

## Flexibel Ränta – Changes to fund rules and sustainability adaptation

We will be changing the fund rules for Handelsbanken Flexibel Ränta on 1 March 2020. You are receiving this letter since this information will affect you as a unit holder.

### Sustainability adaptation

Sustainability is an area that is steadily evolving. As a result, we work continuously to evaluate and adapt our sustainability criteria in fund management. The sustainability requirements of the fund are stated in the new fund rules.

International norms and guidelines for the environment, social responsibility and corporate governance are taken into consideration within the scope of the fund's investment focus. We exclude companies and funds with holdings within the alcohol, tobacco, cannabis, commercial gambling, weapons and war materials and pornography sectors, as well as fossil fuels. However, investments may occur in operations transitioning from fossil fuels to more renewable energy. We also exclude companies that violate international norms and conventions with regard to the environment, human rights and work conditions.

Fund investments in index derivatives and other index products will place emphasis on sustainability-oriented instruments. In the absence of such instruments, the fund can invest in other index derivatives and index products. As a result, there may be companies included that are not within the scope of the exclusion criteria described above.

### Closure of B10 SEK share class

A fund can have several different share classes. The conditions differ between the share classes; such as in the type of currency, distribution or non-distribution, management fee, minimum initial subscription amount and/or specific conditions for distribution. The conditions are described in detail in the fund rules, as well as in the Management Company's information brochure, which are available at [handelsbanken.se/funds](http://handelsbanken.se/funds).

We will be closing the B10 SEK share class due to low demand. If you have invested in this share class, your holdings will be reallocated to the share class that fulfils the conditions.

### What is the impact of the change?

For those who have invested in the distribution share class B10, your holdings will be reallocated to the accumulation share class A10, i.e., a non-distribution share class. If your preference is to continue with a distribution share class, you may, in consultation with the distributor<sup>1</sup>, choose to have your holdings allocated to the distribution share class B1.

Unit holders who reallocate their holdings to the A10 share class will receive an accumulation share class with a management fee that remains unchanged from the previous share class. Those unit holders who prefer to continue with distribution and reallocate to the B1 share class will have a higher management fee. Refer to the table below.

Share class closure	Current management fee (B10)	Management fee (A10)	Management fee (B1)
Handelsbanken Flexibel Ränta (B10 SEK)	0.20%	0.20%	0.60%

<sup>1</sup> Distributor refers to the party, such as a bank or an investment firm, through which you purchased the fund units.

**Additional information**

If you do not wish to take part in the change, you have the right to sell your units at no cost before the fund rules enter into force. Further information about the Management Company's sustainability work is available in the fund's information brochure. The new fund rules have been approved by the Swedish Financial Supervisory Authority and apply as of 1 March 2020. The fact sheet, information brochure and fund rules are available at [handelsbanken.se/funds](https://handelsbanken.se/funds).

Sincerely,

Handelsbanken Fonder