

Key investor information

This document provides you with key investor information about this fund. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this fund. You are advised to read it so you can make an informed decision about whether to invest.

Xact Obligation (UCITS ETF)

ISIN: SE0007491287

Management Company: Xact Kapitalförvaltning AB

A subsidiary to Svenska Handelsbanken AB (publ)

Objectives and Investment Policy

The fund is an exchange-traded fund with the objective of following the performance of the SHB Sweden All Bond Tradable Index to offer the opportunity of maintaining a portfolio in a simple and cost-effective manner that emulates the performance of a basket of bonds which represent the Swedish market for covered mortgage bonds as well as bonds issued by states and municipalities with benchmark status. Additional information about the index, such as the composition of the index as well as the weighting method and rebalancing is available at www.handelsbanken.se/index.

The fund can invest in OTC derivatives (such as swaps and futures) to adhere as close as possible to the index.

The index will be replicated through synthetic replication. The method selected for replication implies that the fund is included in a total return swap that delivers the performance of the index. Additional information on what this implies for the management of the fund and its holdings is available in the information brochure. The method results in a counterparty risk.

The fund does not distribute dividends and all revenues are reinvested in the fund.

Normally, you may purchase and sell fund units on the stock market every banking day through the so-called secondary market. You can also redeem units directly in the fund through the so-called primary market.

Risk and Reward profile



The risk/return indicator illustrates the link between risk and potential returns from an investment in the fund. The indicator is based on the change in the fund's value over the past 5 years. Given that the fund does not have five years of historical performance, the risk indicator is estimated based on the SHB Sweden All Bond Tradable Index.

This fund belongs to category 3, which means there is a low risk for up- and downturns in the net asset value. Category 1 does not mean that the fund is risk-free.

The fund's risk indicator can change both upwards and downwards over time, as the indicator is based on historical data that does not guarantee future risk/returns.

The objective of the fund is to follow the performance of the SHB Sweden All Bond Tradable Index. The replicated index emulates the Swedish market for covered mortgage bonds as well as bonds issued by states and municipalities. As a result, the fund has a higher risk than a fund that distributes holdings across several regions and sectors.

The fund invests in derivatives based on the price performance of various covered bonds.

Duration in the SHB Sweden All Bond Tradable Index can vary across a large interval. As a result, the index can hold bonds with longer durations over time, which means that the fund's value growth is more sensitive to changes in interest rates relative to investments in fixed income securities with shorter durations.

The indicator reflects the most important risks in the fund, although it excludes the following:

Credit risk The risk that an issuer of fixed income securities is unable to pay the recurring interest or repay the loan on the maturity date. In these cases, the fund's value can be negatively affected.

Counterparty risk The risk for a loss in a fund that arises as a result of a counterparty in a transaction not fulfilling its obligations in accordance with the conditions of the transaction.

Additional information about the risks in the fund may be found in the information brochure available at www.handelsbanken.se/fonder and www.xact.se.

Charges for this fund

One-off charges that may be taken before or after you invest.

Entry charge	0.00%
Exit charge	0.00%

This is the maximum that might be taken out of your money before it is invested/before the proceeds of your investment are paid out.

Charges taken from the fund over a year.

Ongoing charges	0.10%
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Charges taken from the fund under certain specific conditions.

Performance fee	None
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Subscription and redemption fees do not impact investors selling fund units on the stock market, i.e., in the secondary market. Brokerage fees will be charged and such transactions are conducted in accordance with the spread in the existing bid- and ask prices. Information about the applicable brokerage fees for trading on the stock market are available at your broker.

A maximum fee of 0.04% of the net asset value, with a minimum fee of SEK 30,000 will be deducted for the subscription and redemption of units at the Management Company as remuneration for the costs incurred by the Management Company in conjunction with the subscription or redemption. A maximum fee of 2%, with a minimum fee of SEK 100, will be charged for the redemption of less than 50,000 units on the primary market.

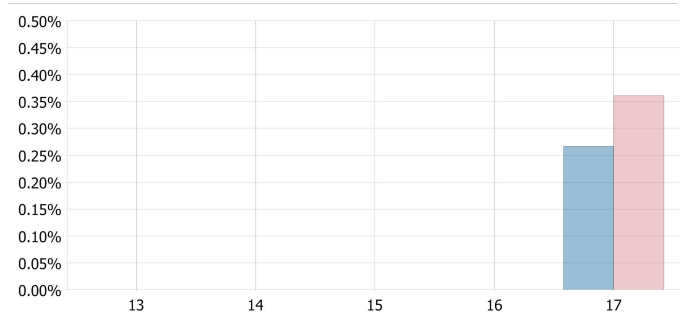
Ongoing charges include all of the expenses in the fund, including the fund management fee, but excluding transaction costs for securities transactions, interest expenses, transaction-related tax expenses and any performance-based fees. Ongoing charges is based on the fees from previous calendar year. Ongoing charges impact the share price and can vary from year to year.

Additional information about the fees may be found in the fund rules and the information brochure, which are available at www.handelsbanken.se/fonder and www.xact.se.

Further information about fees can be found in the information brochure and § 11 in the fund rules which are available at www.handelsbanken.se/funds.

Past performance

In percent including distribution



Fund performance is compared to the SHB Sweden All Bond Tradable Index.

The graph shows the performance (returns) of the fund in SEK. The fund's performance is calculated after deducting for ongoing charges. No consideration has been taken for taxes or inflation.

Results from previous year are not a guarantee of future returns.

The fund was launched 2016.

	2013	2014	2015	2016	2017
■ Fund	-	-	-	-	0.27%
■ Index	-	-	-	-	0.36%

Practical information

More information about Xact Obligation (UCITS ETF) is available in the prospectus, annual report and semi-annual report. These are provided without cost on our website.

Web:

<http://en.xact.se>

Custodian:

Skandinaviska Enskilda Banken AB (publ)

Share price:

The fund's net asset value: The NAV is calculated daily and is published on <http://en.xact.se>.

Tax: note that the tax regulation applicable in the fund's home member state may affect the personal tax situation of the investor.

Information about the Management Company's remuneration policy is available on the Management Company's homepage. A printed copy of the information may also be obtained free of charge upon request.

Xact Kapitalförvaltning AB may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the information brochure for the fund.

AUTHORIZATION: Xact Kapitalförvaltning AB and this fund is authorised in Sweden and regulated by Swedish Financial Supervisory Authority.

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