SEF
société anonyme - société d'investissement à capital variable
65, Boulevard Grande-Duchesse Charlotte
L-1331 Luxembourg
Grand Duchy of Luxembourg
RCS Luxembourg B 168.502
(the "**Fund**")

Notice to the shareholders

of

Compartment	ISIN
SEF – NCAM Balanserad A	LU0909031360
SEF – NCAM Balanserad I	LU0909031527

(the "**Compartment**")

The board of directors of the Fund (the "**Board**") hereby informs the shareholders of the above-mentioned Compartment (the "**Shareholders**") of the following changes:

1. The Board has decided to change the "Investment Objective" of the Compartment which currently provides as follows:

   "*The Compartment seeks to maximize capital appreciation by* taking into account the *Compartment*'s risk level *primarily through investment in other investment funds such as eligible index funds, ETFs, equity funds and fixed income funds.*"

   To read as follows:

   "*The Compartment seeks to maximize capital appreciation by taking into account the Compartment's risk level primarily through investments in Nordic equities, eligible UCIs, money market instruments as well as in European sovereign and corporate bonds.*"

2. The Board has decided to change the "Principal Investment Strategy" of the Compartment which currently provides as follows:

   "*In order to achieve its investment objective, the Compartment will invest in eligible index funds and ETFs.*

   The Compartment may also invest in shares of global and Swedish equities. In addition, the Compartment may invest in other equity funds, balanced funds, fixed income funds, as well as eligible hedge funds. The Compartment may also invest in deposits with credit institutions and in sovereign and corporate bonds.

   There are no restrictions on the duration of the Compartment's bond holdings. The Compartment is able to invest in debt securities with a lower credit rating than BBB- (investment grade) by Standard & Poor's scale, as well as in securities without official credit ratings.

The Compartment aims, under normal market conditions, to have 50% exposure to the global equity market and 50% exposure to the global fixed income market. However, the percentage invested in any of the above types may vary depending on market factors; exposure to the equity market may temporarily represent from 30% to 70% of the total assets of the Compartment and the Compartment may invest from 30% to 70% of its assets in fixed income instruments or funds."

To read as follows:

"*In order to achieve its investment objective, the Compartment will invest primarily in Nordic equities, European sovereign, convertible and corporate bonds as well as in money market instruments.*

The investment process for the selection of the assets relies on the use of quantitative, qualitative corporate fundamental analysis and broker research reports. The investment process for the allocation between asset classes relies on a top down fundamental analysis.

The objective will be achieved both via direct investments in equities and fixed income instruments, as well as via investments in UCITS, UCITS ETFs and other eligible UCIs.

There are no restrictions on the duration of the Compartment's bond holdings. The Compartment is able to invest in debt securities with a lower credit rating than BBB- (investment grade) by Standard & Poor's scale, as well as in securities without official credit ratings.

The Compartment aims, under normal market conditions, to have 50% exposure to the equity market and 50% exposure to the fixed income market. However, the percentage invested in any of the above asset classes may vary depending on market factors; exposure to the equity market may temporarily represent from 30% to 70% of the total assets of the Compartment and the Compartment may invest from 30% to 70% of its assets in fixed income instruments or funds.

Financial derivative instruments may be used for hedging purposes or as an integral part of the investment strategy. These financial derivative instruments may include exchange traded derivatives, such as options, futures and warrants, as well as OTC financial derivative instruments, such as, total return swaps and contracts-for-difference (CFDs). Such financial derivative instruments may have equities, bonds, money market instruments, interest rates, equity and fixed income indices, exchange rates and eligible UCIs as underlying assets."

3. The Board has decided to change the approach for measuring the global risk exposure of the Compartment from the commitment approach to the absolute Value-at-Risk (VaR) approach.

4. The Board has decided to allow the Compartment to use leverage up to 100% of its total net assets and therefore to include a new section "Expected Level of Leverage" which provides as follows:

   "***Expected Level of Leverage***
   Between 0% and 100% of the total net assets of the Compartment."

5. The Board has decided to delete the reference to "Investment in Emerging Markets" in the principal risks of investing in the Compartment and to include a reference to "Financial derivatives instruments".

6. The Board has decided to include a section named "Total Return Swaps" which provides as follows:

   "***Total Return Swaps***
   Total return swaps may be used in respect to the following underlying asset classes: equities and bonds. The principal amount of the Compartment's assets that can be subject to total return swaps may represent up to a maximum of 80% of the net asset value of the Compartment calculated by way of the sum of the notionals of the total return swaps. It is generally expected that the amount of such total return swap will remain within the range of 0% to 70% of the net asset value of the Compartment calculated by way of the sum of the notionals of the total return swaps. In certain circumstances this proportion may be higher.
   The sum of the notionals takes into account the absolute value of the notional exposure of the total return swaps used by the Compartment. The expected amount of such total return swaps is an indicator of the intensity of the use of total return swaps within the Compartment. However, it is not necessarily an indicator of the investment risks in relation to these instruments, as it does not take into account any netting or hedging effects."

The above-mentioned changes will be effective as of 5 August 2019.

Existing shareholders who do not consent to such changes in relation to the Compartment are entitled to request the redemption of their shares in accordance with the redemption policy and procedure, free of charge, as detailed in the prospectus of the Fund for the date of this notice for a period of one month.

Luxembourg, 3 July 2019

The board of directors of SEF