's assets may be invested in transferable securities, money-market instruments, derivative instruments, fund units and deposits with credit institutions. The fund may invest a maximum of 10 per cent of its value in other funds or fund management companies.

The fund may invest in derivative instruments on the condition that underlying assets are made up of or relate to some of the classes of assets referred to in chapter 5, Section 12, subparagraph 1 of the Swedish Securities Fund Act.

The fund's assets are to be invested in transferable securities, money-market instruments, derivative instruments, fund units and deposits with credit institutions. The fund may invest a maximum of 10 per cent of its value in other funds or fund management companies.

The fund may invest in derivative instruments on the condition that underlying assets are made up of or relate to some of the classes of assets referred to in chapter 5, Section 12, subparagraph 1 of the Swedish Securities Fund Act.

The fund has a main geographical focus on Sweden, but also an opportunity to partly make investments with different focus. The fund's assets may as a part of the investment strategy be invested in, amongst other, shares and other financial instrument that at the time of investments are held for trading at a regulated exchange in Sweden or meets the requirement to be listed in such a market within one year from the issue or that is issued by an issuer that at the time of investment is resident in Sweden or at the time of investment is traded in Swedish kronor, or in deposits of credit institutions in Sweden or a branch established in Sweden. Further examples of investments covered by the fund's geographical focus may be specified in the prospectus of the fund. The fund's gross exposure to the equity market may not exceed 10 per cent related to investments with different focus than against Sweden.

The fund follows specific sustainability-related criteria in its investments. The fund does not invest in companies that violate international conventions or in companies that produce and/or distribute controversial weapons. The fund also refrains from investing in companies in which more than 5 per cent of the company's turnover comes from the production and/or sale of fossil fuels, goods and services in the categories of tobacco, alcohol, weapons, gambling or pornography. The fund also has a restrictive attitude towards investments in companies that extract fossil fuels (coal, oil and gas). The fund also takes into account such additional criteria as are decided by the management company. More information can be found in the fund's prospectus.

The fund is diversified and consequently does not focus on a particular sector.

§ 6 Marketplaces

The fund's assets may be invested in a regulated market or similar market within or outside the EEA or in some other market that is regulated and open to the public.

§ 7 Special investment policy

The fund may make use of the transferable securities and money market instruments referred to in chapter 5, section 5 of the Swedish Securities Fund Act.

The fund may use derivative instruments as a part of its investment policy. The fund may invest in OTC derivatives in accordance with chapter 5, section 12, subparagraph 2 of the Swedish Securities Fund Act.

The fund may use such techniques and instruments as referred to in chapter 25 § 21 of the Swedish Financial Supervisory Authority's regulations (FFFS 2013:9) on securities funds in order to create leverage.

§ 8 Valuation

The value of the fund is calculated by subtracting from the fund's assets those liabilities that pertain to the fund, including unpaid taxes as determined by the management company and the fees set out in § 11 below.

The fund's assets are calculated as follows:

- Transferable securities, money-market instruments, derivative instruments and units are valued at their current market value (latest price paid or, if unavailable, latest bid price). If such prices cannot be obtained or are misleading in the view of the management company, transferable securities, money-market instruments and derivative instruments and units may be included at a value arrived at by the management company on an objective basis.
- In the case of the transferable securities and money-market instruments referred to in chapter 5, section 5 of the Swedish Investment Fund Act, a separate valuation will be established for the market value. The basis for the separate valuation may be for e.g. market prices from market place or so-called market makers, other financial instruments admitted to trading on regulated markets or equivalent or an index

with adjustments for differences in, for example, credit risks and liquidity (reference values), discounted cash flows (current valuation or proportion of equity (year-end value)).

- In the case of OTC derivatives the market value will be established in accordance with a separate valuation. The basis for the separate valuation will be market prices from market place or so-called market makers, a reference value based on an identical derivative admitted to trading on a regulated market or a market value based on generally established valuation models (e.g. Black & Scholes for European options).
- Liquid assets, including deposits in bank accounts, current investments in the money market and deposits in deposits with credit institutions.
- Accrued interest.
- Accrued dividends.
- Sales not yet settled.
- Other receivables in respect of the fund.

The fund's liabilities are calculated as follows:

- Accrued management fees.
- Depositary's fees.
- Purchases not yet settled.
- Tax liabilities.
- Other liabilities in respect of the fund.

As the fund has several share classes, which are associated with certain terms in some respects, the management company take this into account when calculating the value of a unit in each share class. The value of a unit in each share class of the fund is made up of the share class divided by the number of outstanding shares of the relevant class.

The value of the units is to be calculated by the management company daily (each banking day).

§ 9 Sale and redemption of units

§ 9.1 General regulations

Sales (unitholder's purchase) and redemption (unitholder's sale) may be conducted on every banking day. Any request for sale or redemption is made as detailed on the management company's website: www.lannebofonder.se.

If the funds for redemption are acquired through the sale of securities, then such sale and redemption must be carried out as soon as possible.

Sales are at a minimum amount of SEK 100 or the equivalent in Euro.

A request for redemption may only be withdrawn if permitted by the management company.

The sale price for a fund unit is the fund unit value on the banking day that the sale is conducted. The redemption price for a fund unit is the fund unit value on the banking day that the sale is conducted with deduction of any redemption fee as stated in § 11. Sale and redemption are conducted at a rate that is not publicised to the unitholder at the time of the request for sale or redemption respectively.

Details on the sale and redemption rate are published on the management company's website, at the latest by the banking day following the banking day on which the fund unit value is established, as set out above.

§ 9.2 Conditions for the currency in which the subscriptions and redemption of units take place

Sales and redemption of fund units in A SEK, B SEK, A SEK C and B SEK C share classes are in Swedish krona. Sales and redemption of fund units in the A EUR, B EUR, A EUR C and B EUR C share classes are in Euro.

§ 9.3 Terms for distribution of fund units in share class A SEK C, B SEK C, A EUR C and B EUR C

Sales of A SEK C, B SEK C, A EUR C and B EUR C share classes are available through a distributor, who has entered into an agreement with the management company, providing investment advice on an independent basis or portfolio management to a customer and, consequently, may not receive and retain compensation from the management company but is paid directly by the customer.

§ 10 Extraordinary circumstances

The fund may be closed for sales and redemptions in the event of extraordinary circumstances that mean that a valuation of the fund's assets cannot be performed in such a way as to uphold the equal rights of all unitholders, for example, if one or more of the markets the fund is traded in are partially or completely closed.

§ 11 Fees and payments

§ 11.1 Fees for share class A SEK, B SEK, A EUR and B EUR

The fund shall pay fees to the management company and the depositary as follows:

- i. Compensation to the management company is in the form of a fixed fee. The maximum fee is 1.7 per cent per annum of the fund's value. The fee includes payment for the management of the fund and for the costs of supervision and auditing.
- ii. Depositary fees for the fund assets attributable to the share class. Fees charged shall not exceed 0.10 per cent per annum of the fund's value.

The maximum fee that may be charged to the fund, according to i and ii above, is 1.8 per cent per annum of the fund's value.

§ 11.1 Fees for share class A SEK C, B SEK C, A EUR C and B EUR C

The fund shall pay fees to the management company and the depositary as follows:

- i. Compensation to the management company is in the form of a fixed fee. The maximum fee is 1.7 per cent per annum of the fund's value. The fee includes remuneration to the management of the fund, with exception of such compensation to distributors referred to in §9.3 above, and costs for supervision and auditors.
- ii. Depositary fees for the fund assets attributable to the share class. Fees charged shall not exceed 0.10 per cent per annum of the fund's value.

The maximum fee that may be charged to the fund, according to i and ii above, is 0.95 per cent per annum of the fund's value.

§ 11.3 Brokerage fees etc.

Brokerage fees, as well taxes, are charged to the fund when the fund buys and sells financial instruments.

§ 11.4 Possible redemption fee for short-term holdings.

If a fund unit in shareclass B SEK, B SEK C, B EUR or B EUR C is held for less than thirty (30) days the redemption price may be reduced by an amount corresponding to a maximum of two per cent of the net asset value on the banking day of the redemption. The redemption fees go to the fund.

§ 12 Dividends

12.1 Terms for dividends for share class A SEK, A EUR, A SEK C and A EUR C – Accumulating share classes

As a general rule, the share classes do not distribute dividends. However, the management company can decide on distributing dividends to unitholders if, in the management company's opinion, it is necessary to take advantage of the unitholders' joint interests. Dividends are then distributed on a suitable day and to the extent that is considered appropriate. For the dividends accruing in a fund unit, the management company will, following any deductions for withholding tax, purchase new units on behalf of unitholders who are registered to receive fund units on the day set aside for this purpose. The dividend on behalf of a unitholder – following any tax deductions – will instead be paid to the unitholder. Such a request must be carried out on the day determined by the management company, if not before.

12.2 Terms for dividends for share class A SEK, A EUR, A SEK C and A EUR C – Distributing share classes

The share classes provide an annual dividend amounting to at least 5 per cent of the share class's assets at the end of the year. The management company's board of directors will decide the dividend amount.

Dividends will only accrue to the unit holders who were unit holders in a distributing share class at the end of the previous year and who retain their entire unit holdings during the month of January the following year.

For the dividends accruing in a fund unit, the management company will, following any deductions for withholding tax, pay dividend to the unitholder or purchase new shares if requested. Such a request must be carried out in writing 15 days prior to the last banking day in January.

Payment of dividends shall be made within five days after the end of January the year following the financial year.

Dividend affects the ratio between the value of units that is accumulating and the value of units that are distributing i.e. the value of the distributing fund units declines in relation to the size of the dividend.

§ 13 The fund's financial year

The fund's financial year is the calendar year.

§ 14 Semi-annual report and annual report, and amendment of fund rules

The management company is to prepare an annual report and a semi-annual report. The reports are to be sent to unitholders free of charge upon request and be made available at the offices of the management company

and the depositary within four months of the end of the financial year (annual report) and two months of the end of the six months period (semi-annual report) respectively.

The fund rules may be amended only by decision of the management company's board, and the decision must be submitted to the Swedish Financial Supervisory Authority for approval. Once the decision has been approved, it must be made available at the offices of the management company and the depositary and be published by such other means as the Swedish Financial Supervisory Authority instructs.

§ 15 Pledging of units

Unitholders may pledge their units in the fund provided that the unitholder is not an insurance company that has invested insurance premiums on behalf of policyholders pursuant to the Swedish Insurance Business Act (2010:2043) or a pension institution that has invested pension savings on behalf of pension savers pursuant to the Swedish Individual Pension Savings Act (1993:931).

In the event of pledging, the unitholder or his representative and/or the pledgee are to notify the management company of this in writing. The notification should state:

- who the unitholder is,
- who the pledgee is,
- which units are involved in the pledge, and
- any restrictions on the scope of the pledge.

The management company is to register the pledge in the register of unitholders and inform the unitholder in writing that the pledge has been registered. The pledge ceases to apply once the pledgee has informed the management company of this in writing. The management company is entitled to charge the unitholder a registration fee. This fee must not exceed SEK 500.

§ 16 Limitation of liability

§ 16.1 Limitation of the management company's liability

Without deviating from the provisions of Chapter 2, §21 of the Swedish Investment Funds Act, the following applies regarding the management company's liabilities:

The management company is not liable for damages due to Swedish or foreign legal statutes, measures taken by Swedish or foreign authorities, event of war, strike, blockade, boycott, lockout, interruptions in data communications or other similar circumstances. The reservation concerning strike, blockade, boycott and lockout applies even if the management company is subject to or itself undertakes such a conflict.

Losses incurred in other cases shall not be compensated for by the management company if normal caution has been observed. The management company is in no case liable for indirect or consequential damages.

The management company is not liable for damages caused by the depositary. Nor shall the management company be liable for damages caused by unitholders or others that violate the law, ordinances, regulation or these fund rules. In this regard, unitholders are informed that they are responsible for documents submitted to the management company are correct and duly signed and that the management company is informed of changes in the information provided.

The management company is not liable for damages caused by - Swedish or foreign - stock exchanges or other marketplaces, depositary bank, central securities depository, clearing, or others providing similar

services, including a contractor hired with due care by the management company or depositary. The same applies to damages caused by the insolvency of the above-mentioned organizations or contractors. The management company also is not liable for any damages arising from disposal restrictions that may be applied to the management company or depositary in respect of financial instruments.

In the event the management company is prevented from taking measures, fully or in part, due to circumstances mentioned above, the measures may be postponed until the obstacle has ceased. If, as result of such circumstances, the management company is prevented from executing or receiving payment, the management company or unitholder shall not be liable to pay interest on late payment. Corresponding exemption from the obligation to pay interest on late payment applies even if the management company temporarily defers the date of purchase or redemption of fund units pursuant to §10.

§ 16.2 Limitation of the depositary's liability

Without deviating from the provisions of Chapter 3 14–16 §§ of the Swedish Investment Funds Act, the following applies regarding the depositary's liabilities:

In the event that the depositary has lost financial instruments deposited with the depositary, the depositary shall without undue delay return financial instruments of the same kind or issue an amount of equivalent value to the management company on behalf of the fund. However, the depositary is not liable for the loss of financial instruments caused by an external event outside the depositary's reasonable control, and whose consequences were impossible to avoid even though all reasonable efforts have been made, such as damage caused by Swedish or foreign legal statutes, measures taken by Swedish or foreign authorities, event of war, strike, blockade, boycott, lockout, interruptions in data communications or other similar circumstances. The reservation concerning strike, blockade, boycott and lockout applies even if the depositary is subject to or itself undertakes such a conflict.

The depositary is not liable for any damages other than the damages referred to in the first paragraph, unless the depositary intentionally or negligently caused such other damage. The depositary is not responsible for such other damages if the circumstances mentioned in the first paragraph are present.

The depositary shall not be liable for damages caused by a - Swedish or foreign – stock exchange or other marketplace, registrar, clearing organization or other provider of equivalent services, nor for - other than those mentioned in the first paragraph - damages caused by the depositary or other contractors with whom the depositary with due skill, care and diligence hired and regularly supervised or that is designated by the management company. The depositary is not responsible for damages caused by the insolvency of the said organizations or contractors. However, a contract for the custody of assets and ownership controls does not limit the depositary of its liabilities for losses and other damages under the Swedish Investment Funds Act.

The depositary is not liable for damages arising from the management company, unitholders of the fund, the fund or others in the event of disposal restrictions which may apply to the depositary regarding financial instruments. The depositary is in no case responsible for indirect damages. If the depositary is prevented, fully or in part, from execution of this agreement due to circumstances referred to in the first paragraph, the action may be postponed until the obstacle has ceased. In case of deferred payment, the depositary shall not pay interest on late payment. If interest is paid, the depositary shall pay interest at the interest rate applicable on the due date. If, as result of the circumstance referred to in the first paragraph, the depositary is prevented from receiving payment for the fund, the depositary has the right to interest payments for the period during which the issue hindered payment only under the terms of the due date.

§ 17 Permitted investors

The fact that the fund is aimed at the general public does not mean that it is aimed at the kind of investor whose selling of units in the fund or participation in general is contrary to the provisions in Swedish or foreign legislation or regulations. Nor is the fund aimed at the kind of investor whose selling or holding of units in the fund means that the fund or the management company will be obliged to take registration measures or other measures that the fund or management company would not otherwise be obliged to take. The management company is entitled to refuse to sell to the kind of investor referred to above in this paragraph.

The company may redeem the unitholder's units in the fund – despite opposition from the unitholder – if it turns out to be the case that a unitholder has subscribed to units in the fund contrary to Swedish or foreign legislation or regulations or, as a result of the unitholder's selling or holding of units in the fund, the management company becomes obliged to take registration measures or other measures that the fund or management company would not otherwise be obliged to take if the unitholder did not hold units in the fund.

Redemptions in accordance with the previous paragraph are to be executed immediately. The stipulations in § 9 above regarding payment will also apply in the case of redemptions in accordance with this § 17.

The fund rules were adopted by the Board of the Management Company 21 May 2018.