

Handelsbanken Russia Shares will be merged with Handelsbanken EMEA Tema

We regularly review our selection of mutual funds and have made the decision to merge Russia Shares with EMEA Tema¹. The purpose of the merger is to refine the fund offerings and will be implemented on December 8, 2018.

How does the merger impact me – do I need to take any action?

Your holdings will be automatically moved to the acquiring fund on the day of the merger. Your investment exposure to the Russian market will be reduced and you will obtain a fund with a greater geographic breadth, a lower risk level² and lower management fee³.

- The Acquiring Fund is not set-up as a SICAV structure and can be compared to a Luxembourg FCP structure represented by a Swedish Management Company, in this case Handelsbanken Fonder AB. This will entail the loss of shareholder voting rights after the merger.
- Handelsbanken Funds will be dissolved, without liquidation, if approved by the EGM. A convening notice and a proxy for the EGM will be sent to you separately by registered mail.
- You do not need to take any action as a result of the merger – your holdings will be automatically transferred to EMEA Tema on the day of the merger.
- The last day for trading is November 30, 2018 (no later than the cut-off time of 16.00). The transferred holdings will be available again for trading on December 10, 2018.
- If you do not want to participate in the merger, you have the right to sell your units – as always, free of charge – during the 30 days prior to the last day of trading in the merging sub-fund⁴.
- The merger does not result in any tax implications for unit holders with tax residency in Sweden.

Handelsbanken EMEA Tema

The fund invests in Eastern Europe, the Middle East and Africa. The investment focus is described in greater detail in the fund's fact sheet, refer to the Appendix. Information regarding the current country allocation in the fund's investments will be available at handelsbanken.se/funds at the time of the merger.

EMEA Tema has specific sustainability criteria for its investments, as in our other Criteria funds. A description of how we apply sustainability criteria is available in the fund's Sustainability Profile at handelsbanken.se/funds (refer to the *Funds* section).

Additional information

The fact sheet for Handelsbanken EMEA Tema is attached to this letter. Detailed information about the merger is available in the pages that follow in the Appendix, *Details of the Merger*. The information brochure and fund rules are available at: www.handelsbanken.lu/funds at the time of the merger.

Please contact your Handelsbanken branch office or call Handelsbanken Direkt at 0771-77 88 99 for personal service 24 hours a day if you have any questions about your investments.

Sincerely

Handelsbanken

¹ The legal names of the funds are Handelsbanken Funds Russia Shares and Handelsbanken EMEA Tema.

² EMEA Tema has a risk level of 6/7 (as of 10 15, 2018)

³ The Russia Shares has a management fee of 2.4%, while EMEA Tema has a management fee of 1.6 %. In addition, your holdings will no longer be subject to the local taxes that otherwise impact funds in Luxembourg.

⁴ A sale can result in capital gains tax.