

## Performance Commentary

The global equity market remained strong in February and SKAGEN Global outperformed its benchmark index. The fund's top-3 absolute performers were Beazley, Hiscox and Microsoft. After recently meeting with the management teams of Beazley and Hiscox, we continue to consider them significantly undervalued for investors with a long-term horizon. The fund's bottom-3 absolute performers were Deutsche Wohnen, Samsung Electronics and Nissan Chemical.

In February, we entered a new position in Edwards Lifesciences, a leading medical technology company focusing on cardiovascular diseases. This clear focus combined with a successful track record of pioneering break-through technologies seems undervalued by the market. We also built a new position in Abbott Laboratories, another health care company where our proprietary analysis points to an underappreciated opportunity for organic growth with incremental margin improvement and judicious capital allocation. Note that both new holdings reflect SKAGEN Global's long-term partnership mentality where we seek to invest in undervalued franchises that are managed for long-term success, not for the next quarterly result. Indeed, the CEOs of both companies have tenures exceeding 15 years.

We took profit and exited our position in the Japanese conglomerate Sony, which has performed well during its three-year presence in the fund.

## Historical performance (net of fees)

Period	SKAGEN Global A	Benchmark index
Last month	6.4%	5.2%
Year to date	14.7%	15.3%
Last year	11.4%	9.3%
Last 3 years	14.1%	15.4%
Last 5 years	10.7%	14.3%
Last 10 years	12.4%	12.7%
Since start	14.5%	5.7%

The fund selects undervalued companies from around the world, including emerging markets, with attractive risk-reward for long-term investors.

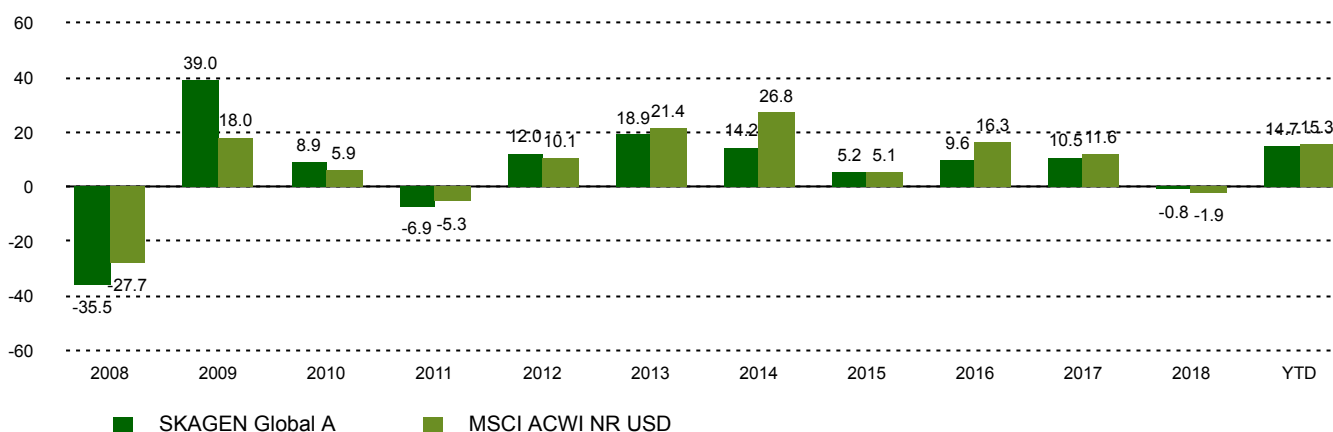
The objective is to provide the best possible risk adjusted return.

The fund is suitable for those with at least a five year investment horizon.

## Fund Facts

Type	Equity
Domicile	Norway
Launch date	07.08.1997
Morningstar category	Global Large-Cap Blend Equity
ISIN	NO0008004009
NAV	1921.54 SEK
Fixed management fee	1.00%
Total expense ratio (2018)	1.07%
Benchmark index	MSCI ACWI NR USD
AUM (mill.)	26084.81 SEK
Number of holdings	38
Portfolio manager	Knut Gezelius

## Performance last ten years



The benchmark index prior to 1/1/2010 was the MSCI World Index.

## Contributors in the month



### Largest contributors

Holding	Weight (%)	Contribution (%)
Beazley PLC	4.84	0.70
Hiscox Ltd	4.58	0.64
Microsoft Corp	4.42	0.43
Marsh & McLennan Cos Inc	3.87	0.36
Moody's Corp	2.38	0.30



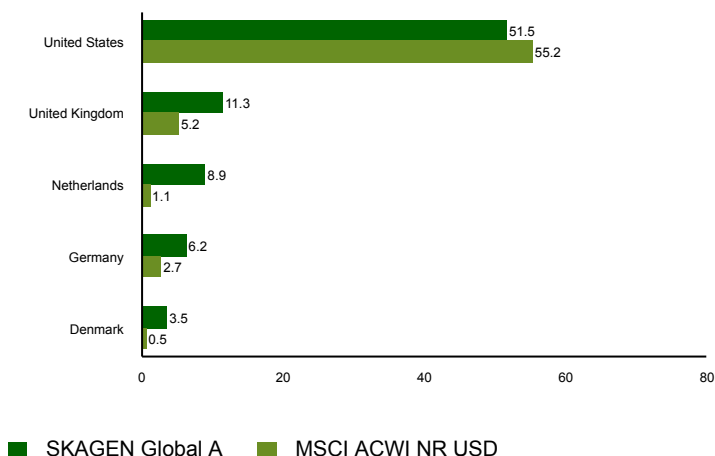
### Largest detractors

Holding	Weight (%)	Contribution (%)
Deutsche Wohnen SE	2.85	-0.15
Samsung Electronics Co Ltd	3.35	-0.12
Nissan Chemical Corp	1.26	-0.05
Edwards Lifesciences Corp	0.47	-0.03
Sony Corp	0.71	-0.02

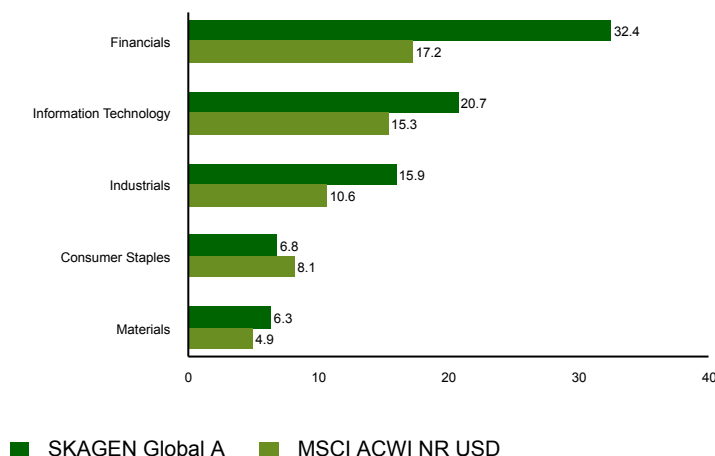
## Top ten investments

Holding	Sector	Country	%
Intercontinental Exchange Inc	Financials	United States	5.4
Beazley PLC	Financials	United Kingdom	5.1
Hiscox	Financials	United Kingdom	4.8
Unilever CVA	Consumer Staples	Netherlands	4.6
Microsoft	Information Technology	United States	4.6
Marsh & McLennan	Financials	United States	3.9
Relx Plc	Industrials	United Kingdom	3.5
DSV	Industrials	Denmark	3.5
UPM-Kymmene OYJ	Materials	Finland	3.4
Samsung Electronics	Information Technology	Korea, Republic Of	3.2
Combined weight of top 10 holdings			41.9

## Country exposure (top five)



## Sector exposure (top five)



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## Important information

Unless otherwise stated, performance data relates to class A units and is net of fees. AUM data as of the end of the previous month. Except otherwise stated, the source of all information is SKAGEN AS. Historical returns are no guarantee for future returns. Future returns will depend, inter alia, on market developments, the fund manager's skills, the fund's risk profile and subscription and management fees. The return may become negative as a result of negative price developments. You can download more information including subscription/redemption forms, full prospectus, Key Investor Information Documents (KIID), General Commercial Terms, Annual Reports and Monthly Reports from our local websites or our local representatives. Statements reflect the portfolio managers' viewpoint at a given time, and this viewpoint may be changed without notice. This report should not be perceived as an offer or recommendation to buy or sell financial instruments. SKAGEN AS does not assume responsibility for direct or indirect loss or expenses incurred through use or understanding of this report. Employees of SKAGEN AS may be owners of securities issued by companies that are either referred to in this report or are part of a fund's portfolio.