

**DNB Fund**  
common fund (*fonds commun de placement*)  
5, allée Scheffer  
L-2520 Luxembourg  
R.C.S Luxembourg: K 1124  
(the “Fund”)

managed by

**DNB Asset Management S.A.**  
5, allée Scheffer  
L-2520 Luxembourg  
R.C.S. Luxembourg: B 34518  
(the “Management Company”)

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## NOTICE TO UNITHOLDERS

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Luxembourg, Monday, 24 July 2017

Dear unitholder,

With separate letter on or around the date of this notice you have received the convening notice as regards the general meeting of unitholders of the Fund to be held on 2<sup>nd</sup> of October 2017 at 2:30 PM, at CACEIS Bank, Luxembourg Branch at 5, allée Scheffer, L-2520 Luxembourg, Grand Duchy of Luxembourg, in order to amend the Fund’s legal structure, more precisely its conversion from a common fund (“*fonds commun de placement*”) into an investment company with variable capital (“*société d’investissement à capital variable*”) qualifying as a public limited company (“*société anonyme*”) (the “**Conversion**”).

An amended prospectus of the Fund (the “**Prospectus**”) will be issued in connection with the Conversion. In addition, the board of directors of the Management Company (the “**Board of Directors**”) has decided to make further amendments in the Prospectus as described below. Such amendments shall be effective as of 2<sup>nd</sup> of October 2017 provided that the abovementioned general meeting successfully adopts the resolutions with a majority of two thirds of the votes of the unitholders present or represented and regardless of the portion of the capital represented (hereinafter the “**Effective Date**”).

### **I. Repurchase and Reverse Repurchase Transactions.**

With effect as of the Effective Date, the Fund is no longer allowed to enter into repurchase and reverse repurchase agreements.

### **II. Clarifications as regards the Fund’s Collateral Policy**

Concerning the collateral received by the Fund in the context of securities lending transactions and OTC financial derivative instruments, the Board of Directors decided to clarify in the Prospectus that the issuer of debt obligations accepted as collateral must have a minimum rating of AA- and that no restriction applies as regards the maturity of collateral in the form of bonds.

### **III. Cut-off times**

Further, the Board of Directors has decided to amend the cut-off times (i.e. the deadline by which orders for subscriptions, redemptions or conversions of units must be received by the Administration Agent at the latest). With effect as of the Effective Date, orders must be received by CACEIS Bank, Luxembourg Branch as follows:

- i. at 13.00 h on the respective Valuation Day for the following Sub-Funds:
  - a. DNB Fund – Scandinavia (to be renamed in DNB Fund – Nordic Equities; please see item VI. below);



- b. DNB Fund - Global SRI (to be renamed in DNB Fund – Global ESG; please see item V. below);
  - c. DNB Fund - Private Equity;
  - d. DNB Fund - Renewable Energy;
  - e. DNB Fund – Technology;
  - f. DNB Fund - ECO Absolute Return;
  - g. DNB Fund - TMT Absolute Return; and
  - h. DNB Fund – Health Care.
- ii. at 23.59 h on the Business Day preceding the relevant Valuation Day for the following Sub-Funds:
- a. DNB Fund - Asian Small Cap;
  - b. DNB Fund - Global Emerging Markets SRI (to be renamed in DNB Fund – Global Emerging Markets ESG; please see item IV. below); and
  - c. DNB Fund – India.

#### **IV. Amendments concerning sub-fund DNB Fund – Global Emerging Markets SRI**

Concerning Sub-Fund DNB Fund – Global Emerging Markets SRI (for the purpose of this item IV. the “Sub-Fund”) the following amendments are intended to be made:

##### 1) Renaming

The Board of Directors has decided to rename the Sub-Fund from “DNB Fund – Global Emerging Markets SRI” into “DNB Fund – Global Emerging ESG” as a result of the revision of its investment policy described below.

##### 2) Change in the investment policy

The following table highlights the differences between the investment policy of the Sub-Fund applicable as of today and the new investment policy applicable as of the Effective Date:

Current Investment Policy	Investment Policy as of the Effective Date
Emphasis is placed on socially responsible investments (SRI) in the stock markets of any or all Emerging Countries in Latin-America, Asia, Eastern-Europe, Africa and the Near-East. Investments in the above mentioned stock markets may also be done indirectly through depository receipts, listed on any stock exchange or Regulated Market.	Emphasis is placed on sustainability (environmental, social and governance - ESG) and greenhouse gas emissions in the stock markets of any or all Emerging Countries in Latin-America, Asia, Eastern-Europe, Africa and the Near-East.  The Sub-Fund will invest in equities at least 51% of the net assets of the Sub-Fund.

##### 3) Reduction of the Management Fee

Further, the management fee payable for the different Classes of the Sub-Fund will be reduced by 0,25 % each, i.e. from 1,75% p.a. of the net asset value of the respective Class to 1,50% p.a..

#### **V. Amendments concerning sub-fund DNB Fund – Global SRI**

Concerning sub-fund DNB Fund – Global SRI (for the purpose of this item V. the “Sub-Fund”) the following amendments are intended to be made:

##### 1) Renaming

The Board of Directors has decided to rename the Sub-Fund from “DNB Fund – Global SRI” into “DNB Fund – Global ESG” as a result of the revision of its investment policy described below.

##### 2) Change in the investment policy

The following table highlights the differences between the investment policy of the Sub-Fund applicable as of today and the new investment policy applicable as of the Effective Date:





Current Investment Policy	Investment Policy as of the Effective Date
<p>Emphasis is placed on socially responsible investments (SRI) in equities without being restricted to a specific geographical area or industrial sector. The portfolio of this Sub-Fund comprises of equities of any part of the world.</p> <p>The Sub-Fund's benchmark index is MSCI AC World Index Net.</p>	<p>Emphasis is placed on sustainability (environmental, social and governance - ESG) in the stock markets of any or all developed countries.</p> <p>The Sub-Fund will invest in equities at least 51% of the net assets of the Sub-Fund.</p> <p>The Sub-Fund's benchmark index is MSCI AC World Index Net.</p>

### 3) Increase of the Management Fee payable for Class retail A

Further, the management fee payable for the Class retail A of the Sub-Fund will be increased by 0,15 % to 1.40% p.a. of the net asset value of such Class.

## **V. DNB Fund - Scandinavia**

### 1) Renaming

Given that sub-fund DNB Fund – Scandinavia is also investing in Finland, the Board of Directors decided to rename such sub-fund with effect as of the Effective Date from “DNB Fund – Scandinavia” to “DNB Fund – Nordic Equities”.

Such name change does not have any impact on the investment policy actually pursued by and the investment allocation of sub-fund DNB Fund – Scandinavia.

### 2) Increase of the Management Fee payable for Class retail A

With effect as of the Effective Date, the Board of Directors has decided to increase the management fee payable for Shares of Class retail A from 1.25% to 1.40% p.a. of the net asset value of such Class.

## **VI. Introduction of additional wording in the investment policy**

With effect as of the Effective Date, the Board of Directors has decided to clarify in the descriptions of the investments policies of all sub-funds of the Fund that the respective sub-fund will invest at least 51% of its net assets in equities.

It is underlined that such new wording does not have any impact on the current investment allocation of the sub-funds.

## **VII. Performance fee applicable to Equity sub-funds**

The Board of Directors has decided to change with effect as of the Effective Date the calculation method for the performance fee applicable to some of the equity sub-funds of the Fund (i.e. DNB Fund – India, DNB Fund – Renewable Energy and DNB Fund – Technology).

The following table highlights the differences between the calculation of the performance fee applicable as of today and the new investment policy applicable as of the Effective Date:

Current performance fee calculation method	Performance fee calculation method as of the Effective Date
The Sub-Fund performance will be determined on the basis of the change in NAV per Unit (before any performance fees accruals and before computation and subsequent subtraction of the management fees)	When calculating the eventual performance fee, the respective Sub-Fund's performance will be determined on the basis of the change in net asset value per Share, after the deduction of the fixed management fee.

## **VIII. Costs in relation to the conversion**

The costs and expenses arising in the context of the conversion will be borne by the Management Company.



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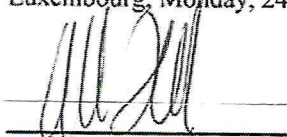
The conversion of the Fund may create tax consequences for the unitholders concerned. Therefore, unitholders are advised to consult their professional advisers about the consequences of the conversion of the Fund on their individual tax position.

Affected unitholders disagreeing with any of the changes listed above may redeem their units of the respective sub-fund of the Fund free of any charge from the date of this notice and until 29<sup>th</sup> of September 2017.

Any terms written with capital terms but not defined herein shall have the meaning given to them in the Prospectus.

All changes which will have been implemented on the Effective Date shall be reflected in an updated Prospectus which will be made available to unitholders at the registered office of the Fund.

Luxembourg, Monday, 24 July 2017



On behalf of the Board of Directors



Olivier HUMBLET  
Operations

Arne-Christian HAUKELAND  
Managing Director

