

Performance Commentary

August was yet another positive month for global real estate and SKAGEN m2. News headlines were dominated by concerns about whether the covid vaccine will provide sufficient protection against the delta variant, which led to uncertainty among certain Covid-sensitive segments. Logistics and self-storage continued to be the best performing sectors. The Chairman of the Federal Reserve, Jerome Powell, indicated that they would start tapering assets purchases later this year, but timing depends on economic development. The fund's best performer in August was the US data centre operator Switch. After the company announced that they are considering a REIT conversion, it also became public that the private equity firm Elliott is an active shareholder. Norwegian self-storage operator SSG delivered a solid report and raised equity to fund continued growth. The fund's largest detractor was the pan Asian logistics operator ESR after they announced the acquisition of competitor ARA, which raised questions about the company's future strategy among investors. SKAGEN m2 continues to focus on investing in resilient companies in trend-driven subsegments, or companies that we consider mispriced and which will be boosted by economic recovery or that are well positioned for higher inflation.

The fund gives access to a normally inaccessible global real estate market. The fund selects low-priced, high-quality real estate companies from around the world. 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.

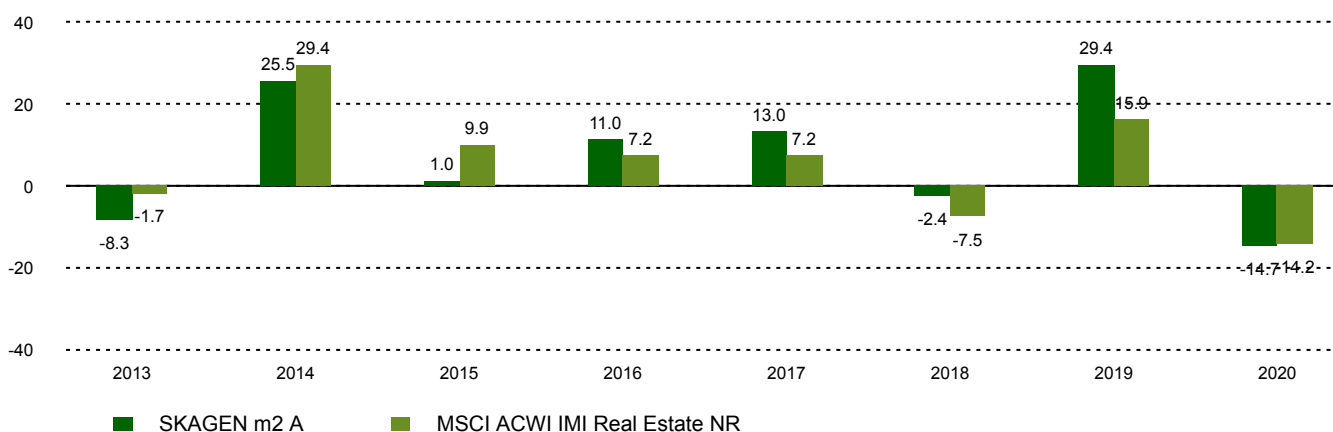
Historical performance (net of fees)

Period	SKAGEN m2 A	Benchmark index
Last month	3.0%	2.4%
Year to date	23.4%	23.3%
Last year	31.1%	29.5%
Last 3 years	8.7%	4.7%
Last 5 years	8.6%	3.8%
Last 10 years	n/a	n/a
Since start	8.1%	7.4%

Fund Facts

Type	Equity
Domicile	Norway
Launch date	31.10.2012
Morningstar category	Property - Indirect Global
ISIN	NO0010657356
NAV	26.81 EUR
Fixed management fee	1.50%
Total expense ratio (2020)	1.37%
Benchmark index	MSCI ACWI IMI Real Estate NR
AUM (mill.)	184.74 EUR
Number of holdings	36
Portfolio manager	Michael Gobitschek

Performance last ten years



In the period from 11 July 2017 to 30 September 2019, the benchmark was the MSCI ACWI Real Estate IMI ex REITS

Contributors in the month



Largest contributors

Holding	Weight (%)	Contribution (%)
Switch Inc	3.24	0.54
CTP NV	3.68	0.47
Self Storage Group ASA	5.08	0.41
Shurgard Self Storage SA	4.09	0.38
Catena AB	4.93	0.29



Largest detractors

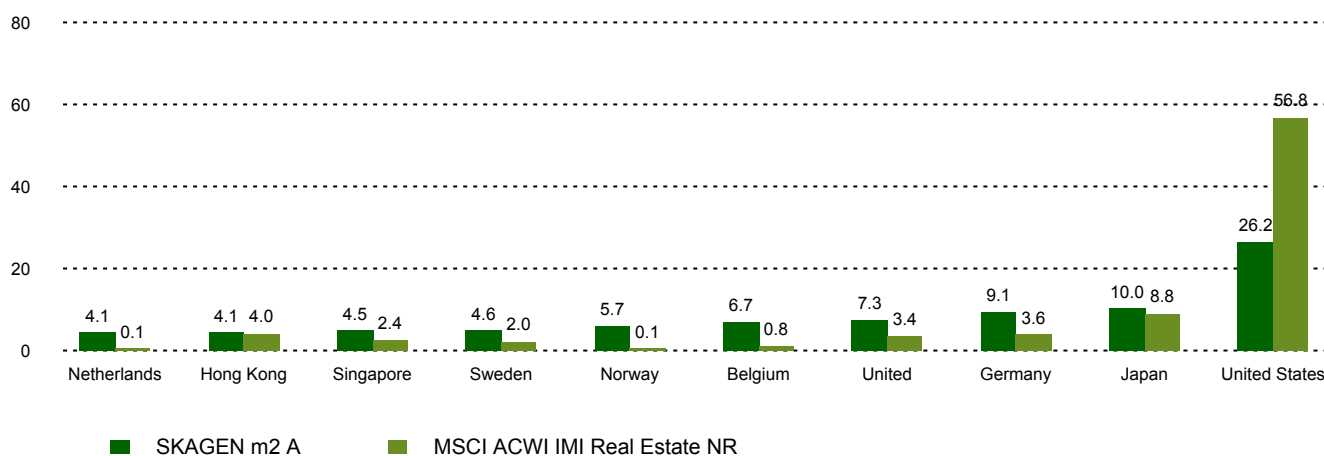
Holding	Weight (%)	Contribution (%)
ESR Cayman Ltd	2.42	-0.39
Americold Realty Trust	3.51	-0.25
Allied Properties Real Estate	3.00	-0.24
Paramount Group Inc	2.03	-0.22
CK Asset Holdings Ltd	2.19	-0.13

Absolute contribution based on NOK returns at fund level

Top ten investments

Holding	Sector	Country	%
Self Storage Group ASA	Industrials	Norway	5.7
Catena AB	Real Estate	Sweden	4.6
Shurgard Self Storage SA	Real Estate	Belgium	4.2
Prologis Inc	Real Estate	United States	4.2
UMH Properties Inc	Real Estate	United States	4.1
CTP BV	Real Estate	Netherlands	4.1
Grainger PLC	Real Estate	United Kingdom	3.9
KOJAMO OYJ	Real Estate	Finland	3.8
LEG Immobilien SE	Real Estate	Germany	3.8
Switch Inc	Information Technology	United States	3.6
Combined weight of top 10 holdings			42.0

Country Exposure (top ten)



■ SKAGEN m2 A ■ MSCI ACWI IMI Real Estate NR

In the period from 11 July 2017 to 30 September 2019, the benchmark was the MSCI ACWI Real Estate IMI ex REITS

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Important information

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